
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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 Share Offer contained herein.

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

MR. WONG JING SHONG



GET HOLDINGS LIMITED

智易控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 8100)

**COMPOSITE DOCUMENT
RELATING TO MANDATORY CONDITIONAL CASH OFFER
BY GET NICE SECURITIES LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL ISSUED SHARES OF
GET HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH HIM)**

Joint financial advisers to the Offeror



結好融資有限公司
GET NICE CAPITAL LIMITED



中國農信財務顧問有限公司
China AF Corporate Finance Limited

Financial adviser to the Company

VEDA | CAPITAL
智略資本

Independent Financial Adviser to the Independent Board Committee

HORAY 好盈

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 Get Nice Securities containing, among other things, the principal terms of the Share Offer is set out on pages 6 to 15 of this Composite Document. A letter from the Board is set out on pages 16 to 22 of this Composite Document. A letter from the Independent Board Committee containing its advice to the Independent Shareholders is set out on pages 23 to 24 of this Composite Document. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Share Offer is set out on pages 25 to 55 of this Composite Document.

The procedures for acceptance of the Share Offer and other related information are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Acceptances of the Share Offer should be received by the Registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:00 p.m. on 21, September 2018 or such later time and/or date as the Offeror may determine, and the Offeror and the Company may jointly announce, with the consent of the Executive, in accordance with the Takeovers Code.

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the details in this regard which are contained in the section headed "Important Notice" and the paragraph headed "8. Overseas Shareholders" of Appendix I to this Composite Document before taking any action. It is the responsibility of each Overseas Shareholder wishing to accept the Share Offer to satisfy himself, herself or itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents or any registration or filing which may be required and the compliance with other necessary formalities or legal requirements and payment of any transfer or other taxes due by such Overseas Shareholder in respect of such jurisdiction. Each Overseas Shareholder is advised to seek professional advice on deciding whether or not to accept the Share Offer.

This Composite Document will remain on the GEM website at <http://www.hkgem.com> and on the website of the Company at www.geth.com.hk as long as the Share Offer remains open.

CHARACTERISTICS OF GEM

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

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

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EXPECTED TIMETABLE

The 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.

| Event | 2018 |
|--|---|
| Despatch date of this Composite Document and the accompanying Form of Acceptance and commencement date of the Share Offer (<i>Note 1</i>) | Friday, 31 August |
| Latest time and date for acceptance of the Share Offer on the first Closing Date (<i>Notes 2, 6 and 7</i>) | by 4:00 p.m. on Friday, 21 September |
| First Closing Date (<i>Note 2, 6 and 7</i>) | Friday, 21 September |
| Announcement of the results of the Share Offer (or its extension or revision, if any) as at the first Closing Date, to be posted on the respective website of the Stock Exchange and the Company (<i>Notes 2, 6 and 7</i>) | by 7:00 p.m. on Friday, 21 September |
| Latest date for posting of remittances for the amount due in respect of valid acceptances received under the Share Offer on or before 4:00 p.m. on the first Closing Date assuming the Share Offer becomes or is declared unconditional on the first Closing Date (<i>Notes 3 and 6</i>) | Thursday, 4 October |
| Latest time and date for the Share Offer remaining open for acceptances assuming the Share Offer becomes or is declared unconditional on the first Closing Date (<i>Notes 4 and 6</i>) | by 4:00 p.m. on Friday, 5 October |
| Final Closing Date (assuming the Share Offer becomes or is declared unconditional on the first Closing Date) (<i>Notes 4 and 6</i>) | Friday, 5 October |
| Announcement of the results of the Share Offer as at the final Closing Date, to be posted on the respective website of the Stock Exchange and the Company | by 7:00 p.m. on Friday, 5 October |

EXPECTED TIMETABLE

Event**2018**

Latest date for posting of remittances for the amount due in respect of valid acceptances received under the Share Offer on or before 4:00 p.m. on the final Closing Date, being the latest date on which the Share Offer remains open for acceptances assuming the Share Offer becomes or is declared unconditional on the first Closing Date
(Notes 3 and 6) Tuesday, 16 October

Latest time and date by which the Share Offer can become or be declared unconditional as to acceptances (Note 5) by 7:00 p.m. on
Tuesday, 30 October

Notes:

1. The Share Offer is made on Friday, 31 August 2018, the date of this Composite Document, and are capable of acceptance on and from that date until the Closing Date.
2. In accordance with the Takeovers Code, the Share Offer must initially be open for acceptance for at least twenty one (21) days following the date on which this Composite Document was posted. The latest time for acceptance of the Share Offer is 4:00 p.m. on the first Closing Date unless the Offeror revises or extends the Share Offer in accordance with the Takeovers Code. The Offeror has the right under the Takeovers Code to extend the Share Offer until such date as he may determine in accordance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). An announcement will be jointly issued by the Company and the Offeror through the respective website of the Stock Exchange and the Company by 7:00 p.m. on the Closing Date stating the results of the Share Offer and whether the Share Offer has been revised or extended or has expired or has become or is declared unconditional. In the event that the Offeror decides to extend the Share Offer, the announcement will state the next closing date of the Share Offer or that the Share Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing will be given before the Share Offer is closed to those Independent Shareholders who have not accepted the Share Offer.

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 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. Subject to the Share Offer becoming unconditional, remittances in respect of the cash consideration for the Offer Shares (after deducting the seller's ad valorem stamp duty in respect of acceptances of the Share Offer) tendered under the Share Offer will be despatched to the accepting Shareholder(s) (to the address specified on the relevant Form of Acceptance) by ordinary post at his/her/its own risk as soon as possible, but in any event within seven (7) Business Days following the date of receipt by the Registrar of the duly completed and signed Form of Acceptance and all the relevant documents to render the acceptance under the Share Offer complete and valid, and the date on which the Share Offer becomes or is declared unconditional in all respects.
4. In accordance with the Takeovers Code, where the Share Offer becomes or is declared unconditional in all respects, the Share Offer should remain open for acceptance for not less than fourteen (14) days thereafter. In such case, at least fourteen (14) days' notice in writing must be given before the Share Offer is closed. The Offeror has the right, subject to the Takeovers Code, to extend the Share Offer until such date as they may jointly determine or as permitted by the Executive, in accordance with the Takeovers Code. The Offeror will issue an announcement in relation to any extension of the Share Offer, which will state the next closing date or, if the Share Offer has become or is at that time unconditional, that the Share Offer will remain open until further notice.

EXPECTED TIMETABLE

5. In accordance with the Takeovers Code, except with the consent of the Executive, the Share Offer may not become or be declared unconditional as to acceptances after 7:00 p.m. on the 60th day after the day of this Composite Document is posted. Where a period laid down by the Takeovers Code ends on a day which is not a Business Day, the period is extended until the next Business Day. Accordingly, unless the Share Offer has previously become unconditional as to acceptances, the Share Offer will lapse on Tuesday, 30 October 2018 unless extended by the Offeror with the consent of the Executive and in accordance with the Takeovers Code. Therefore, the last day by which the Share Offer can become or be declared unconditional in all respects is Tuesday, 30 October 2018.
6. The latest time and date for acceptance of the Share Offer and/or the latest date for posting of remittances for the amounts due under the Share Offer in respect of valid acceptances will not take effect if there is a tropical cyclone warning signal number 8 or above, or a “black rainstorm warning”, in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Share Offer and/or the latest date for posting of remittances for the amounts due under the Share Offer in respect of valid acceptances. Instead the latest time for acceptance of the Share Offer and/or the posting of remittances will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.
7. Acceptances of the Share Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances as set out in the paragraph headed “6. Right of withdrawal” in Appendix I to this Composite Document.

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

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

IMPORTANT NOTICES

NOTICE TO OVERSEAS SHAREHOLDERS

The making of the Share 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. Such Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek independent 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 Share Offer, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities or legal requirements and the payment of any issue, transfer or other fares from the accepting Shareholder(s) due in such jurisdiction. The Offeror and parties acting in concert with him, the Company, Get Nice Capital, Get Nice Securities, China AF, Veda Capital, Hooray Capital Limited, the Registrar, and their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Share Offer shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay. Please see the sub-paragraph headed “Taxation advice” under the paragraph headed “The Share Offer” in the “Letter from Get Nice Securities” in this Composite Document.

For further details, please refer to the section headed “8. Overseas Shareholders” in Appendix I to this Composite Document.

DEFINITIONS

In this Composite Document, the following expressions have the meanings set out below unless the context requires otherwise:

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| “acting in concert” | has the same meaning ascribed to it under the Takeovers Code |
| “associate(s)” | has the same meaning ascribed to it under the GEM Listing Rules |
| “Board” | the board of Directors |
| “Business Day(s)” | a day on which the Stock Exchange is open for transaction of business |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “China AF” | China AF Corporate Finance Limited, a corporation licensed under the SFO to carry on type 6 (advising on corporate finance) regulated activity, being one of the joint financial advisers to the Offeror |
| “Closing Date” | Friday, 21 September 2018, being the first closing date of the Share Offer or any subsequent closing date of the Share Offer as may be announced by the Offeror and the Company in accordance with the Takeovers Code and approved by the Executive |
| “Company” | GET Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued Shares of which are listed on GEM (stock code: 8100) |
| “Composite Document” | this composite offer and response document jointly issued by the Offeror and the Company to all Shareholders in accordance with the Takeovers Code in connection with the Share Offer |
| “connected person(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “controlling shareholder(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “Director(s)” | director(s) of the Company from time to time |

DEFINITIONS

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| “Encumbrances” | any mortgage, charge, pledge, lien (otherwise than arising by statute or operation of law), hypothecation or other encumbrance, priority or security interest or other third party right, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback or trust arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same |
| “Executive” | the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director, as defined in the Takeovers Code |
| “Form of Acceptance” | the form of acceptance and transfer of Shares in respect of the Share Offer accompanying this Composite Document |
| “GEM” | GEM operated by the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “Get Nice Capital” | Get Nice Capital Limited, a corporation licensed under the SFO to carry on type 6 (advising on corporate finance) regulated activity, being one of the joint financial advisers to the Offeror |
| “Get Nice Securities” | Get Nice Securities Limited, a corporation licensed under the SFO to carry on type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities |
| “Group” | the Company and its subsidiaries from time to time |
| “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 PRC |
| “Independent Board Committee” | the independent committee of the Board, comprising all independent non-executive Directors, formed to advise the Independent Shareholders in respect of the Share Offer |

DEFINITIONS

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| “Independent Financial Adviser” | Hooray Capital Limited, a corporation licensed under the SFO to carry on type 6 (advising on corporate finance) regulated activity, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the Share Offer |
| “Independent Shareholders” | Shareholders other than the Offeror and the parties acting in concert with him |
| “Joint Announcement” | the announcement dated 13 June 2018 jointly published by the Company and the Offeror in relation to, among other things, the Offers |
| “Last Trading Day” | 6 June 2018, being the last trading day before trading in the Shares was halted pending the publication of the Joint Announcement |
| “Latest Practicable Date” | 28 August 2018, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein |
| “Loan Facility” | a loan facility in the amount of HK\$132,500,000 granted by Get Nice Securities in favour of the Offeror under the Loan Facility Agreement |
| “Loan Facility Agreement” | the loan facility agreement entered into between Get Nice Securities as lender and the Offeror as borrower dated 6 June 2018 (and supplemented on 13 June 2018 and 13 August 2018) |
| “Offer Period” | the period commencing on 13 June 2018, being the date of the Joint Announcement, to 4:00 p.m. on the Closing Date or such later time and/or date to which the Offeror may decide to extend the Share Offer in accordance with the Takeovers Code |
| “Offer Share(s)” | any and all of the Share(s), other than those already owned and/or agreed to be acquired by the Offeror and/or parties acting in concert with him |
| “Offeror” | Mr. Wong Jing Shong |
| “Offers” | the Share Offer and the Option Offer |

DEFINITIONS

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| “Option Offer” | the conditional mandatory cash offer originally announced on 13 June 2018 to be made by Get Nice Securities on behalf of the Offeror in accordance with the Takeovers Code to cancel the Share Options in accordance with the Takeovers Code, which is no longer required to be made by the Offeror given that all the outstanding Share Options lapsed on 15 July 2018 (details of which are set out in the Update Announcement) |
| “Overseas Shareholder(s)” | Independent Shareholder(s) whose address(es) as shown on the register of members of the Company is/(are) outside Hong Kong |
| “PRC” | The People’s Republic of China |
| “Purchase” | the purchase of an aggregate of 3,600,000 Shares at prices ranging from HK\$0.415 to HK\$0.420 per Share by the Offeror from the open market on 6 June 2018 |
| “Registrar” | Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong |
| “Relevant Period” | the period commencing six months immediately prior to 13 June 2018 (being the date of the Joint Announcement) up to and including the Latest Practicable Date |
| “SFC” | the Securities and Futures Commission of Hong Kong |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | the ordinary share(s) of the Company of HK\$0.01 each |
| “Share Charge” | the share charge entered into between the Offeror as chargor and Get Nice Securities as the lender dated 6 June 2018 whereby the Offeror has charged to Get Nice Securities the Shares owned and to be acquired under the Offers by the Offeror and agreed to deposit the Shares in a securities trading account maintained with Get Nice Securities from time to time |

DEFINITIONS

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| “Share Offer” | the conditional mandatory cash offer being made by Get Nice Securities on behalf of the Offeror in accordance with the Takeovers Code to acquire all issued Shares (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with him) in accordance with the Takeovers Code |
| “Share Offer Price” | the price at which the Share Offer is made, being HK\$0.42 per Offer Share |
| “Share Option(s)” | the share option(s) granted by the Company under the share option scheme adopted by the Company pursuant to a resolution of the Shareholders passed on 24 December 2007, all of which lapsed on 15 July 2018 (details of which are set out in the Update Announcement) |
| “Shareholder(s)” | the holder(s) of Shares from time to time |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers |
| “Update Announcement” | the announcement dated 9 August 2018 jointly published by the Company and the Offeror in relation to, among other things, the lapse of Share Options and update in relation to the Offers |
| “Veda Capital” | Veda Capital Limited, a corporation licensed under the SFO to carry on type 6 (advising on corporate finance) regulated activity, being the financial adviser to the Company |
| “%” | per cent. |

LETTER FROM GET NICE SECURITIES



10th Floor, Cosco Tower
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong

31 August 2018

To the Independent Shareholders

Dear Sir/Madam,

**MANDATORY CONDITIONAL CASH OFFER
BY GET NICE SECURITIES LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL ISSUED SHARES OF
GET HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH HIM)**

INTRODUCTION

References are made to the Joint Announcement and the Update Announcement.

The Company and the Offeror jointly announced on 13 June 2018, among other matters, that:

- (i) on 6 June 2018, the Offeror had purchased 3,600,000 Shares at prices ranging from HK\$0.415 and HK\$0.420 per Share from open market. Immediately prior to the Purchase, the Offeror was interested in 130,680,000 Shares, representing approximately 29.40% of the issued share capital of the Company. Upon completion of the Purchase on 6 June 2018, the Offeror was interested in 134,280,000 Shares, representing approximately 30.21% of the voting rights of the Company as at the date of the Joint Announcement; and
- (ii) pursuant to Rule 26.1 of the Takeovers Code, the Purchase triggered the obligation for the Offeror to make a mandatory conditional cash offer for all issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him). Pursuant to Rule 13.5 of the Takeovers Code, the Option Offer would also be made to cancel all the outstanding Share Options. Get Nice Securities

LETTER FROM GET NICE SECURITIES

would, for and on behalf of the Offeror, make the Share Offer to acquire all the Offer Shares and the Option Offer to cancel all the outstanding Share Options in accordance with the Takeovers Code.

The Company and the Offeror jointly announced on 9 August 2018, among other matters, that:

- (i) pursuant to the terms and conditions of the Shares Options, all the outstanding Share Options were exercisable until 14 July 2018 and had lapsed thereafter automatically (to the extent not already exercised); and
- (ii) the Company had no other outstanding Share Options and the Company had no intention to grant any share options before the close of the Offers. Accordingly, it was not necessary for the Offeror to make the Option Offer and Get Nice Securities, for and on behalf of the Offeror, would continue to make the mandatory conditional cash offer to acquire all issued Shares in the share capital of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him) pursuant to Rule 26.1 of the Takeovers Code.

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

THE SHARE OFFER

Get Nice Securities, for and on behalf of the Offeror, hereby makes a mandatory conditional cash offer to acquire all issued Shares in the share capital of the Company (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with him) in accordance with the Takeovers Code on the following basis:

For every Offer Share HK\$0.42 in cash

The Share Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Share Offer shall be fully paid and free from all Encumbrances and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Share Offer is made, being the date of despatch of this Composite Document.

As at the Latest Practicable Date, there were 444,448,237 Shares in issue and the Offeror and parties acting in concert with him were interested in 134,280,000 Shares, representing approximately 30.21% of the entire issued share capital of the Company. Further details of the

LETTER FROM GET NICE SECURITIES

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

Condition to the Share Offer

The Share Offer is conditional on the number of Shares in respect of valid acceptances of the Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the date on which the Share Offer closes (or such later time or date as the Offeror may, subject to the Takeovers Code, decide), together with the Shares already owned by the Offeror and parties acting in concert with him and acquired or agreed to be acquired before or during the Offer Period, resulting in the Offeror and parties acting in concert with him holding in aggregate more than 50% of the voting rights of the Company.

The Offeror will issue an announcement in relation to the revision, extension or lapse of the Share Offer or the fulfilment of the condition to the Share Offer in accordance with the Takeovers Code and the GEM Listing Rules. The latest time on which the Offeror can declare the Share Offer unconditional as to acceptances is 7:00 p.m. on the 60th day after the despatch of this Composite Document (or such later date to which the Executive may consent).

Comparisons of value

The Share Offer Price of HK\$0.42 per Offer Share represents the highest price paid by the Offeror or parties acting in concert with him for the acquisition of the Shares within six months prior to the commencement of the Offer Period.

The Share Offer Price of HK\$0.42 per Offer Share represents:

- (i) a premium of approximately 1.20% over the closing price of HK\$0.415 per Share as quoted on the Stock Exchange on 6 June 2018, being the Last Trading Day;
- (ii) a premium of approximately 2.69% over the average closing price of approximately HK\$0.409 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a premium of approximately 2.94% over the average closing price of approximately HK\$0.408 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 3.96% over the average closing price of approximately HK\$0.404 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 15.07% over the closing price of HK\$0.365 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

LETTER FROM GET NICE SECURITIES

- (vi) a discount of approximately 69.48% to the audited consolidated net asset value attributable to the owners of the Company per Share of approximately HK\$1.376 as at 31 December 2017, calculated based on the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$611,363,000 as at 31 December 2017 and 444,448,237 Shares in issue as at the Latest Practicable Date; and
- (vii) a discount of approximately 56.34% to the unaudited consolidated net asset value attributable to the owners of the Company per Share of approximately HK\$0.962 as at 30 June 2018, calculated based on the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$427,460,000 as at 30 June 2018 and 444,448,237 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 as quoted on the Stock Exchange was HK\$0.45 per Share on 13 February 2018 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.315 per Share on 14 May 2018.

Value of the Share Offer

As at the Latest Practicable Date, there were 444,448,237 Shares in issue. The Company has no other outstanding convertible securities, warrants, options or derivatives in issue which may confer any rights to subscribe for, convert or exchange into Shares as at the Latest Practicable Date. Save as disclosed above, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the Latest Practicable Date.

Assuming that there is no change in the issued share capital of the Company and on the basis of the Share Offer Price of HK\$0.42 per Offer Share and 310,168,237 Offer Shares not already held or agreed to be acquired by the Offeror and parties acting in concert with him, as at the Latest Practicable Date, the value of the Share Offer amounts to HK\$130,270,659.54.

Financial resources available to the Offeror

Get Nice Capital and China AF, being the joint financial advisers to the Offeror in respect of the Share Offer are satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration payable in case of full acceptances of the Share Offer.

The Share Offer will be financed by the Loan Facility provided by Get Nice Securities. The Offeror has entered into the Loan Facility Agreement for the provision of the Loan Facility and executed the Share Charge to pledge the Shares held by him and the Shares to be acquired by him as collateral.

The Offeror confirms the repayment of interest on, repayment of or security for any liability (contingent or otherwise) of the Loan Facility will not depend any significant extent on the business of the Company.

LETTER FROM GET NICE SECURITIES

Settlement of consideration

Subject to the Share Offer having become, or has been declared, unconditional in all respects, settlement of the consideration in respect of acceptances of the Share Offer will be made as soon as possible but in any event within seven (7) Business Days of the date of receipt of duly completed and valid acceptances in respect of the Share Offer, or the date on which the Share Offer becomes or is declared unconditional in all aspects, whichever is later.

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

Return of documents

If the Share Offer does not become, or is not declared, unconditional in all respects within the time permitted by the Takeovers Code, the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) received by the Registrar will be returned to the Independent Shareholders who have accepted the Share Offer by ordinary post at the Independent Shareholders' own risk as soon as possible but in any event within ten (10) days after the Share Offer has lapsed.

Availability of the Share Offer

The Offeror intends to make the Share Offer available to all Independent Shareholders, including those who are resident outside Hong Kong. The availability of the Share Offer to persons not resident in Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Share Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Such Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. 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 Share 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 fares from the accepting Shareholder(s) due in such jurisdiction.

According to the register of members of the Company as at the Latest Practicable Date, there were four (4) Independent Shareholders with registered addresses in the Cayman Islands, the British Virgin Islands and the PRC. The Offeror has enquired about the legal restrictions under the applicable legislation in relation to securities of the relevant jurisdiction and the requirements of the relevant regulatory body or stock exchange with respect to the extension of the Share Offer to such Overseas Shareholders.

LETTER FROM GET NICE SECURITIES

The Offeror has obtained advice from law firms qualified to advise on the laws of the Cayman Islands, the British Virgin Islands and the PRC, all of them opined that there is no requirement for any of the Company, Get Nice Securities or the Offeror to obtain any prior approval, consent or registration with any governmental, regulatory or such other authority in the Cayman Islands, the British Virgin Islands or the PRC in relation to the extension of the Share Offer, and the despatch of this Composite Document to the Independent Shareholders with registered addresses in the Cayman Islands, the British Virgin Islands or the PRC.

It is the responsibility of the individual Independent Shareholders who wish to accept the Share Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Share Offer (including the obtaining of any regulatory or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

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

Effect of accepting the Share Offer

Subject to the Share Offer becoming unconditional, provided that valid acceptance forms and 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) are complete and in good order and have been received by the Registrar, the Independent Shareholders will sell their tendered Shares to the Offeror free from all Encumbrances and together with all rights attaching to them, including, without limitation, the rights to receive in full all dividends and other distributions, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Share Offer is made, that is, the date of despatch of this Composite Document.

Acceptance of the Share Offer will be irrevocable and not capable of being withdrawn, subject to the provisions of the Takeovers Code.

LETTER FROM GET NICE SECURITIES

Stamp duty

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

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 Share Offer. None of the Offeror and/or parties acting in concert with him, the Company, Get Nice Securities, Get Nice Capital, China AF, Veda Capital, the Independent Financial Advisor, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Share Offer accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Share Offer.

Acceptance and settlement

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

INFORMATION OF THE GROUP

Details of the information on the Group are set out in the paragraph headed "Information on the Group" in the "Letter from the Board" in this Composite Document.

INFORMATION OF THE OFFEROR

The Offeror is a single largest Shareholder holding 134,280,000 Shares, representing approximately 30.21% of the issued share capital of the Company as at the Latest Practicable Date. He is a businessman actively involving in investment in information technology business, and a shareholder of a private company engaging in capital investment in various information technology related areas such as mobile internet access, Fintech, artificial intelligence, big data, education, etc. which has been investing in a number of high quality or start up enterprises worldwide. He is also the chief executive officer of a subsidiary (which is principally engaged in the provision of software and information technology services) of Interactive Entertainment China Cultural Technology Investments Limited, the issued shares of which are listed on GEM (stock code: 8081).

LETTER FROM GET NICE SECURITIES

PROPOSED CHANGE OF BOARD COMPOSITION

The Board is currently made up of eight Directors, comprising three executive Directors, namely Mr. Pon Kai Choi Phemey (Chairman), Mr. Lee Kin Fai and Mr. Wong Hin Shek, and five independent non-executive Directors, namely Mr. Chan Yung, Mr. Cheng Hong Kei, Professor Chui Tsan Kit, Professor Lee T.S. and Ms. Xiao Yiming.

As at the Latest Practicable Date, the Offeror has no intention to change the current composition of the Board before the close of the Share Offer. However, the Offeror reserves the right to make any changes that it deems necessary or appropriate to the Group's businesses and operations. Any changes to the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules and further announcement will be made by the Company as and when appropriate.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

The Offeror intends that the Group will continue to operate its business in substantially its current state. Upon close of the Share Offer, the Offeror will conduct a detailed review of the business operations and financial position of the Group for the purpose of formulating a sustainable business plan or strategy for the Group's long term development. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance long-term growth potential of the Company.

Notwithstanding the above, as at the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group, and the Offeror has no intention to discontinue the employment of the employees or to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business.

COMPULSORY ACQUISITION

The Offeror does not intend to exercise any right which may be available to him to compulsorily acquire any outstanding Offer Shares not acquired under the Share Offer after the close of the Share Offer.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror intends for the Company to maintain the listing status of the Shares on GEM after the close of the Share Offer.

LETTER FROM GET NICE SECURITIES

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

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

then the Stock Exchange may exercise its discretion to suspend dealings in the Shares.

In order to ensure that within a reasonable period after the close of the Share Offer, there will be not less than 25% of the Company's total number of issued Shares held by the public, the Offeror has undertaken and the new directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps within a reasonable period following the close of the Share Offer to ensure that at least 25% of the total number of issued Shares will be held by the public.

GENERAL

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

All documents and remittances will be sent to the Independent Shareholders by ordinary post at their own risk. Such documents and remittances will be sent to the Independent Shareholders at their respective addresses as specified on the Form of Acceptance or if no name and address is specified, to the Independent Shareholder or the first named Independent Shareholder (in the case of joint registered holders) at their respective addresses as shown in the register of members of the Company. None of the Offeror and parties acting in concert with him, the Company, Get Nice Securities, Get Nice Capital, China AF, Veda Capital, the Independent Financial Adviser, the Registrar or any of their respective directors or professional advisers or the company secretary of the Company or any other parties involved in the Share Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof or in connection therewith.

LETTER FROM GET NICE SECURITIES

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of
Get Nice Securities Limited
Larry Ng
Director

LETTER FROM THE BOARD



GET HOLDINGS LIMITED

智易控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 8100)

Executive Directors:

Mr. Pon Kai Choi Phemey (*Chairman*)
Mr. Lee Kin Fai
Mr. Wong Hin Shek

Independent Non-Executive Directors:

Mr. Chan Yung
Mr. Cheng Hong Kei
Ms. Xiao Yiming
Professor Chui Tsan Kit
Professor Lee T.S.

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

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

21/F, China Hong Kong Tower
8-12 Hennessy Road
Wanchai
Hong Kong

31 August 2018

To the Independent Shareholders,

Dear Sir or Madam,

**MANDATORY CONDITIONAL CASH OFFER
BY GET NICE SECURITIES LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL ISSUED SHARES OF
GET HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH HIM)**

INTRODUCTION

References are made to the Joint Announcement and the Update Announcement.

* *For identification purposes only*

LETTER FROM THE BOARD

The Company was informed by the Offeror on 6 June 2018 that the Offeror has purchased 3,600,000 Shares at prices ranging from HK\$0.415 to HK\$0.420 per Share from open market. Immediately prior to the Purchase, the Offeror was interested in 130,680,000 Shares, representing approximately 29.40% of the issued share capital of the Company. Upon completion of the Purchase on 6 June 2018, the Offeror was interested in 134,280,000 Shares, representing approximately 30.21% of the voting rights of the Company as at the date of the Joint Announcement and the Latest Practicable Date.

Pursuant to Rule 26.1 of the Takeovers Code, the Purchase triggered the obligation for the Offeror to make a mandatory conditional cash offer for all issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with him). Pursuant to Rule 13.5 of the Takeovers Code, the Option Offer would also be made to cancel all the outstanding Share Options.

The Company and the Offeror jointly announced on 9 August 2018, among other matters, that (i) pursuant to the terms and conditions of the Shares Options, all the outstanding Share Options are exercisable until 14 July 2018 and have lapsed thereafter automatically (to the extent not already exercised); and (ii) the Company has no other outstanding Share Options and the Company has no intention to grant any share options before the close of the Offers. Accordingly, it is not necessary for the Offeror to make the Option Offer and Get Nice Securities, for and on behalf of the Offeror, will continue to make the Share Offer pursuant to Rule 26.1 of the Takeovers Code. Get Nice Securities is now making, for and on behalf of the Offeror, the Share Offer to acquire all the Offer Shares on the terms set out in the Composite Document issued in accordance with the Takeovers Code. The terms of the Share Offer are set out in the “Letter from Get Nice Securities” and Appendix I to the Composite Document and the accompanying Form of Acceptance.

Under Rule 2.1 of the Takeovers Code, a board which receives an offer, or is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation: (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to acceptance. The Independent Board Committee, comprising all independent non-executive Directors, namely Mr. Chan Yung, Mr. Cheng Hong Kei, Professor Chui Tsan Kit, Professor Lee T.S. and Ms. Xiao Yiming, has been established by the Company to advise the Independent Shareholders in respect of the Share Offer.

As announced by the Company on 19 June 2018, Hooray Capital Limited has been appointed with the approval of the Independent Board Committee as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether or not the terms of the Share Offer are fair and reasonable and to make a recommendation as to acceptance of the Share Offer. The above-named independent non-executive Directors have no direct or indirect interest in the Share Offer. It is considered appropriate for them to be members of the Independent Board Committee in this regard.

LETTER FROM THE BOARD

The purpose of the Composite Document, of which this letter forms part, is to provide you with, among other things, (i) information relating to the Group and the Offeror; (ii) further details of the Share Offer; (iii) a letter of recommendation from the Independent Board Committee containing its recommendation to the Independent Shareholders in respect of the terms of the Share Offer and as to acceptance of the Share Offer; (iv) a letter of advice from the Independent Financial Adviser containing their advice and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Share Offer and as to acceptance of the Share Offer; and (v) the Form of Acceptance.

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

THE SHARE OFFER

Principal terms of the Share Offer

Get Nice Securities is making the Share Offer for and on behalf of the Offeror with the terms set out in the Composite Document in accordance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.42 in cash

The Share Offer Price of HK\$0.42 per Offer Share represents the highest price paid by the Offeror and parties acting in concert with him for the acquisition of the Shares within six months prior to the commencement of the Offer Period.

The Share Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Share Offer shall be fully paid and free from all Encumbrances and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Share Offer is made, that is, the date of despatch of the Composite Document.

As at the Latest Practicable Date, there were 444,448,237 Shares in issue and the Offeror and parties acting in concert with him were interested in 134,280,000 Shares, representing approximately 30.21% of the entire issued share capital of the Company.

Comparisons of value

The Share Offer Price of HK\$0.42 per Offer Share represents the highest price paid by the Offeror or parties acting in concert with him for the acquisition of the Shares within six months prior to the commencement of the Offer Period.

LETTER FROM THE BOARD

The Share Offer Price of HK\$0.42 per Offer Share represents:

- (i) a premium of approximately 1.20% over the closing price of HK\$0.415 per Share as quoted on the Stock Exchange on 6 June 2018, being the Last Trading Day;
- (ii) a premium of approximately 2.69% over the average closing price of approximately HK\$0.409 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a premium of approximately 2.94% over the average closing price of approximately HK\$0.408 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 3.96% over the average closing price of approximately HK\$0.404 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 15.07% over the closing price of HK\$0.365 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (vi) a discount of approximately 69.48% to the audited consolidated net asset value attributable to the owners of the Company per Share of approximately HK\$1.376 as at 31 December 2017, calculated based on the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$611,363,000 as at 31 December 2017 and 444,448,237 Shares in issue as at the Latest Practicable Date; and
- (vii) a discount of approximately 56.34% to the unaudited consolidated net asset value attributable to the owners of the Company per Share of approximately HK\$0.962 as at 30 June 2018, calculated based on the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$427,460,000 as at 30 June 2018 and 444,448,237 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 as quoted on the Stock Exchange was HK\$0.45 per Share on 13 February 2018 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.315 per Share on 14 May 2018.

As at the Latest Practicable Date, the Company has a total of 444,448,237 Shares in issue. Save as disclosed above, the Company has no other outstanding Shares, options, warrants, derivatives or other securities that are convertible or exchangeable into Shares or other relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the Latest Practicable Date.

LETTER FROM THE BOARD

Further details of the Share Offer

Further details of the Share Offer including, among other things, its extension to the Overseas Shareholders, taxation advice, the terms and conditions and the procedures for acceptance and settlement and acceptance period are set out in the “Letter from Get Nice Securities” as set out in this Composite Document, Appendix I to this Composite Document and the accompanying Form of Acceptance.

INFORMATION ON THE GROUP

The Group was principally engaged in (i) research, development and distribution of personal computer performance software, anti-virus software, mobile phone applications and toolbar advertisements; (ii) securities investment business; (iii) money lending business; and (iv) provision of corporate management solutions and Information Technology contract services. However, in view of the instabilities lurking in the global economy as well as the volatile financial market in Hong Kong, the operation of the money lending business and the securities investment business were suspended with effect from 11 May 2018.

The Company has set out in Appendix II to the Composite Document the relevant financial information relating to the Group as required under the Takeovers Code.

INFORMATION ON THE OFFEROR AND FUTURE INTENTION REGARDING THE GROUP

Your attention is drawn to the “Letter from Get Nice Securities” in the Composite Document for the information on the Offeror and its intention regarding the Group.

The Offeror intends that the Group will continue to operate its business in substantially its current state. Upon close of the Share Offer, the Offeror will conduct a detailed review of the business operations and financial position of the Group for the purpose of formulating a sustainable business plan or strategy for the Group’s long term development. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance long-term growth potential of the Company.

Notwithstanding the above, as at the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group, and the Offeror has no intention to discontinue the employment of the employees or to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business.

As at the Latest Practicable Date, the Offeror has no intention to change the current composition of the Board before the close of the Share Offer. However, the Offeror reserves the right to make any changes that he deems necessary or appropriate to the Group’s businesses and operations. Any changes to the Board will be made in compliance with the Takeovers Code and

LETTER FROM THE BOARD

the GEM Listing Rules and further announcement will be made by the Company as and when appropriate.

The Board is aware of the Offeror's intention in relation to the Group and is willing to cooperate with the Offeror and continue to act in the best interests of the Group and the Shareholders as a whole.

MAINTAINING THE LISTING STATUS OF THE COMPANY AND PUBLIC FLOAT

The Board noted from the "Letter from Get Nice Securities" as set out in the Composite Document that the Offeror intends for the Company to maintain the listing status of the Shares on GEM after the close of the Share Offer.

The Stock Exchange has stated that if, at the close of the Share Offer, less than the minimum prescribed percentage applicable to the Company, being 25%, of the Shares is held by the public, or if the Stock Exchange believes that:

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

then the Stock Exchange may exercise its discretion to suspend dealings in the Shares.

In order to ensure that within a reasonable period after the close of the Share Offer, there will be not less than 25% of the Company's total number of issued Shares held by the public, the Offeror has undertaken and the new directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps within a reasonable period following the close of the Share Offer to ensure that at least 25% of the total number of issued Shares will be held by the public.

RECOMMENDATION

Your attention is drawn to (i) the "Letter from the Independent Board Committee" set out on pages 23 to 24 of the Composite Document, which sets out its recommendation to the Independent Shareholders as to whether the terms of the Share Offer are, or are not, fair and reasonable so far as the Independent Shareholders are concerned, and as to acceptance thereof; and (ii) the "Letter from the Independent Financial Adviser" set out on pages 25 to 55 of the Composite Document, which contains, among other things, its advice and recommendation to the Independent Board Committee and the Independent Shareholders as to whether the terms of the Share Offer are, or are not, fair and reasonable so far as the Independent Shareholders are concerned, and as to acceptance thereof, and the principal factors considered by them in arriving at their advice and recommendation.

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

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

You are advised to read the Composite Document together with the accompanying Form of Acceptance in respect of the acceptance and settlement procedures of the Share Offer. Your attention is also drawn to the additional information contained in the Appendices to the Composite Document.

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

WARNING

Independent Shareholders and potential investors should be aware that the Share Offer are subject to the satisfaction of the “Condition to the Share Offer” as set out in the “Letter from Get Nice Securities” in the Composite Document. Accordingly, the Share Offer may or may not become unconditional. Independent Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If the Shareholders and potential investors are in any doubt about their position, they should consult their own professional advisers.

Yours faithfully,
On behalf of Board
GET Holdings Limited
Pon Kai Choi Phemey
Chairman and Executive Director



GET HOLDINGS LIMITED

智易控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 8100)

31 August 2018

To the Independent Shareholders

Dear Sir or Madam,

**MANDATORY CONDITIONAL CASH OFFER
BY GET NICE SECURITIES LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL ISSUED SHARES OF
GET HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH HIM)**

We refer to the composite document dated 31 August 2018 (“**Composite Document**”) jointly issued by the Offeror and the Company of which this letter forms part. Unless specified otherwise, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

We have been appointed by the Board to form the Independent Board Committee to consider the terms of the Share Offer and to make a recommendation to you as to whether, in our opinion, the terms of the Share Offer are fair and reasonable so far as the Independent Shareholders are concerned, and as to acceptance thereof. We have declared that we are independent and have no direct or indirect interest in the Share Offer, and therefore are able to consider the terms of the Share Offer and to make recommendations to the Independent Shareholders.

Hooray Capital Limited has been appointed as the Independent Financial Adviser to advise us in respect of the above.

* *For identification purposes only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We wish to draw your attention to the “Letter from Get Nice Securities”, the “Letter from the Board” and the “Letter from the Independent Financial Adviser” as set out in the Composite Document as well as the additional information set out in the appendices to the Composite Document.

RECOMMENDATION

Having considered the terms of the Share Offer, taking into account the information contained in the Composite Document and the advice of the Independent Financial Adviser, in particular the factors, reasons and recommendations as set out in its letter in the Composite Document, we are of the opinion that the terms of the Share Offer are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to accept the Share Offer .

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

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

Yours faithfully,
For and on behalf of
Independent Board Committee of
GET Holdings Limited

Mr. Chan Yung

Mr. Cheng Hong Kei

Professor Chui Tsan Kit

Professor Lee T.S.

Ms. Xiao Yiming

Independent non-executive Directors

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Share Offer for the purpose of incorporation in this Composite Document.



31 August 2018

To the Independent Board Committee and the Independent Shareholders

Dear Sirs and Madams,

**MANDATORY CONDITIONAL CASH OFFER
BY GET NICE SECURITIES LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL ISSUED SHARES OF
GET HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH HIM)**

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of, *inter alia*, the Share Offer. Details of the Share Offer are set out in the Composite Document jointly issued by the Offeror and the Company dated 31 August 2018, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Composite Document unless otherwise specified herein.

Reference is made to the Joint Announcement. On 6 June 2018, the Company was informed by the Offeror that the Offeror had purchased 3,600,000 Shares at prices ranging from HK\$0.415 to HK\$0.420 per Share from open market. Immediately prior to the Purchase, the Offeror was interested in 130,680,000 Shares, representing approximately 29.40% of the issued share capital of the Company.

Immediately following the Purchase and as at the Latest Practicable Date, the Offeror was interested in 134,280,000 Shares, representing approximately 30.21% of the voting rights of the Company. Accordingly, the Offeror is required to make the Share Offer pursuant to Rule 26.1 of the Takeovers Code.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

As disclosed in the Joint Announcement, there were outstanding Share Options carrying rights to subscribe for 1,246,386 new Shares. Pursuant to the terms and conditions of the Share Options, all the outstanding Share Options were exercisable until 14 July 2018 and had lapsed thereafter automatically (to the extent not already exercised). As disclosed in the Update Announcement and as at the Latest Practicable Date, the Company has no other outstanding Share Options and the Company has no intention to grant any share options before the close of the Share Offer. Accordingly, no Option Offer would be made by the Offeror pursuant to Rule 13.5 of the Takeovers Code.

THE INDEPENDENT BOARD COMMITTEE

In accordance with Rule 2.1 of the Takeovers Code, the Independent Board Committee, comprising all independent non-executive Directors, namely, Mr. Chan Yung, Mr. Cheng Hong Kei, Professor Chui Tsan Kit, Professor Lee T.S. and Ms. Xiao Yiming, has been formed to advise the Independent Shareholders and to make a recommendation: (i) as to whether the terms of the Share Offer are fair and reasonable; and (ii) as to acceptance of the Share Offer. We, Hooray Capital Limited, have been appointed to advise the Independent Board Committee in this regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, we are not associated or connected with the Company, the Offeror, or any party acting, or presumed to be acting, in concert with any of them. In the last two years prior to the commencement of the Offer Period, save and except our appointment as the Independent Financial Adviser, there was no engagement between the Group or the Offeror and us. We are not aware of the existence of or change in any circumstances that would affect our independence. Apart from normal professional fees payable to us by the Company in connection with our appointment as the Independent Financial Adviser, no other arrangements exist whereby we shall receive any fees or benefits from the Company or the Offeror. Accordingly, we consider ourselves eligible to give independent advice on the Share Offer.

BASIS OF OUR OPINION AND RECOMMENDATION

In formulating our opinion and recommendation, we have relied on the information, facts and representations contained or referred to in the Composite Document as well as the information, facts and representations provided by, opinions expressed by, and statements made by the management of the Group.

We have assumed that all such information, facts, representations, opinions and statements made or referred to in the Composite Document are true, accurate and complete in all material aspects as at the Latest Practicable Date, and the Company will notify the Shareholders and the general public of any material changes to such information, facts, representations, opinions and statements as soon as possible in accordance with Rule 9.1 of the Takeovers Code. In addition, we have also assumed that all statements of intention of the Directors, the Company and its management as stated in the Composite Document will be capable of being implemented. We

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have no reason to doubt the truth or accuracy of the information provided to us, or to believe that any material information has been omitted or withheld.

We consider that we have reviewed sufficient information currently available to us, among other things, the Composite Document, the annual reports of the Company for the year ended 31 December 2016 (the “**2016 Annual Report**”) and for the year ended 31 December 2017 (the “**2017 Annual Report**”), the interim report of the Company for the 6 months ended 30 June 2018 (the “**2018 Interim Report**”) and the announcements of the Company dated 13 June 2016, 23 June 2016, 1 July 2016, 7 June 2018, 12 June 2018, 13 June 2018, 26 June 2018, 3 July 2018, 5 July 2018, 16 July 2018, 27 July 2018, 9 August 2018, 10 August 2018 and 20 August 2018. We have also (i) conducted discussions with the management of the Company regarding the businesses and future outlook of the Group; (ii) conducted discussions with the Offeror regarding his intention in the future business of the Group; and (iii) researched and considered market data which we deemed relevant in arriving at our recommendation. We, however, have not conducted any independent investigation or audit into the businesses, affairs, financial position or the future prospects of any members of the Group and the Offeror, nor have we carried out any independent verification of the information supplied by the Directors, the Company and its management. We have no reason to suspect any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Composite Document and provided by the Directors, the Company and the Offeror. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the facts, information, representations and opinions made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material changes in market and economic conditions) may affect and/or change our opinion stated hereinunder and the Shareholders will be notified of any material changes as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

All the Directors jointly and severally accept full responsibility for the accuracy of the information, facts and representations contained in the Composite Document (other than the information relating to the Offeror, or any of his associates or parties acting in concert with him) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Composite Document (other than opinions expressed by the Offeror) have been arrived at after due and careful consideration and that there is no other fact not contained in the Composite Document, the omission of which would make any statement in the Composite Document misleading.

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

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This letter is issued as our opinion and recommendation to the Independent Board Committee and the Independent Shareholders which is solely for their consideration: (i) as to whether the terms of the Share Offer are fair and reasonable; and (ii) as to acceptance of the Share Offer. Save for the inclusion of this letter in the Composite Document, the contents of this letter are not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our advice with regard to the Share Offer, we have taken into account the following principal factors and reasons:

1. Principal terms and conditions of the Share Offer

The Share Offer is being made by Get Nice Securities for and on behalf of the Offeror on the following basis:

For each Offer Share HK\$0.42 in cash

The Share Offer Price of HK\$0.42 per Offer Share represents the highest price paid by the Offeror or parties acting in concert with him for the acquisition of the Shares within six months prior to the commencement of the Offer Period. The Share Offer will be extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Share Offer shall be fully paid and free from all Encumbrances and together with all rights attaching to them, including the right to receive in full all dividends and other distributions, if any, recommended, declared, made or paid by reference to a record date on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document.

The Share Offer is conditional on the number of Shares in respect of valid acceptances of the Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the date on which the Share Offer closes (or such later time or date as the Offeror may, subject to the Takeovers Code, decide), together with the Shares already owned by the Offeror and parties acting in concert with him and acquired or agreed to be acquired before or during the Offer Period, resulting in the Offeror and parties acting in concert with him holding in aggregate more than 50% of the voting rights of the Company.

Further terms and conditions of the Share Offer, including the procedures for acceptance, are set out in the letter from Get Nice Securities, the letter from the Board contained in the Composite Document and Appendix I to the Composite Document and the accompanying Form of Acceptance.

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2. Information of the Group

2.1 Principal activities

The Company is a holding company incorporated in the Cayman Islands and continued in Bermuda with limited liability. The Group was principally engaged in (i) research, development and distribution of personal computer performance software, anti-virus software, mobile phone applications and toolbar advertisements; (ii) provision of corporate management solutions and Information Technology (“I.T.”) contract services; (iii) securities investment business; and (iv) money lending business. However, in view of the instabilities lurking in the global economy as well as the volatile financial market in Hong Kong, the operation of the money lending business and the securities investment business were suspended with effect from 11 May 2018.

Set out below is the revenue breakdown of the Group by business segments for each of the three financial years ended 31 December 2015, 2016 and 2017 and the six months ended 30 June 2018:

| | For the year ended 31 December | | | | | | For the six months ended 30 June | |
|---|---------------------------------|--------------|---|--------------|---------------------------------|--------------|-----------------------------------|--------------|
| | 2015 (HK\$'000) (audited) | % | 2016 (HK\$'000) (audited) (Re-presented) | % | 2017 (HK\$'000) (audited) | % | 2018 (HK\$'000) (unaudited) | % |
| Software Business | 137,136 | 42.2 | 120,259 | 62.1 | 109,209 | 58.2 | 43,115 | 62.1 |
| Corporate Management Solutions & I.T. Contract Services Business | 108,489 | 33.4 | 59,963 | 31.0 | 60,949 | 32.5 | 20,334 | 29.3 |
| Money Lending Business (Note 1) | 5,133 | 1.6 | 4,684 | 2.4 | 813 | 0.4 | 50 | 0.1 |
| Insurance and MPF Schemes Brokerage Business (Note 1) | 71,368 | 22.0 | - | - | - | - | - | - |
| Securities Investment Business (Notes 1 & 2) | - | - | - | - | - | - | - | - |
| Others | 2,603 | 0.8 | 8,628 | 4.5 | 16,809 | 8.9 | 5,939 | 8.5 |
| Total | 324,729 | 100.0 | 193,534 | 100.0 | 187,780 | 100.0 | 69,438 | 100.0 |

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Notes:

1. The Group discontinued its operation in insurance and MPF schemes brokerage business (“**Insurance and MPF Schemes Brokerage Business**”), which was related to provision of insurance and MPF schemes brokerage services with effect from 21 March 2017, and suspended its operations in the Money Lending Business and Securities Investment Business (both as defined below) with effect from 11 May 2018.
2. No revenue was booked because the gain and/or loss through realisation of the equity securities was recorded as “other gains and losses, net” under the consolidated statement of profit or loss.

*Software business (the “**Software Business**”)*

Software Business involves the research, development and distribution of personal computer performance software, anti-virus software, mobile phone applications and toolbar advertisements. Products including Advanced SystemCare, Advanced Mobile Care Security, Driver Booster, Smart Defrag, MacBooster, IObit Malware Fighter and Random Password Generator are the Group’s major products for this segment.

*Corporate management solutions and I.T. contract services business (the “**Corporate Management Solutions and I.T. Services Business**”)*

The Group provides corporate management solutions, I.T. contract services, network infrastructure solutions, network professional services and I.T. project implementation services to clients including listed companies, large multinational corporations and government organisations in Hong Kong, via its indirect wholly-owned subsidiaries, e-Perfect IT Limited and Wafer Systems (Hong Kong) Limited.

*Money lending business (the “**Money Lending Business**”)*

Citi Profit Finance Limited, an indirect wholly-owned subsidiary of the Company, is a holder of a money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group has adopted the money lending policy and procedures as stipulated in a manual which provides guidelines on the handling and monitoring of money lending procedures according to the Money Lenders Ordinance. In light of all sorts of instabilities lurking in the global economy and the potential risks of the Money Lending Business, after careful consideration, the Board has circumspectly decided to suspend operation of the Money Lending Business with effect from 11 May 2018.

*Securities investment business (the “**Securities Investment Business**”)*

As of 30 June 2018, the Group had a total of eight investment items, six of which are shares of companies listed on the Stock Exchange, one of which is shares of an unlisted company and the remaining one is an unlisted investment fund. As stated in the 2018 Interim Report, due to the escalating trade conflicts between the U.S. and China which brought all sorts of instabilities to the stock market and the potential price risk of this business segment, the Board, after careful consideration, decided to suspend operation of the Securities Investment Business with effect from 11 May 2018, and will, taking into account the market situations, seek to dispose of assets entailed in the business in due course.

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2.2 Financial results

Set out below are the audited consolidated financial results of the Group for each of the three years ended 31 December 2015, 2016 and 2017, and the unaudited condensed consolidated financial results of the Group for the six months ended 30 June 2017 and 2018 as extracted from the 2016 Annual Report, the 2017 Annual Report and the 2018 Interim Report:

| | For the year ended 31 December | | | For the six months ended 30 June | |
|--|--------------------------------|---|-------------------------------|----------------------------------|---------------------------------|
| | 2015 HK\$'000 (audited) | 2016 HK\$'000 (audited) (Re-presented) | 2017 HK\$'000 (audited) | 2017 HK\$'000 (unaudited) | 2018 HK\$'000 (unaudited) |
| Revenue | 324,729 | 193,534 | 187,780 | 99,754 | 69,438 |
| Cost of sales | (159,577) | (61,602) | (71,147) | (37,900) | (26,048) |
| Gross profit | 165,152 | 131,932 | 116,633 | 61,854 | 43,390 |
| Other revenue and other gains and losses, net | 53,241 | 30,097 | (523,335) | (5,628) | (169,488) |
| Selling and administrative expenses | (95,344) | (70,497) | (77,773) | (37,676) | (39,079) |
| Profit/(loss) from operations | 123,049 | 91,532 | (484,475) | 18,550 | (165,177) |
| Finance costs | (5,635) | (22,562) | (13,720) | (9,089) | - |
| Share of (loss)/profit of associates | (51) | (5,550) | (15,644) | 5,209 | (13,581) |
| Share of loss of a joint venture | - | (5) | (2,932) | - | (1,174) |
| Profit/(loss) before taxation | 117,363 | 63,415 | (516,771) | 14,670 | (179,932) |
| Income tax (expense)/credit | (23,940) | (29,576) | 14,438 | (5,324) | (2,752) |
| Profit/(loss) for the year/period from continuing operations | 93,423 | 33,839 | (502,333) | 9,346 | (182,684) |
| Profit for the year/period from discontinued operation | - | 1,155 | 3,123 | 3,123 | - |
| Profit/(loss) for the year/period | <u>93,423</u> | <u>34,994</u> | <u>(499,210)</u> | <u>12,469</u> | <u>(182,684)</u> |
| Attributable to: | | | | | |
| - Owners of the Company | 60,510 | 17,092 | (512,327) | 2,980 | (186,667) |
| - Non-controlling interests | 32,913 | 17,902 | 13,117 | 9,489 | 3,983 |
| | <u>93,423</u> | <u>34,994</u> | <u>(499,210)</u> | <u>12,469</u> | <u>(182,684)</u> |

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Financial year ended 31 December 2016 (“FY2016”) versus financial year ended 31 December 2015 (“FY2015”)

The revenue of the Group decreased by approximately 19.0% from approximately HK\$324.7 million for the FY2015 to approximately HK\$263.0 million for the FY2016 (revenue for the FY2016 was then re-presented to approximately HK\$193.5 million due to the discontinued operation of the Insurance and MPF Schemes Brokerage Business in March 2017, representing a decrease of approximately 40.4% as compared to FY2015) which was primarily due to an approximately 44.7% reduction in revenue from the Corporate Management Solutions and I.T. Services Business segment from approximately HK\$108.5 million for the FY2015 to approximately HK\$60.0 million for the FY2016, largely caused by the completion of a substantial business project in FY2015.

The profit attributable to owners of the Company decreased by approximately 71.7% to approximately HK\$17.1 million for the FY2016 as compared to the profit attributable to owners of the Company of approximately HK\$60.5 million for the FY2015. The decrease in net profit was mainly attributable to the combined effects of (i) the decrease in segment profit contributed by the Software Business by approximately 57.3% to approximately HK\$33.5 million for the FY2016 from approximately HK\$78.4 million for the FY2015 which was mainly due to volatility of the global economy and the impairment loss on goodwill in relation to the cash generating unit (“CGU”) of the Software Business of the Group of HK\$30.0 million (2015: Nil); (ii) the increase in finance costs by approximately 303.6% to approximately HK\$22.6 million for the FY2016 (FY2015: approximately HK\$5.6 million) mainly as a result of the issue of loan notes by the Company during the period from April 2015 to January 2016; (iii) the increase in segment profit contributed by the Securities Investment Business by approximately 37.8% to approximately HK\$68.6 million for the FY2016 (FY2015: approximately HK\$49.8 million); (iv) the fair value loss on derivative financial instruments of approximately HK\$20.6 million for the FY2016 (FY2015: Nil) in relation to the convertible notes issued by the Company as part of the consideration for the Group’s acquisition of additional 14.677% interest in Boom Max International Limited (“**Boom Max**”, together with its subsidiaries, “**Boom Max Group**”) which was completed on 31 December 2015; and (v) fair value gain on investment properties of approximately HK\$8.5 million for the FY2016 (FY2015: Nil).

Financial year ended 31 December 2017 (“FY2017”) versus FY2016

Revenue of the Group excluding the discontinued operation of the Insurance and MPF Schemes Brokerage Business for the FY2017 was approximately HK\$187.8 million, representing a decrease of approximately 2.9% as compared to that of approximately HK\$193.5 million for the FY2016.

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The primary reason for such decrease was due to a decrease in revenue from the Software Business by approximately 9.2% from approximately HK\$120.3 million for the FY2016 to approximately HK\$109.2 million for the FY2017. Such decrease was mainly attributable to negative factors such as the keen competition in the I.T. market, the decline in the demand for personal computers (“PCs”), the slower-than-expected development pace in Asian markets and the volatility of the global economy.

The Group recorded a net loss from continuing and discontinued operations of approximately HK\$499.2 million for the FY2017 as compared to net profit of approximately HK\$35.0 million for the FY2016. The net loss for the FY2017 was mainly attributable to (i) the segment loss of the Securities Investment Business of approximately HK\$332.4 million for the FY2017 as opposed to the segment profit of approximately HK\$68.6 million for the FY2016 due to the unstable global equity market and volatile financial market in Hong Kong; (ii) the segment loss of the Software Business of approximately HK\$137.3 million for the FY2017, including the impairment loss on goodwill of HK\$182.0 million for the FY2017 (FY2016: profit of approximately HK\$33.5 million, which was after the deduction of the impairment loss of goodwill of HK\$30.0 million); (iii) the share of loss of Jun Yang Energy Holdings Limited (“**Jun Yang Energy**”), an associate of the Group in which the Group owns as to 35% of the interest, of approximately HK\$15.6 million for the FY2017, representing an increase of approximately 178.6% as compared to FY2016 (FY2016: share of loss of Jun Yang Energy and other associate of approximately HK\$1.4 million and HK\$4.2 million, respectively); and (iv) the approximately 39.4% decrease of finance cost incurred from the continuing operations of the Group of approximately HK\$13.7 million (FY2016: approximately HK\$22.6 million) which mainly included the interest of approximately HK\$10.3 million on loan notes issued by the Company during the period from April 2015 to January 2016 (FY2016: approximately HK\$19.3 million).

Six months ended 30 June 2018 (“1H2018”) versus six months ended 30 June 2017 (“1H2017”)

During the 1H2018, the Group recorded a revenue of approximately HK\$69.4 million, representing a decrease of approximately 30.5% as compared to the revenue of approximately HK\$99.8 million for the 1H2017. Revenue from the Software Business and the Corporate Management Solutions and I.T. Services Business decreased by approximately 24.1% and 39.6%, from approximately HK\$56.8 million and HK\$33.6 million for the 1H2017 to approximately HK\$43.1 million and HK\$20.3 million for the 1H2018, respectively. For the Software Business, the decrease in revenue was mainly attributable to the growth of business expansion in the emerging markets failing to meet expectation, coupled with the decline of sales in the traditional markets like the Europe and the U.S. For the Corporate Management Solutions and I.T. Services Business, the decrease

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in revenue was due to the completion of some sizeable contract projects during FY2017 and the increasing competition in the I.T. market.

The Group recorded a loss of approximately HK\$182.7 million for the 1H2018 as compared to net profit of approximately HK\$12.5 million for the 1H2017. The loss for the 1H2018 was primarily attributable to (i) the segment loss of the Software Business of approximately HK\$146.4 million, including the impairment loss on goodwill of approximately HK\$163.0 million for the 1H2018, as compared to segment profit of approximately HK\$28.3 million for the 1H2017; (ii) the share of loss of an associate of the Company of approximately HK\$13.6 million for the 1H2018 as compared to the share of profit of an associate of approximately HK\$5.2 million for the 1H2017; (iii) the segment loss of the Corporate Management Solutions and I.T. Services Business of approximately HK\$3.5 million for the 1H2018 as compared to segment profit of approximately HK\$2.3 million for the 1H2017; and (iv) the loss on deconsolidation of the subsidiaries of approximately HK\$3.5 million for the 1H2018 (1H2017: Nil).

2.3 Financial position

Set out below is a summary of the financial position of the Group as of 31 December 2015, 2016 and 2017 and 30 June 2018 as set out in the 2016 Annual Report, the 2017 Annual Report and the 2018 Interim Report of the Company:

| | 31 December 2015 | 31 December 2016 | 31 December 2017 | 30 June 2018 |
|---|-----------------------------|-----------------------------|-----------------------------|-------------------------|
| | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (audited) | (audited) | (audited) | (unaudited) |
| Non-current assets | | | | |
| Property, plant and equipment | 2,252 | 2,482 | 1,877 | 1,215 |
| Investment properties | – | 62,400 | 38,300 | 38,000 |
| Goodwill | 525,878 | 500,459 | 318,356 | 150,775 |
| Intangible assets | 74,416 | 82,041 | 79,777 | 81,427 |
| Investments in associates | 20,900 | 38,939 | 28,182 | 13,503 |
| Investment in a joint venture | – | – | 3,418 | – |
| Available-for-sale financial assets | 150,716 | 83,567 | 37,149 | – |
| Contingent consideration receivable | – | 18,710 | – | – |
| Trade and other receivables | 24,960 | 6,000 | – | – |
| Financial assets at fair value through other comprehensive income | – | – | – | 37,205 |
| | 799,122 | 794,598 | 507,059 | 322,125 |

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| | 31 December 2015 | 31 December 2016 | 31 December 2017 | 30 June 2018 |
|--|-----------------------------|-----------------------------|-----------------------------|-------------------------|
| | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (audited) | (audited) | (audited) | (unaudited) |
| Current assets | | | | |
| Inventories | 2,009 | 1,802 | 535 | 1,757 |
| Trade and other receivables | 71,637 | 54,348 | 78,846 | 67,866 |
| Financial assets at fair value through profit or loss | 323,082 | 523,899 | 9,656 | 6,466 |
| Derivative financial instruments | 21,564 | 959 | – | – |
| Tax recoverable | – | 3,918 | 5,391 | 2,067 |
| Pledged bank deposits | 2,633 | 2,638 | 2,645 | 1,633 |
| Cash and cash equivalents | 214,277 | 87,350 | 101,548 | 114,110 |
| | <u>635,202</u> | <u>674,914</u> | <u>198,621</u> | <u>193,899</u> |
| Current liabilities | | | | |
| Trade and other payables | 53,366 | 44,762 | 17,721 | 16,785 |
| Loan notes | – | 208,000 | – | – |
| Convertible notes | – | 71,789 | – | – |
| Current tax liabilities | 40,942 | 36,203 | 26,825 | 26,755 |
| | <u>94,308</u> | <u>360,754</u> | <u>44,546</u> | <u>43,540</u> |
| Non-current liabilities | | | | |
| Deferred tax liabilities | 5,170 | 24,308 | 12,301 | 11,946 |
| Loan notes | 212,500 | 2,000 | – | – |
| Convertible notes | 68,525 | – | – | – |
| | <u>286,195</u> | <u>26,308</u> | <u>12,301</u> | <u>11,946</u> |
| Net current assets | <u>540,894</u> | <u>314,160</u> | <u>154,075</u> | <u>150,359</u> |
| Net assets | <u><u>1,053,821</u></u> | <u><u>1,082,450</u></u> | <u><u>648,833</u></u> | <u><u>460,538</u></u> |

As of 31 December 2015

The total assets of the Group as of 31 December 2015 amounted to approximately HK\$1,434.3 million, which comprised principally (i) goodwill of approximately HK\$525.9 million; (ii) available-for-sale financial assets of approximately HK\$150.7 million; (iii) financial assets at fair value through profit

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or loss of approximately HK\$323.1 million; and (iv) cash and cash equivalents of approximately HK\$214.3 million.

- (i) Goodwill – The total amount of approximately HK\$525.9 million of goodwill consisted of the goodwill from the CGUs including (a) the Boom Max Group under the Software Business of approximately HK\$500.2 million; (b) GET Mdream Wealth Management Limited under the Insurance and MPF Schemes Brokerage Business of approximately HK\$0.9 million; and (c) e-Perfect IT Limited and its subsidiaries and Wafer Systems (Hong Kong) Limited under the Corporate Management Solutions and I.T. Services Business of approximately HK\$3.9 million and approximately HK\$20.9 million respectively.
- (ii) Available-for-sale financial assets – the item comprised (a) fair value on listed equity securities in Hong Kong of approximately HK\$120.1 million; and (b) an unlisted investment fund of approximately HK\$30.6 million.
- (iii) Financial assets at fair value through profit or loss – the item was wholly formed by listed equity securities in Hong Kong held for trading at fair value based on market prices as of 31 December 2015.

Total liabilities of the Group as of 31 December 2015 amounted to approximately HK\$380.5 million, which comprised principally (i) trade and other payables of approximately HK\$53.4 million, of which approximately HK\$26.6 million were accrued expenses and other payables and approximately HK\$19.2 million were trade payables to be repaid within a year; (ii) loan notes of approximately HK\$212.5 million which were all redeemed in FY2016 and FY2017; and (iii) convertible notes of approximately HK\$68.5 million.

As of 31 December 2016

Total assets of the Group slightly increased by approximately 2.5% from approximately HK\$1,434.3 million as of 31 December 2015 to approximately HK\$1,469.5 million as of 31 December 2016, notwithstanding that the available-for-sale financial assets significantly reduced by approximately 44.5% from approximately HK\$150.7 million as of 31 December 2015 to approximately HK\$83.6 million as of 31 December 2016 and cash and cash equivalents dropped by approximately 59.2% from approximately HK\$214.3 million as of 31 December 2015 to approximately HK\$87.4 million as of 31 December 2016. The increase in total assets was mainly attributable to (i) the investment in properties amounted to approximately HK\$62.4 million from the acquisition of the entire equity interest in Million Worldwide Investment Limited and additional 51% equity interest in Dragon Oriental Investment Limited during the FY2016; (ii) the

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fair value of the contingent consideration receivable amounted to approximately HK\$18.7 million from the acquisition of 51% of the equity interest in AP Group Investment Holdings Limited during the FY2016; and (iii) the increase in financial assets at fair value through profit or loss by approximately 62.1% from approximately HK\$323.1 million as of 31 December 2015 to approximately HK\$523.9 million as of 31 December 2016.

Total liabilities of the Group as of 31 December 2016 increased by approximately 1.7% to approximately HK\$387.1 million from approximately HK\$380.5 million as of 31 December 2015, which was mainly due to an increase in deferred tax liabilities arisen from the charge to profit or loss on the financial assets at fair value.

As of 31 December 2017

Total assets of the Group as of 31 December 2017 dropped by approximately 52.0% from approximately HK\$1,469.5 million as of 31 December 2016 to approximately HK\$705.7 million as of 31 December 2017. Such significant drop was mainly attributable to (i) the drawdown in investment properties by approximately 38.6% to approximately HK\$38.3 million for the FY2017 from approximately HK\$62.4 million for the FY2016 which was mainly due to the disposal of a property of the fair value of approximately HK\$20.5 million as at the date of the completion of the disposal and the fair value loss on investment properties of approximately HK\$3.6 million for the FY2017; (ii) the decrease in goodwill by approximately 36.4% to approximately HK\$318.4 million for the FY2017 as opposed to approximately HK\$500.5 million for the FY2016 which was mainly caused by the impairment loss on goodwill on the Software Business of approximately HK\$182.0 million for the FY2017 and as a result of the declining financial performance of the Software Business; (iii) the reduction in available-for-sale financial assets by approximately 55.6% from approximately HK\$83.6 million for the FY2016 to approximately HK\$37.1 million for the FY2017 which was mainly due to the loss on the fair value change on investments; and (iv) the decline in financial assets at fair value through profit or loss by approximately 98.1% from approximately HK\$523.9 million as of 31 December 2016 to approximately HK\$9.7 million as of 31 December 2017. According to the management of the Company, the decrease in financial assets at fair value through profit or loss was as a consequence of the Group's decision to realise most of the listed equity securities.

Total liabilities of the Group as of 31 December 2017 also dropped by approximately 85.3% from approximately HK\$387.1 million as of 31 December 2016 to approximately HK\$56.8 million as of 31 December 2017. The decrease in total liabilities was mainly caused by the redemption of loan notes and convertible notes in full during the FY2017.

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As of 30 June 2018

Total assets of the Group as of 30 June 2018 dropped by approximately 26.9% from approximately HK\$705.7 million as of 31 December 2017 to approximately HK\$516.0 million as of 30 June 2018. The decrease was mainly attributable to (i) the decrease in goodwill by approximately 52.6% from approximately HK\$318.4 million as of 31 December 2017 to approximately HK\$150.8 million as of 30 June 2018 which was due to the reduction in fair value of the Boom Max Group as of 30 June 2018 as valued by an independent valuer (details of the valuation has set out in the 2018 Interim Report); and (ii) the reduction in trade and other receivables by approximately 13.8% from approximately HK\$78.8 million as of 31 December 2017 to approximately HK\$67.9 million as of 30 June 2018.

Total liabilities of the Group as of 30 June 2018 also dropped by approximately 2.3% from approximately HK\$56.8 million as of 31 December 2017 to approximately HK\$55.5 million as of 30 June 2018 which was primarily due to a decrease of approximately HK\$0.9 million in trade and other payables.

2.4 Recent Development of the Group

(a) AP Group Investment Holdings Limited – claim for the Adjustment Amount

As disclosed in the announcements of the Company dated 13 June 2016, 23 June 2016, 1 July 2016, 12 June 2018, 26 June 2018 and 16 July 2018 in relation to, among others, the acquisition of 51% equity interest in AP Group Investment Holdings Limited (“**AP Investment**”, together with its subsidiaries, the “**AP Group**”) (the “**Acquisition**”). On 13 June 2016, Lucky Famous Limited (“**Lucky Famous**”), a wholly-owned subsidiary of the Company, Fragrant River Entertainment Culture (Holdings) Limited (“**Vendor**”) and Universe International Financial Holdings Limited (“**Guarantor**”) entered into an agreement, pursuant to which the Group has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell the 51% equity interest in the AP Investment, at the consideration of HK\$20.4 million. Such consideration shall be adjusted if the net profit of the AP Group for the period from 1 January 2016 to 31 December 2017 (“**FY2016 & 2017**”) is less than HK\$16 million (“**Adjustment Amount**”). Subsequently, the AP Group recorded a net loss of HK\$189,799 for the FY2016 & 2017, after adjustments for non-recurring items. On 12 June 2018, the Group requested the Vendor and the Gurantor to pay the Adjustment Amount of HK\$20.4 million on or before 26 June 2018. On 22 June 2018, the Group received a letter from the legal adviser acting for the Vendor and the Guarantor that they will defend the purported claim of the Group for the payment of the Adjustment Amount alleged by the Group.

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In response, the Group has commenced legal proceeding against the Vendor as the 1st defendant and the Guarantor as the 2nd defendant after seeking legal advice. A writ of summons with an indorsement of claim (“**Writ**”) were filed by Lucky Famous, as plaintiff, at the Court of First Instance of the High Court of Hong Kong on 16 July 2018 (the “**AP Litigation**”). Based on the Writ, the Group claimed against the Vendor and the Guarantor for (a) the Adjustment Amount of HK\$20,400,000; (b) interests; (c) costs; and (d) further and/or other reliefs. The Group is in the course of seeking legal advice on the matter and the incident may or may not impact the financial position of the Company. For further details of the Acquisition and the AP Litigation, please refer to the said announcements of the Company.

(b) AP Group Investment Holdings Limited – claim for the Full Business Records

As disclosed in the announcement of the Company dated 27 July 2018, on 26 July 2018, the Company as the first plaintiff and AP Investment as the second plaintiff issued a writ of summons in the High Court of The Hong Kong Special Administrative Region against Mr. Chan Sze Long (“**Mr. Chan**”) as the first defendant and Ms. Lim Wah Elsa (“**Ms. Lim**”) as the second defendant for the matters as detailed below. Mr. Chan and Ms. Lim are former directors of AP Investment until their respective resignations on 18 July 2018. Mr. Chan and/or his controlled company, and the controlled company of Ms. Lim, are also former directors of the other members of the AP Group at all material times.

At all material times and during the tenure of office of Mr. Chan and Ms. Lim as directors of AP Investment, it was agreed by the parties that Mr. Chan and Ms. Lim were wholly responsible for the efficient and proper management and operation of the AP Group, including but not limited to, the efficient daily operations of the AP Group, keeping proper books and records of the AP Group at all times for inspection by the Group and the provision of weekly cash and bank balance reports, annual budget and monthly financial reports of AP Investment including that of all the other members of the AP Group to the Company within 15 days after each month’s end. After the resignations of Mr. Chan and Ms. Lim as directors of AP Investment on 18 July 2018 and up to the Latest Practicable Date, Mr. Chan and Ms. Lim failed to deliver up all the accounting books and financial records of, and all businesses records in connection with the operation of the AP Group, including but not limited to the Full Business Records to the Group.

In order to safeguard the legitimate rights and interests of the Group, after seeking legal advice, the Group has commenced legal proceeding against Mr. Chan and Ms. Lim. The Group claims against Mr. Chan and Ms. Lim for the reliefs, including but not limited to, delivering up of the Full Business Records, accounting for the assets of the AP Group for the period from 1 April 2018 to 18

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July 2018 that were in the power, possession or control of Mr. Chan and Ms. Lim and damages to be assessed.

Subsequently, as stated in the 2018 Interim Report, due to the circumstances that, *inter alia*, the Group was unable to locate complete set of books and records of the AP Group and the fact that the Group cannot ascertain the operation of business of the AP Group, in the opinion of the Board, the control over the AP Group was lost. Accordingly, the financial results, assets and liabilities of the AP Group have been deconsolidated from the condensed consolidated financial statements of the Group with effective from 1 April 2018 and the Group recorded a loss on deconsolidation of subsidiaries of approximately HK\$3.5 million for the 1H2018.

Given the fact that the management of the Company cannot ascertain the operation of business of the AP Group, we concur with the view of the management of the Company that the Group has effectively lost its control over the business operations of the AP Group. Therefore, we consider it is appropriate to deconsolidate the financial results of the AP Group from the Group's condensed consolidated financial statements.

(c) Litigation against Perfect Growth Limited (“Perfect Growth Litigation”)

With reference to the announcement of the Company dated 5 July 2018 in relation to, among others, Perfect Growth Limited (“**Perfect Growth**”), a wholly-owned subsidiary of the Company, received an amended writ of summons (“**Amended Writ**”) with an amended statement of claim (“**Amended Statement of Claim**”) issued in the Court of First Instance of the High Court of Hong Kong by Convoy Global Holdings Limited (“**Convoy**”) and other plaintiffs. Perfect Growth is named as one of the alleged independent placees (“**Alleged Independent Placees**”) (being placees of the placing of shares of Convoy carried out in around October 2015 (“**October 2015 Placing**”)) and has been allotted with some of the wrongfully allotted shares (“**Wrongfully Allotted Shares**”) (being shares of Convoy allotted in the October 2015 Placing). The reliefs claimed against Perfect Growth are as follows:

- (i) a declaration and an order as against, among others, Perfect Growth, that the allotment of the Wrongfully Allotted Shares by Convoy to, among others, Perfect Growth, is null and void, or has been rescinded and be set aside;
- (ii) an account of profits and an order for payment of any sums found to be due, equitable compensation to be assessed and/or damages to be assessed for dishonest assistance, unlawful means conspiracy and/or

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lawful means conspiracy as against, among others, Perfect Growth, in relation to, among other matters, the October 2015 Placing and the allotment of the Wrongfully Allotted Shares; and

- (iii) general or special damages, interests, costs and further and/or other reliefs.

For further details, please refer to the announcement of the Company dated 5 July 2018.

Based on the recent events of the Group as mentioned above, if the outcome of any of these events found to be against the interests of the Group, despite we were unable to quantify the impact to the Group as at the Latest Practicable Date, it may still potentially cause a decrease in the Group's assets or create financial obligation to the Group. As these events are on-going and the results of which remain uncertain, it is our view that each of the AP Litigation, the claim for the Full Business Records and the Perfect Growth Litigation may cast a significant doubt and uncertainty on the Group's financial position and future operations.

3. Prospects of the Group

We noted from the 2017 Annual Report and the 2018 Interim Report that the majority of the revenue of the Group for the FY2016, FY2017 and 1H2018 was generated from the Software Business.

As advised by the management of the Company, the declining performance of the Software Business was mainly attributable to negative factors such as the keen competition in the I.T. market, the decline in the demand for PCs, the slower-than-expected development pace in Asian markets, the volatility of the global economy as well as the impairment loss on goodwill of HK\$182 million in relation to the CGU of the Software Business.

According to the 2017 Annual Report and the 2018 Interim Report, the flagship product for the Software Business is the Advanced SystemCare which is an anti-virus software for protecting users' PCs from spyware and virus. In order to get a better grasp of the I.T. market which in turn affects the demand of the software products from the Group, we have conducted our own research. As discussed with the management of the Company, the United States is the largest market for the Software Business of the Group, the sales to which accounted for approximately 35.7% of the revenue of the Software Business for FY2017. Therefore, we have researched on the United States market. With reference to the "Computers and Peripherals in the U.S." published in August 2017 by Euromonitor International, a global market intelligence publisher which was established in 1972 and provides research report and analysis on market trends, stated that the outlook for computers and peripherals in the United States market remains challenging in the next few years. According to the report, it is expected to register a declining volume of retail sale of

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desktops and laptops at a CAGR of approximately 5% over the next few years due to the continued shift of demand from desktops and laptops to smartphones or mobile devices and the dwindling importance of traditional computers and peripherals to people's daily lives.

Furthermore, according to the statistics published by Statista, an online leading international statistics portal that provides access to data, survey results and industry studies from over 22,500 sources on over 60,000 topics, as of January 2018, almost 90% of the market share of the anti-malware application was held by 10 leading vendors, and such results were representative of over 40 million data points collected from thousands of live Windows machines and include both corporate and home users. Since the market of anti-malware software is dominated by the leading players, the competition for the remaining market share has been very fierce to the Group.

Notwithstanding the above, as described by the management of the Group in the 2017 Annual Report and in the 2018 Interim Report, the declining performance of the Software Business was also contributed by the slower-than-expected development pace in Asian market.

Having considered (i) the expected decrease in the number of users of laptop and desktop as mentioned above; (ii) the keen competition among the I.T. market, particularly the anti-virus market; and (iii) the slower-than-expected development pace in Asian markets from the perspective of the management of the Group, which may hinder the Group's ability to capture or expand market share of the said products in the future, we consider the Group's Software Business is facing uncertainties which may affect the financial performance of the Group as evidenced by its declining revenue over the past three financial years.

4. Information on the Offeror and intentions of the Offeror

Based on the information disclosed in the letter from Get Nice Securities contained in the Composite Document, the Offeror is the single largest Shareholder holding 134,280,000 Shares, representing approximately 30.21% of the issued share capital of the Company as of the Latest Practicable Date. The Offeror is a businessman actively involving in investment in I.T. business, and a shareholder of a private company engaging in capital investment in various I.T. related areas such as mobile internet access, Fintech, artificial intelligence, big data, education, etc. who has been investing in a number of high quality or start up enterprises worldwide. The Offeror is also the chief executive officer of a subsidiary (which is principally engaged in the provision of software and I.T. services) of Interactive Entertainment China Cultural Technology Investments Limited, the issued shares of which are listed on GEM (stock code: 8081).

The Offeror intends that the Group will continue to operate its business in substantially its current state after the close of the Share Offer. Upon the close of the Share Offer, the Offeror will conduct a detailed review of the business operations and financial position of the Group for the purpose of formulating a sustainable business plan or strategy

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for the Group's long-term development. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance long-term growth potential of the Company.

Notwithstanding the above, as of the Latest Practicable Date, no investment or business opportunity has been identified nor has the Offeror entered into any agreements, arrangements, understandings or negotiations in relation to the injection of any assets or businesses into the Group, and the Offeror has no intention to discontinue the employment of the employees or to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business. As a result, we cannot ascertain the future business prospects of the Company upon the completion of the Share Offer.

Maintaining listing status of the Company

The Stock Exchange has stated that if, at the close of the Share Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on GEM after the close of the Share Offer. The Offeror has undertaken and the new directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

5. Evaluation of the Share Offer Price

5.1 In relation to Shares information

5.1.1 Comparison with historical Share prices

The Share Offer Price of HK\$0.42 per Offer Share represents the highest price paid by the Offeror or parties acting in concert with him for the acquisition of the Shares within six months prior to the commencement of the Offer Period.

The Share Offer Price of HK\$0.42 per Offer Share also represents:

- (i) a premium of approximately 1.20% over the closing price of HK\$0.415 per Share as quoted on the Stock Exchange on 6 June 2018, being the Last Trading Day;

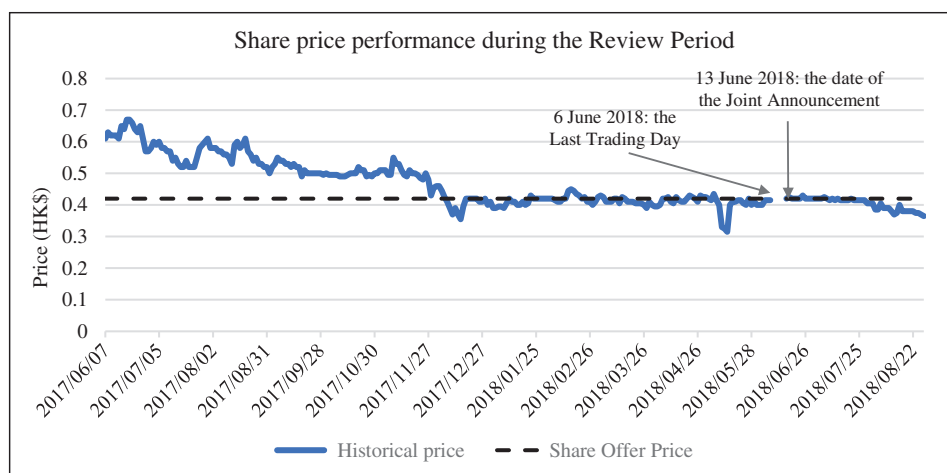
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- (ii) a premium of approximately 2.69% over the average closing price of approximately HK\$0.409 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a premium of approximately 2.94% over the average closing price of approximately HK\$0.408 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 3.96% over the average closing price of approximately HK\$0.404 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 15.07% over the closing price of HK\$0.365 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (vi) a discount of approximately 69.48% to the audited consolidated net asset value attributable to the owners of the Company per Share of approximately HK\$1.376 as of 31 December 2017, calculated based on the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$611,363,000 as of 31 December 2017 and 444,448,237 Shares in issue as of the Latest Practicable Date; and
- (vii) a discount of approximately 56.34% to the unaudited consolidated net asset value attributable to the owners of the Company per Share of approximately HK\$0.962 as of 30 June 2018, calculated based on the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$427,460,000 as of 30 June 2018 and 444,448,237 Shares in issue as of the Latest Practicable Date.

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5.1.2 Historical Share price trend

The chart below depicts the closing prices of the Shares traded on the Stock Exchange from 7 June 2017, being the starting date of the 12th month prior to the Last Trading Day, up to the Latest Practicable Date (the “**Review Period**”), to illustrate the general trend and level of movement of the closing prices of the Shares.



Source: the website of the Stock Exchange (www.hkex.com.hk)

During the period from 7 June 2017 to 13 December 2017, the closing price of the Shares demonstrated a general downward trend, falling from HK\$0.67 on 19 June 2017 to HK\$0.355 per Share on 13 December 2017. We are not aware of any public information relating to such price movement and we are advised by the Directors that save and except for the information contained in the announcements of the Company within that period, they are not aware of any specific reason for the aforesaid price movement.

After the closing price of the Shares reached HK\$0.355 on 13 December 2017, the closing price of the Shares remained relatively steady for the rest of the Review Period.

Trading in the Shares was suspended from 7 June 2018 to 13 June 2018 (both days inclusive) pending the publication of the Joint Announcement. The closing prices of the Shares were in general remained stable in the period after the date of the Joint Announcement. Immediately after the date of the Joint Announcement, the closing price of the Shares maintained in the range of HK\$0.365 to HK\$0.43 with an average of HK\$0.40 per Share and closed at HK\$0.365 as of the Latest Practicable Date.

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During the Review Period, the closing price of the Shares ranged between HK\$0.315 and HK\$0.67 and the average price of the Shares is HK\$0.463. The Share Offer Price is within the aforesaid range and represents a premium of approximately 1.20% over the Last Trading Day and a premium of 2.69%, 2.94% and 3.96% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5, 10 and 30 consecutive trading days up to and including the Last Trading Day respectively. It also represents a premium of approximately 33.33% over the lowest closing Share price, a discount of approximately 37.31% to the highest closing Share price and a discount of approximately 9.29% to the average closing Share price during the Review Period.

Furthermore, for the 6 months period prior to and including the Latest Practicable Date, the closing price of the Shares ranged from HK\$0.315 to HK\$0.435, the Share Offer Price represents a premium of approximately 33.33% over the lowest closing Share price and a discount of approximately 3.45% to the highest closing Share price. In addition, there were 102 out of 117 days where the Share Offer Price was on or above the historic Share price during the six-month period preceding the Latest Practicable Date.

Having considered that the Share Offer Price is within the range of the closing Share price during the Review Period and is substantially on or above the historic Share price for the 6 months period as mentioned above, which is more applicable in our analysis, we are of the view that the Share Offer Price is fair and reasonable so far as the Independent Shareholders are concerned.

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5.1.3 Liquidity of the Shares

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

| Month/period | Total trading volume (No. of Shares) | No. of trading days | Average daily trading volume (No. of Shares) (Note 2) | Percentage of the average daily trading volume to the total number of Shares in issue (Note 3) | Percentage of the average daily trading volume to the total number of Shares in issue held by public Shareholders (Note 4) |
|--|---|---------------------|---|---|---|
| 2017 | | | | | |
| June (from the beginning of the Review Period) | 34,091,479 | 18 | 1,893,971 | 0.43% | 0.73% |
| July | 102,798,147 | 21 | 4,895,150 | 1.10% | 1.89% |
| August | 269,940,731 | 22 | 12,270,033 | 2.76% | 4.75% |
| September | 99,167,447 | 21 | 4,722,259 | 1.06% | 1.83% |
| October | 40,751,430 | 20 | 2,037,572 | 0.46% | 0.79% |
| November | 42,904,901 | 22 | 1,950,223 | 0.44% | 0.75% |
| December | 39,642,538 | 19 | 2,086,449 | 0.47% | 0.81% |
| 2018 | | | | | |
| January | 119,865,843 | 22 | 5,448,447 | 1.23% | 2.11% |
| February | 145,202,961 | 18 | 8,066,831 | 1.82% | 3.12% |
| March | 157,490,737 | 21 | 7,499,559 | 1.69% | 2.90% |
| April | 154,901,502 | 19 | 8,152,711 | 1.83% | 3.15% |
| May | 320,275,632 | 21 | 15,251,221 | 3.43% | 5.90% |
| June (Note 1) | 29,601,600 | 15 | 1,973,440 | 0.44% | 0.76% |
| July | 5,769,883 | 21 | 274,756 | 0.06% | 0.11% |
| August | 16,197,900 | 20 | 809,895 | 0.18% | 0.31% |

Source: the website of the Stock Exchange (www.hkex.com.hk)

Notes:

- Trading in the Shares was halted from 7 June 2018 to 13 June 2018 (both days inclusive).

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2. Average daily trading volume is calculated by dividing the total trading volume for the month/period by the number of trading days during the month/period excluding any trading days on which trading of the Shares on the Stock Exchange was suspended for the whole trading day.
3. The calculation is based on the average daily trading volume of the Shares for the month/period divided by the total issued share capital of the Company as of the Latest Practicable Date (i.e. 444,448,237 Shares).
4. The calculation is based on the average daily trading volume of the Shares for the month/period divided by the total issued share capital of the Company held by public Shareholders as of the Latest Practicable Date (i.e. 258,435,197 Shares).

As illustrated in the above table, the average daily trading volume during the Review Period ranged from around 270,000 Shares to 15,300,000 Shares, representing approximately 0.06% to 3.43% of the total number of Shares in issue as of the Latest Practicable Date, and approximately 0.11% to 5.90% of the total number of Shares held by public Shareholders as of the Latest Practicable Date. In light of the thin liquidity of the Shares during the Review Period, we are of the view that the Independent Shareholders may find it difficult to dispose of a large number of Shares in the open market without exerting a downward pressure on the price of the Shares, and that the Share Offer provides the Independent Shareholders with an assured exit if they wish to realise their investments in the Shares.

Independent Shareholders should be mindful as to whether there will be sufficient liquidity in the Shares for those who wish to realise part or all of their investments in the Company at the prevailing market price of the Shares and whether their disposal of Shares will exert a downward pressure on the market prices of the Shares. They are therefore strongly advised to carefully and closely monitor the market price and liquidity of the Shares during the Offer Period if they wish to dispose of part of or all of their Shares in the open market.

Based on our analysis on the Share Offer Price as set out in this sub-section, (i) the Share Offer Price represents a premium of approximately 1.20% over the Last Trading Day, a premium of 2.69%, 2.94% and 3.96% over the average of the closing prices of the Shares for the 5, 10 and 30 consecutive trading days up to and including the Last Trading Day respectively and a premium of approximately 15.07% over the Latest Practicable Date; (ii) the Share Offer Price was within the range of the closing Share price during the Review Period and there were 102 out of 117 days during which the Share Offer Price was on or above the historic Share price during the six-month period preceding the Latest Practicable Date; and (iii) the historical trading volume of the Shares was generally thin during the Review Period, and that the Share Offer provides an assured exit to the Independent Shareholders who wish to realise their investments in the Shares, we considered that the Share Offer to be fair and reasonable so far the Independent Shareholders are concerned.

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5.2 In relation to assets of the Company

We consider the evaluation of the consolidated net asset value of the Group as a whole has been covered in the section “5.1.1 Comparison with historical Share prices” given that the market capitalisation of the Company generated by the market price represented the value that investors are willing to pay for the net assets of the Group as a whole. However, it is our opinion that the evaluation on the consolidated net asset value per Share with the view of realising individual net assets for cash would be appropriate. In addition, given that the intention of the Offeror of maintaining the listing status of the Company, any assumption of disposing the assets of the Group as a whole will contradict the aforesaid intention of the Offeror pursuant to Rule 17.26 and Rule 19.82 of the GEM Listing Rules, which is resulting in the possible delisting of the Shares. Therefore, we have not analyzed in this regard.

As discussed in the paragraph headed “2.3 Financial position” in the section headed “Information of the Group” above, the assets of the Group mainly comprised with goodwill, cash and cash equivalents, intangible assets and trade and other receivables. Among all the assets, goodwill and intangible assets accounted for approximately 56.42% and 45.00% as of 31 December 2017 and 30 June 2018, respectively.

These assets are not readily realisable into cash independently due to their intangible nature. Therefore, in order to analyse the intrinsic value of the net assets of the Company such as under the event of assets stripping of individual assets for cash, it is our opinion that the current consolidated net asset value per Share does not represent the cash value per Share which the Company may actually return to the Shareholders.

In this regard, we believe the net tangible assets of the Company would provide a better view on this part of our analysis. With reference to the 2018 Interim Report, the unaudited net assets as of 30 June 2018 was approximately HK\$460.5 million, which include a goodwill and intangible assets of approximately HK\$150.8 million and HK\$81.4 million, respectively. By excluding the two intangible items, the net tangible assets of the Company as of 30 June 2018 would be approximately HK\$228.3 million, representing approximately HK\$0.51 per Share (“**NTA per Share**”). The Share Offer Price represents a discount of approximately 17.65% as compared to the NTA per Share, which is substantially lower than the discount of approximately 59.46% to the unaudited consolidated net asset value per Share of approximately HK\$1.036 as of 30 June 2018 based on the unaudited consolidated net asset value of approximately HK\$460.5 million as of 30 June 2018 as compared to the Share Offer Price.

The disposal of any material assets related to the major business of the Company without introducing new business or expanding the other existing business would adversely affect the revenue to the Group and may cause insufficient level of operations to the Company, such disposal may result in suspension or even delisting

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from GEM in accordance to Rule 17.26 of the GEM Listing Rules. Given that the Offeror intends to maintain the listing status of the Company and has no intention to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business, we considered that the possibility of disposing material assets of the Company to realise the NTA per Share is uncertain because the value of the tangible assets is based on a principal assumption that there is a willing buyer and a willing seller. If the Company decided to liquidate its assets in a timely manner, there is no certainty that the material assets of the Group can be disposed at the consideration equal to their respective tangible book value as of 30 June 2018, and it is fair to assume that a discount to the tangible assets value could be expected. Furthermore, with reference to the section headed “2.4 Recent Development of the Group” above, (i) the Vendor and the Guarantor would defend the Group’s claim for the Adjustment Amount of HK\$20.4 million in relation to the Acquisition. In the event that the outcome of the Writ is against the Group, subject to the further review by the Company, impairment to such receivable could be in order which in turn would decrease the net asset value and NTA per Share; (ii) Perfect Growth is in the midst of Perfect Growth Litigation. If the court decision is unfavorable to the Company, such claim may post further negative effect on the consolidated financial position of the Group; and (iii) the major business of the Group is facing a fierce competition as discussed in the paragraph headed “3. Prospects of the Group” above. The NTA per Share could potentially deteriorate from the above events.

Despite the NTA per Share represents a premium of approximately 17.65% to the Share Offer Price, having considered (i) disposal of tangible assets of the Company for cash is not practicable given that any disposal of assets in material amount would affect the operation and the listing status of the Company, which is not in the interests of Independent Shareholders; (ii) the Offeror intends to maintain the listing status of the Company and has no intention to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business; (iii) there is no certainty that the tangible assets of the Group would be realised in the amount no less than the relevant book value; and (iv) the AP Litigation, the Perfect Growth Litigation and unfavorable prospect of the Group may further deteriorate the NTA per Share in the future, we consider that the Share Offer Price is fair and reasonable so far the Independent Shareholders are concerned in this regard.

6. Market comparable analysis

As illustrated in the paragraph headed “Information of the Group” above, the Group is principally engaged in the Software Business and the Corporate Management Solutions and I.T. Services Business, where the aggregate revenue generated from the Software Business and the Corporate Management Solutions and I.T. Services Business for the FY2015, FY2016, FY2017 and 1H2018 were over 75%, 93%, 90% and 91% of the total revenue of the Group, respectively. We have attempted to research from publicly available information for comparable companies that (a) engage in the same or similar business mix; (b) target at similar geographical areas with the Company; and (c) their shares are listed on the Stock Exchange. However, on a best effort basis, we have not identified any comparable company with the same or similar business mix with the Company that in our opinion would serve as a fair reference to the Share Offer Price.

For the purpose of assessing the fairness and reasonableness of the Share Offer, we have therefore broaden our search for comparable companies into 2 tranches in terms of the business mix of the Group: (i) companies with over 75% of revenue generate from business similar to Software Business (“**Tranche 1**”); and (ii) companies with over 75% of revenue generate from business similar to Corporate Management Solutions and I.T. Services Business and is not involved in hardware related business in their preceding published audited financials (“**Tranche 2**”). In addition, all of the shares of the comparable companies must be listed on the Stock Exchange. Under normal circumstance, a price-to-earnings ratio would be representative to measure the values between comparable companies for the reason that businesses of the Group are not capital intensive in nature. However, in view of the loss-making situation of the Company, price-to-earnings ratio would be inapplicable, therefore we have adopted price-to-sales ratio in our analyses. Despite the possible handicap of the price-to-sales ratio to reflect the differences in cost structure across comparable companies, it is relatively representative since it measures the business generating ability of comparable companies.

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Based on the criteria stated hereinabove, on a best effort basis, we have identified one comparable company in Tranche 1 and a total of six comparable companies in Tranche 2, and they are exhaustive. Below is the summary of our findings:

Tranche 1:

| Name | Principle business | Total revenue (HK\$'000) | Net profit attributable to owners of the Company (HK\$'000) | Market capitalisation as at the Latest Practicable Date (HK\$'000) | Geographical focus | Price- to-sales ratio ^{Note 2} |
|--|--|--------------------------------|---|--|--|---|
| Edvance International Holdings Limited (stock code: 8410), ("EIH") | Distributor and provider of cyber security products and services | 302,323 | 18,182 | 990,725 | Hong Kong: 78.3% | 3.28x |
| The Company | Research, development and distribution of personal computer performance software, anti-virus software, mobile phone applications and toolbar advertisements and provision of corporate management solutions and I.T. contract services | 187,780 | (512,327) | 186,668 ^{Note 1} | Hong Kong: 38.8% United States of America: 20.8% | 0.99x ^{Note 1} |

Notes:

1. Calculated based on the Share Offer Price of HK\$0.42 per Share.
2. The price-to-sales ratio of the market comparable is calculated by dividing its market capitalisations as at the Latest Practicable Date by its total revenue based on its latest published results announcement.

As shown in Tranche 1, the price-to-sales ratio of EIH is approximately 3.28 times, which is higher than the price-to-sales ratio of the Company at 0.99 times, with the Share Offer Price as the basis.

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Tranche 2:

| Name | Principle business | Total revenue (HK\$'000) | Net profit attributable to owners of the Company (HK\$'000) | Market capitalisation as at the Latest Practicable Date (HK\$'000) | Geographical focus | Price- to-sales ratio ^{Note 2} |
|---|--|--------------------------------|---|--|------------------------------------|---|
| Founder Holdings Limited (stock code: 418) | Developer and distributor of software, system integration and information products to media companies, financial institutions, enterprises and government departments | 993,493 | 89,836 | 503,894 | PRC: 98.9% | 0.51x |
| Enterprise Development Holdings Limited (stock code: 1808) | Provider of database software products and integrated business software solutions | 334,888 | (117,514) | 431,737 | PRC: 106% | 1.29x |
| Chanjet Information Technology Company Limited (stock code: 1588) | Developer and provider of enterprise management software products and cloud services | 573,384 | 258,650 | 656,700 | PRC: 99% | 1.15x |
| Computer And Technologies Holdings Limited (stock code: 46) | Provider of enterprise application software, system and network integration solutions | 253,915 | 54,329 | 745,970 | Hong Kong: 73.6% | 2.94x |
| Kingdee International Software Group Company Limited (stock code: 268) | Developer, manufacturer and seller of enterprise management software products and software-related services | 2,648,977 | 356,505 | 29,925,531 | PRC: 100% | 11.30x |
| Anacle Systems Limited (stock code: 8353) | Software developer and provider of enterprise application software solutions, energy management solutions | 76,670 | (13,363) | 199,579 | Singapore: 95.3% | 2.60x |
| | | | | | Maximum | 11.30x |
| | | | | | Minimum | 0.51x |
| | | | | | Median | 1.95x |
| | | | | | Average | 3.30x |
| The Company | Research, development and distribution of personal computer performance software, anti-virus software, mobile phone applications and toolbar advertisements and provision of corporate management solutions and I.T. contract services | 187,780 | (512,327) | 186,668 ^{Note 1} | Hong Kong: 38.8% | 0.99x ^{Note 1} |
| | | | | | United States of America: 20.8% | |

Notes:

1. Calculated based on the Share Offer Price of HK\$0.42 per Share.
2. The price-to-sales ratios of the market comparables are calculated by dividing their market capitalisations as at the Latest Practicable Date by their total revenue based on their latest published results announcement.

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All the financial information of the comparable companies in Tranche 1 and Tranche 2 are extracted from their respective latest published audited annual report.

As shown in Tranche 2, the price-to-sales ratio of the comparable companies range from approximately 0.51 time to approximately 11.30 times with an average of approximately 3.30 times. The price-to-sales ratio of approximately 0.99 times of the Company calculated based on the Share Offer Price is below the average of the comparable companies but is within such range.

Independent Shareholders should note that the above analyses are for information and reference only as, on a best effort basis, we have not identified any comparable company with the same or similar business model with the Company that in our opinion would serve as a fair reference to the Share Offer Price. However, we consider that it would be beneficial to give the Independent Shareholders an idea on companies that share certain similarities with the Company. In addition, we have not conducted any in-depth investigation into the businesses and operations of the comparable companies stated hereinabove nor analysed their respective financial information.

RECOMMENDATION

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

- (i) the Share Offer Price represents a premium of approximately 1.20% over the Last Trading Day and 2.69%, 2.94% and 3.96% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5, 10 and 30 consecutive trading days up to and including the Last Trading Day respectively, and a premium of approximately 15.07% to the closing price of the Shares as of the Latest Practicable Date;
- (ii) the Share Offer Price lies within the range of closing price of the Shares of HK\$0.315 to HK\$0.67 during the Review Period. The Share prices during the six-month period preceding the Latest Practicable Date were significantly (102 out of 117 days) on and below the Share Offer Price;
- (iii) the liquidity of the Shares was generally low and the Independent Shareholders may find it difficult to dispose of a large number of Shares in the open market without exerting a downward pressure on the price of the Shares. The Share Offer provides an assured opportunity to the Independent Shareholders to realise their investments in the Company;
- (iv) despite the Share Offer Price represents a discount of approximately 56.34% and 59.46% to the unaudited consolidated net asset value per Share attributable to the owners of the Company and the unaudited consolidated net asset value per Share as at 30 June 2018, respectively, the net assets of the Group mainly comprised goodwill and intangible assets, in which these assets are not readily realisable into cash due to their

LETTER FROM INDEPENDENT FINANCIAL ADVISER

intangible nature; the Share Offer Price also represents a discount of approximately 17.65% to the NTA per Share as at 30 June 2018, however, evaluating the Company by assets stripping of individual assets is not practicable as disposal of assets as a whole may affect the operation and the listing status of the Company;

- (v) there is no certainty that the tangible assets of the Group would be realised in the amount no less than the relevant book value;
- (vi) the declining revenue over the past three financial years ended 31 December 2015, 2016 and 2017 and the loss of the Group incurred for the FY2017 and the 1H2018;
- (vii) the Group is in the midst of the AP Litigation and Perfect Growth Litigation, in the case the court decision is unfavorable to the Group, it might cause adverse impact to the operation and the financial position of the Group as mentioned in our analysis; and
- (viii) there are uncertainties in the future prospects of the Group's business as explained in the paragraph headed "Prospects of the Group" above,

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

Independent Shareholders should note that the price of the Shares has consistently traded at a level close to the Share Offer Price since 14 June 2018 following the publication of the Joint Announcement. Independent Shareholders who wish to realise part of or all of their investments in the Company are reminded to carefully and closely monitor the market price of the Shares during the Offer Period and consider selling their Shares in the open market instead of accepting the Share Offer, if the net proceeds of such sale after deducting all transaction costs exceed the net amount to be received under the Share Offer.

Independent Shareholders should also read carefully the procedures for accepting the Share Offer set out in the letter from Get Nice Securities and in Appendix I to the Composite Document and the accompanying Form of Acceptance.

Yours faithfully,
for and on behalf of
HOORAY CAPITAL LIMITED
Simon Ng
Director

Mr. Simon Ng is a licensed person under the SFO to engage in, among others, Type 6 (advising on corporate finance) regulated activity and has over 17 years of experience in investment banking and corporate finance.

To accept the Share Offer, you should complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms of the Share Offer. The instructions set out in this Composite Document should be read together with the instructions printed on the Form of Acceptance which form part of the terms of the Share Offer.

1. PROCEDURES FOR ACCEPTANCE OF THE SHARE OFFER

- (a) To accept the Share Offer, you should complete and sign the Form of Acceptance in accordance with the instructions printed thereon, which form part of the terms of the Share 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 thereof) in respect of your Shares is/are in your name, and you wish to accept the Share 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 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 Share Offer, by post or by hand, to the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, in an envelope marked "**GET Holdings Limited – Share Offer**", as soon as possible, and in any event no later than 4:00 p.m. on the Closing Date or such later time(s) and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code.
- (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 Share Offer (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) with the nominee company, or other nominee, and with instructions authorising it to accept the Share Offer on your behalf and requesting it to deliver in an envelope marked "**GET Holdings Limited – Share Offer**" the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or
 - (ii) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver in an envelope marked "**GET Holdings Limited – Share Offer**" the duly completed and signed Form of Acceptance together with the

relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or

- (iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Share 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 receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost and you wish to accept the Share Offer in respect of your Shares, the Form of Acceptance should nevertheless be duly completed and signed and delivered in an envelope marked **"GET Holdings Limited – Share Offer"** to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) or that it/they is/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), you should also write to the Registrar for a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Registrar.
- (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 Share Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it in an envelope marked **"GET Holdings Limited – Share Offer"** to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable instruction and authority to each of Get Nice Securities and/or the Offeror and/or any of 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 and

to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Share Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.

- (f) Acceptance of the Share 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 (subject to the Share Offer becoming unconditional) or such later time(s) and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code and the Registrar has recorded that the Form of Acceptance and any relevant documents 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) and, if that/those share certificate(s) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in your favour 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 personal representatives (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 other subparagraph of this paragraph (f)); or
 - (iii) certified by the Registrar or the Stock Exchange.

If the Form of Acceptance is executed by a person other than the registered Shareholder, appropriate documentary evidence of authority (such as grant of probate or certified copy of power of attorney) to the satisfaction of the Registrar must be produced.

- (g) In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptances of the Share Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, and will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholder accepting the Share Offer (where the amount of stamp duty is a fraction of a dollar, the stamp duty will be rounded up to the nearest dollar). The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Share Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the Shares.

- (h) No acknowledgement of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.
- (i) If the Share Offer does not become, or is not declared, unconditional as to acceptances on the Closing Date, the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) received by the Registrar will be returned to the Independent Shareholders who have accepted the Share Offer by ordinary post at the Independent Shareholders' own risk as soon as possible but in any event within ten (10) days after the Share Offer has lapsed.

2. SETTLEMENT UNDER THE SHARE OFFER

Provided that a valid Form of Acceptance and the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant Shares as required by Note 1 to Rule 30.2 of the Takeovers Code are complete and in good order and in all respects and have been received by the Registrar by 4:00 p.m. on the Closing Date, a cheque or a banker's cashier order for the amount due to each of the Independent Shareholders, who accept the Share Offer less seller's ad valorem stamp duty in respect of the Offer Shares tendered by him/her/it under the Share Offer, will be despatched to such Independent Shareholder by ordinary post at his/her/its own risk as soon as possible but in any event within seven (7) Business Days following the later of the date on which the duly completed acceptances of the Share Offer and the relevant documents of title in respect of such acceptances are received by the Registrar to render each such acceptance complete and valid and the date the Share Offer becomes, or is declared, unconditional.

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

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

3. ACCEPTANCE PERIOD AND REVISIONS

- (a) In order for the Share Offer to be valid, the Form of Acceptance must be received by the Registrar by 4:00 p.m. on the Closing Date in accordance with the instructions printed thereon or have been extended or revised with the consent of the Executive and in accordance with the Takeovers Code. The Share Offer is conditional upon the Offeror having received acceptances in respect of the Offer Shares which, together

with the Shares acquired or to be acquired by the Offeror and the parties acting in concert with him before or during the Offer Period, will result in the Offeror and parties acting in concert with him holding more than 50% of the total issued shares capital of the Company by 4:00 p.m. on the Closing Date.

- (b) The Offeror reserves the right to revise the terms of the Share Offer after the despatch of this Composite Document until such day as it may determine and in accordance with the Takeovers Code. If the Offeror revises the terms of the Share Offer, all the Independent Shareholders, whether or not they have already accepted the Share Offer, will be entitled to accept the revised Share Offer under the revised terms.
- (c) If the Share Offer is extended or revised, announcement of such extension or revision will state the next closing date or, if the Share Offer has become unconditional, the announcement may contain a statement that the Share Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing will be given before the Share Offer is closed to the Independent Shareholders who have not accepted the Share Offer, and an announcement will be released. The revised Share Offer will be kept open for at least fourteen (14) days thereafter.
- (d) Any acceptance of the relevant revised Share Offer shall be irrevocable unless and until the Independent Shareholders who accept the Share Offer become entitled to withdraw their acceptance under the paragraph headed "6. Right of withdrawal" of this Appendix below and duly do so.

4. NOMINEE REGISTRATION

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

5. ANNOUNCEMENTS

- (a) By 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of his decision in relation to the revision, extension, expiry of the Share Offer. The Offeror must publish an announcement on the website of the Stock Exchange by 7:00 p.m. on the Closing Date stating the results of the Share Offer and whether, amongst other information required under Rule 19.1 of the Takeovers Code, the Share Offer has been revised or extended, or has expired or has become or been declared unconditional.

The announcement must state the following:

- (i) the total number of Offer Shares for which acceptances for the Share Offer have been received;
- (ii) the total number of Shares held, controlled or directed by the Offeror and parties acting in concert with him before the Offer Period; and
- (iii) the total number of Shares acquired or to be acquired during the Offer Period by the Offeror and the persons acting in concert with him.

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

- (b) In computing the total number or principal amount of Shares represented by acceptances, only valid acceptances that are complete, in good order and fulfill the acceptance conditions set out in section 1 of this Appendix, and which have been received by the Registrar no later than 4:00 p.m. on the Closing Date shall be included.
- (c) As required under the Takeovers Code, all announcements in relation to the Share Offer which the Executive and the Stock Exchange have confirmed that they have no further comments thereon must be made in accordance with the requirements of the Takeovers Code and the GEM Listing Rules respectively.

6. RIGHT OF WITHDRAWAL

- (a) The Share Offer is conditional upon fulfillment of the conditions set out in the letter from Get Nice Securities in this Composite Document. Acceptance of the Share Offer tendered by any Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out below in sub-paragraph (b) below or in compliance with Rule 17 of the Takeovers Code, which provides that an acceptor of the Share Offer shall be entitled to withdraw his/her/its acceptance after twenty one (21) days from the first Closing Date if the Share Offer has not by then become unconditional as to acceptances. An acceptor of the Share Offer may withdraw its/his/her acceptance by lodging a notice in writing signed by the acceptor (or its/his/her agent duly appointed in writing and evidence of whose appointment is produced together with the notice) to the Registrar.

- (b) If the Offeror is unable to comply with the requirements set out in the paragraph headed “5. Announcements” of this Appendix above, as set out in Rule 19.2 of the Takeovers Code, the Executive may require the Independent Shareholders who have tendered acceptances to the Share Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that rule are met.
- (c) In such case, when any Independent Shareholder(s) withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event within ten (10) days thereof, return by ordinary post the share certificate(s), and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares lodged with the Form of Acceptance to the relevant Independent Shareholder(s).

7. STAMP DUTY

The seller’s Hong Kong ad valorem stamp duty arising in connection with the acceptance of the Share Offer amounting to 0.1% of the amount payable in respect of the relevant acceptance or if higher, the market value of the Offer Shares, will be deducted from the amount payable to the Independent Shareholders who accept the Share Offer. The Offeror will arrange for payment of the seller’s ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Share Offer and will pay his respective portion of the buyer’s ad valorem stamp duty (being 0.1% of the amount payable in respect of the relevant acceptance or if higher, the market value of the Offer Shares) in connection with the acceptance of the Share Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

8. OVERSEAS SHAREHOLDERS

As the Share Offer to persons not residing in Hong Kong might be affected by the laws of the relevant jurisdictions in which they are resident, Overseas Shareholders should obtain information about and observe any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Share Offer. It is the responsibility of the Overseas Shareholders who wish to accept the Share Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

According to the register of members of the Company as at the Latest Practicable Date, there were four (4) Independent Shareholders with registered addresses in the Cayman Islands, the British Virgin Islands and the PRC. The Offeror has enquired about the legal restrictions under the applicable legislation in relation to securities of the relevant jurisdiction and the requirements of the relevant regulatory body or stock exchange with respect to the extension of the Share Offer to such Overseas Shareholders.

The Offeror has obtained advice from law firms qualified to advise on the laws of the Cayman Islands, the British Virgin Islands and the PRC, all of them opined that there is no requirement for any of the Company, Get Nice Securities or the Offeror to obtain any prior approval, consent or registration with any governmental, regulatory or such other authority in the Cayman Islands, the British Virgin Islands or the PRC in relation to the extension of the Share Offer, and the despatch of this Composite Document to the Independent Shareholders with registered addresses in the Cayman Islands, the British Virgin Islands or the PRC.

It is the responsibility of the individual Independent Shareholders who wish to accept the Share Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Share Offer (including the obtaining of any regulatory or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

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

9. TAXATION ADVICE

Independent Shareholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Share Offer. None of the Offeror and/or parties acting in concert with him, the Company, Get Nice Securities, Get Nice Capital, China AF, Veda Capital, the Independent Financial Adviser, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Share Offer accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Share Offer.

10. GENERAL

- (a) All communications, notices, Form of Acceptance, share certificate(s), transfer receipts(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Share Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents by ordinary post at their own risk, and the Offeror and parties acting in concert with him, the Company, Get Nice Securities, Get Nice Capital, China AF, Veda Capital, the Independent Financial Adviser, the Registrar or any of their respective directors and professional advisers or the company secretary of the Company, and any other parties involved in the Share Offer and any of their respective agents do not accept any liability for any loss in postage or 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 Share 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 Share Offer is made will not invalidate the Share Offer in any way.
- (d) The Share 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 irrevocable authority to the Offeror and/or Get Nice Securities (or such person or persons as the Offeror may direct) to complete, amend and execute any document on behalf of the person or persons accepting the Share Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as it may direct, the Shares in respect of which such person or persons has/have accepted the Share Offer.
- (f) Acceptance of the Share Offer by any Independent Shareholders will be deemed to constitute a warranty by such person or persons to the Offeror, Get Nice Securities and the Company that their Shares under the Share Offer are free from all third party rights and Encumbrances whatsoever and together with all rights accruing or attaching thereto including the right to receive in full all dividends and distributions recommended, declared, made or paid on or after the date of this Composite Document.
- (g) References to the Share Offer in this Composite Document and the Form of Acceptance shall include any revision and/or extension thereof.
- (h) The making of the Share Offer to the Overseas Shareholders may be prohibited or affected by the laws of the relevant jurisdictions. The Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. It is the responsibility of each Overseas Shareholder who wishes to accept the Share Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of all relevant jurisdictions in connection therewith, including, but not limited to the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required and the compliance with all necessary formalities, regulatory and/or legal requirements. Such Overseas Shareholders shall be fully responsible for the payment of any transfer or cancellation or other taxes and duties due by such Overseas Shareholders in respect of the relevant jurisdictions. The Overseas Shareholders are recommended to seek professional advice on deciding whether or not to accept the Share Offer.

- (i) Acceptances of the Share Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror, Get Nice Securities and the Company that the number of the 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 Share Offer.
- (j) Subject to the Takeovers Code, the Offeror reserves the right to notify any matter (including the making of the Share Offer) to all or any Independent Shareholders and with registered address(es) outside Hong Kong or whom the Offeror, Get Nice Securities, Get Nice Capital or China AF knows to be nominees, trustees or custodians for such persons by announcement in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any such Independent Shareholders to receive or see such notice, and all references in this Composite Document to notice in writing shall be construed accordingly.
- (k) In making their decision, the Independent Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Share 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, the Company, Get Nice Securities, Get Nice Capital, China AF, Veda Capital or the Independent Financial Adviser or their respective professional advisers. The Independent Shareholders should consult their own professional advisers for professional advice.
- (l) All acceptances, instructions, authorities and undertakings given by the Independent Shareholders in the Form of Acceptance shall be irrevocable except as permitted under the Takeovers Code.

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The following is a summary of the financial information of the Group for the six months ended 30 June 2018 and for each of the three years ended 31 December 2015, 2016 and 2017 as extracted from (i) the published annual reports of the Company for the relevant years; and (ii) the published interim report of the Company for the six months ended 30 June 2018.

| | For the six months ended 30 June 2018 | For the year ended 31 December | | |
|--|--|---------------------------------------|-----------------|-----------------|
| | 2018 | 2017 | 2016 | 2015 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (unaudited) | (audited) | (audited) | (audited) |
| | | | (Re-presented) | |
| Revenue | 69,438 | 187,780 | 193,534 | 324,729 |
| (Loss)/profit before taxation | (179,932) | (516,771) | 63,415 | 117,363 |
| Income tax (expense)/credit | (2,752) | 14,438 | (29,576) | (23,940) |
| (Loss)/profit for the period/year | (182,684) | (499,210) | 34,994 | 93,423 |
| Attributable to: | | | | |
| Owners of the Company | (186,667) | (512,327) | 17,092 | 60,510 |
| Non-controlling interests | 3,983 | 13,117 | 17,902 | 32,913 |
| | (182,684) | (499,210) | 34,994 | 93,423 |
| Dividend | – | – | – | – |
| (Loss)/earnings per share (<i>HK cents</i>) | | | | (Restated) |
| Basic | (42.00) | (120.30) | 6.21 | 42.05 |
| Diluted | (42.00) | (120.30) | 6.21 | 41.38 |

| | As at | As at 31 December | | |
|---|-----------------------|--------------------------|-------------------------|-------------------------|
| | 30 June | 2017 | 2016 | 2015 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (unaudited) | (audited) | (audited) | (audited) |
| Non-current assets | 322,125 | 507,059 | 794,598 | 799,122 |
| Current assets | 193,899 | 198,621 | 674,914 | 635,202 |
| Current liabilities | 43,540 | 44,546 | 360,754 | 94,308 |
| Non-current liabilities | 11,946 | 12,301 | 26,308 | 286,195 |
| Net assets | <u>460,538</u> | <u>648,833</u> | <u>1,082,450</u> | <u>1,053,821</u> |
| Equity attributable to owners of the Company | 427,460 | 611,363 | 1,047,535 | 1,015,953 |
| Non-controlling interests | <u>33,078</u> | <u>37,470</u> | <u>34,915</u> | <u>37,868</u> |
| Total equity | <u><u>460,538</u></u> | <u><u>648,833</u></u> | <u><u>1,082,450</u></u> | <u><u>1,053,821</u></u> |

Notes:

- (1) No modified opinion, emphasis of mater or material uncertainty related to going concern was contained in the audited consolidated financial statements of the Group for the three years ended 31 December 2015, 2016 and 2017 has been issued by RSM Hong Kong, the auditor of the Company.
- (2) There were no exceptional items because of size, nature or incidence recorded in the audited consolidated financial statements of the Group for each of the three years ended 31 December 2015, 2016 and 2017 and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2018.
- (3) There was no dividend declared by the Group for each of the three years ended 31 December 2015, 2016 and 2017 and for the six months ended 30 June 2018.

2. UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE SIX MONTHS ENDED 30 JUNE 2018

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2018 and notes thereto are set out on pages 2 to 57 of the interim report of the Company for the six months ended 30 June 2018, which has been published on the websites of the Company (www.geth.com.hk) and the Stock Exchange (www.hkexnews.hk).

3. AUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE YEAR ENDED 31 DECEMBER 2017

The followings are the audited consolidated financial statements of the Group for the year ended 31 December 2017 contained in the annual report of the Company for the year ended 31 December 2017 (the “**Company’s Annual Report 2017**”), which has been published on the websites of the Company (www.geth.com.hk) and the Stock Exchange (www.hkexnews.hk).

(a) Consolidated statement of profit or loss for the year ended 31 December 2017

Please refer to page 84 of the Company’s Annual Report 2017.

(b) Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2017

Please refer to page 85 of the Company’s Annual Report 2017.

(c) Consolidated statement of financial position as at 31 December 2017

Please refer to pages 86 to 87 of the Company’s Annual Report 2017.

(d) Consolidated statement of changes in equity for the year ended 31 December 2017

Please refer to pages 88 to 89 of the Company’s Annual Report 2017.

(e) Consolidated statement of cash flows for the year ended 31 December 2017

Please refer to pages 90 to 91 of the Company’s Annual Report 2017.

(f) Significant accounting policies and notes to the consolidated financial statements for the year ended 31 December 2017

Please refer to pages 92 to 231 of the Company’s Annual Report 2017.

4. STATEMENT OF INDEBTEDNESS OF THE GROUP

Indebtedness

At the close of business on 30 June 2018, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following outstanding unguaranteed indebtedness:

| | <i>Note</i> | Current portion HK\$'000 | Total HK\$'000 |
|----------------------|-------------|---|---------------------------|
| Unsecured | | | |
| Other payable | 1 | 400 | 400 |
| Credit card payable | 2 | 1 | 1 |
| Secured | | | |
| Credit card payables | 3 | 153 | 153 |
| | | <u>554</u> | <u>554</u> |

Notes:

1. The amount represents a non-trading payable that is unsecured, interest free and has no fixed repayment terms.
2. The amount represents payable to a bank for unsecured corporate card facility. As at 30 June 2018, the unsecured facility granted by a bank amounted to HK\$500,000.
3. The amount represents payable to banks for corporate card facilities. The facilities to the extent of HK\$1,500,000 were secured by bank deposits of the Group of approximately HK\$1,633,000.

Pledge of assets

At the close of business on 30 June 2018, being the latest practicable date for the purpose of this indebtedness statement, the Group had pledged bank deposits of approximately US\$80,000 and HK\$1,009,000 (in aggregate equivalent to approximately HK\$1,633,000) for securing banking facilities to the extent of HK\$1,500,000. The pledged bank deposits were denominated in United States dollars with a term of 6 months and Hong Kong dollars with a term of 30 days and at fixed interest rates of 0.2% per annum and 0.5% per annum respectively.

As at 30 June 2018, the Group had undrawn secured and unsecured banking facilities of approximately HK\$1,846,000.

Contingent liabilities

As at 30 June 2018, the Group did not have any significant contingent liabilities.

Disclaimer

Save as disclosed above and apart from intra-group liabilities and normal accounts payable in the ordinary course of business, the Group did not have any other loan capital issued and outstanding or agreed to be issued but unissued, loans, bank overdrafts, or other similar indebtedness, financial lease or hire purchase commitment, liabilities under acceptances (other than normal trade bills) or acceptable credits, debentures, mortgages, charges, guarantees or other material contingent liabilities as at the close of business on 30 June 2018.

5. MATERIAL CHANGE

The Directors confirm that save and except for the following, there has been no material change in the financial or trading position or outlook of the Group since 31 December 2017, being the date to which the latest published audited accounts of the Company were made, up to and including the Latest Practicable Date:

1. on 12 June 2018, the Company announced (the “**Demand Announcement**”) that, in relation to the acquisition of 51% equity interest in AP Group Investment Holdings Limited (“**AP Investment**”, together with its subsidiaries, referred to as the “**AP Group**”), based on the FY2016 & 2017 Audited Accounts prepared in accordance with the Hong Kong Financial Reporting Standards, after adjustments for non-recurring items, the AP Group recorded a net loss of HK\$189,799. The Vendor shall, and Guarantor shall procure the Vendor to, pay to the Purchaser the Adjustment Amount of HK\$20,400,000 on or before 26 June 2018, i.e. within 14 days after the FY2016 & 2017 Audited Accounts being made available, in accordance with the terms and conditions stipulated in the SP Agreement. The Company has requested the Vendor and the Guarantor to pay the Adjustment Amount according to the terms and conditions of the SP Agreement. If such requests fail, the Company may consider pursuing appropriate action(s) against the Vendor and the Guarantor for recovering the sum. Capitalised terms used in this paragraph shall have the same meanings as those defined in the Demand Announcement unless defined otherwise;
2. on 26 June 2018, the Company announced (the “**26 June 2018 Announcement**”) that on 22 June 2018, the Group received a letter from the legal adviser acting for the Vendor and the Guarantor that they will defend the purported claim of the Group for the payment of the Adjustment Amount alleged by the Group. Capitalised terms used in this paragraph shall have the same meanings as those defined in the 26 June 2018 Announcement unless defined otherwise;

3. on 5 July 2018, the Company announced (the “**5 July 2018 Announcement**”) that on 3 July 2018, Perfect Growth, a wholly-owned subsidiary of the Company, received an Amended Writ with an Amended Statement of Claim issued in the High Court by Convoy Global Holdings Limited (the “**1st Plaintiff**”), Convoy Collateral Limited (the “**2nd Plaintiff**”) and CSL Securities Limited (the “**3rd Plaintiff**”) (1st Plaintiff, 2nd Plaintiff and 3rd Plaintiff collectively referred to as the “**Plaintiffs**”) against, among other defendants, Perfect Growth as one of the defendants. Perfect Growth was joined as one of the defendants by way of the Amended Writ. Pursuant to the Amended Statement of Claim attached to the Amended Writ, Perfect Growth is named as one of the Alleged Independent Placees (being placees of the October 2015 Placing) and has been allotted with some of the Wrongfully Allotted Shares (being shares of the 1st Plaintiff allotted in the October 2015 Placing). The Company is in the course of seeking legal advice on the litigation. Capitalised terms used in this paragraph shall have the same meanings as those defined in the 5 July 2018 Announcement unless defined otherwise;
4. references are made to the Demand Announcement and the 26 June 2018 Announcement. On 16 July 2018, the Company announced that, the Group did not receive any payment of the Adjustment Amount from any of the Vendor and the Guarantor. The Board considered that the Vendor and the Guarantor have potentially breached their contractual obligations by failing to repay the Group the Adjustment Amount in accordance with the terms and conditions of the SP Agreement. In order to safeguard the legitimate rights and interests of the Group, after seeking legal advice, the Group has commenced legal proceeding against the Vendor as the 1st defendant and the Guarantor as the 2nd defendant. A writ of summons with an indorsement of claim was filed by Lucky Famous Limited (“**Lucky Famous**”), a wholly-owned subsidiary of the Company and the purchaser to the SP Agreement, as plaintiff at the Court of First Instance of the High Court of Hong Kong on 16 July 2018. Based on the writ, the Group claimed against the Vendor and the Guarantor for (a) the Adjustment Amount of HK\$20,400,000; (b) interests; (c) costs; and (d) further and/or other reliefs;
5. on 27 July 2018, the Company announced that on 26 July 2018, the Company as the 1st plaintiff and AP investment, a 51%-owned subsidiary of the Company, as the 2nd plaintiff, issued a writ of summons in the High Court of Hong Kong against Mr. Chan Sze Long (the “**1st Defendant**”) as the 1st defendant and Ms. Lim Wah Elsa (the “**2nd Defendant**”, together with the 1st Defendant, referred to as the “**Defendants**”) as the 2nd defendant for the matters as detailed below (the “**Action**”). The 1st Defendant and the 2nd Defendant are former directors of AP Investment until their respective resignation on 18 July 2018. The 1st Defendant and/or his controlled company, and the controlled company of the 2nd Defendant, are also former directors of the other members of the AP Group at all material times. After the resignations of the Defendants as directors of AP Investment on 18 July 2018 and up to 26 July 2018, the Defendants failed to deliver up all the accounting books and financial records of, and all businesses records in connection with the running of the AP Group, including but

not limited to records in relation to the students' records, instructors' records and information on potential litigations, for the period of seven years immediately prior to the date of their resignations as directors of AP Investment on 18 July 2018 (the "**Full Business Records**") to the Group. In order to safeguard the legitimate rights and interests of the Group, after seeking legal advice, the Group has commenced legal proceeding against the Defendants. The Group claims against the Defendants for the reliefs, including but not limited to, delivering up of the Full Business Records, accounting for the assets of the AP Group for the period from 1 April 2018 to 18 July 2018 that were in the power, possession or control of the Defendants and damages to be assessed;

6. as disclosed in paragraph 5 above, the Group has been facing practical difficulty in collecting Full Business Records for preparing the consolidated financial statements of the Group. As no response has been received from the Defendants regarding the Full Business Records and the Company is not able to compile proper consolidated financial statements of the Group involving the financial information of the AP Group for the purpose of preparing the interim results announcement and the interim report of the Group for the six months ended 30 June 2018 (the "**2018 Interim Period**") by the prescribed deadline in compliance with the requirements of the GEM Listing Rules, on 10 August 2018, the Board has resolved to deconsolidate the financial results of the AP Group from the Group's condensed consolidated financial statements for the 2018 Interim Period (the "**Deconsolidation**"). The Deconsolidation would not have a significant impact on the financial statements of the Group as the business of the AP Group has never been a core business of the Group and the financial position of the AP Group has been immaterial to the Group since its acquisition in July 2016; and
7. as disclosed in the interim report of the Company for the six months ended 30 June 2018, (i) the Deconsolidation resulted in a net loss on deconsolidation of subsidiaries of approximately HK\$3,454,000 for the 2018 Interim Period. As the Board was of the view that the amounts due from the AP Group were most likely not recoverable, an impairment loss on the amounts due from the AP Group of approximately HK\$570,000 was also incurred for the 2018 Interim Period; and (ii) the Group recorded an impairment loss on goodwill (the "**Impairment Loss on Goodwill**") of approximately HK\$163 million (2017: nil) in relation to Boom Max International Limited and its subsidiaries. The Impairment Loss on Goodwill, which was non-cash in nature, did not affect the Group's working capital condition during the period.

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, the authorised and issued share capital of the Company were as follows:

HK\$

Authorised:

| | |
|---|-----------------------|
| <u>80,000,000,000</u> Shares of HK\$0.01 each | <u>800,000,000.00</u> |
|---|-----------------------|

Issued and fully paid up:

| | |
|--|---------------------|
| <u>444,448,237</u> Shares of HK\$0.01 each | <u>4,444,482.37</u> |
|--|---------------------|

As at the Latest Practicable Date, there were no outstanding options, warrants or conversion rights affecting Shares (including any derivatives or other securities which may confer any rights to the holders thereof to subscribe for, convert or exchange into Shares).

All of the Shares currently in issue are fully paid up and rank *pari passu* in all respects with each other, including all rights in respect of capital, dividends and voting.

The number of Shares in issue as at 31 December 2017, being the date to which the latest audited consolidated financial statements of the Company were made up to, was 444,448,237. Since 31 December 2017 and up to the Latest Practicable Date:

- (a) the Company has not issued any Shares, options, warrants or conversion rights affecting Shares (including any derivatives or other securities which may confer any rights to the holders thereof to subscribe for, convert or exchange into Shares) and has not entered into any agreement for the issue of any of such securities; and
- (b) no Shares have been issued or repurchased by the Company or any of its subsidiaries.

The Shares are listed and traded on GEM. No part of the Shares is listed or dealt in, nor is any listing of or permission to deal in the Shares being or proposed to be sought on any other stock exchange.

3. DISCLOSURE OF INTERESTS

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

As at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning in Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) recorded in the register required to be kept under section 352 of the SFO; or (iii) otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to the Rule 5.46 of the GEM Listing Rules; or (iv) required to be disclosed under the Takeovers Code.

(ii) Substantial shareholders

As at the Latest Practicable Date, the following persons (not being Directors and chief executive of the Company) had an interest or short position in the Shares or 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:

Long position in the Shares

| Name | Capacity and nature of interest | Number of Shares held | Approximate percentage of the total issued share capital of the Company (Note 1) |
|---|--------------------------------------|-----------------------|---|
| Ace Source International Limited (Note 2) | Beneficial owner | 30,131,060 | 6.78% |
| Xue Qiushi (Note 2) | Interest of a controlled corporation | 30,131,060 | 6.78% |
| The Offeror | Beneficial owner | 134,280,000 | 30.21% |

Notes:

1. The total number of 444,448,237 Shares in issue as at the Latest Practicable Date has been used for the calculation of the approximate percentage.
2. Ace Source International Limited was interested in 30,131,060 Shares in the capacity of beneficial owner. Ace Source International Limited is wholly and beneficially owned by Mr. Xue Qiushi, a director of certain subsidiaries of the Company. As such, Mr. Xue Qiushi was deemed to be interested in all the Shares held by Ace Source International Limited pursuant to Part XV of the SFO.

Save as disclosed above, the Directors and chief executive of the Company are not aware, as at the Latest Practicable Date, of any person (not being Directors and chief executive of the Company) who had an interest or short position in the Shares or 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 recorded in the register required to be kept under section 336 of the SFO.

4. SHAREHOLDINGS AND DEALINGS IN SECURITIES

As at the Latest Practicable Date,

- (a) none of the Directors or persons acting in concert with any of them had dealt for value in any securities, shares, options, warrants, derivatives or convertible securities of any member of the Group during the Relevant Period;
- (b) none of the subsidiaries of the Company, nor pension funds of the Company or of a subsidiary of the Company nor 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” in the Takeovers Code, owned or controlled any securities, Shares, options, warrants, derivatives or convertible securities of the Company and none of them had dealt for value in any securities, Shares, options, warrants, derivatives or convertible securities of the Company during the Relevant Period;
- (c) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code (which arrangement includes any indemnity or option arrangement, or any agreement or understanding, formal or informal, by whatever nature, relating to shares or other securities of the Company which may be an inducement to deal or refrain from dealing) with the Company, or with any person who is presumed to be acting in concert with Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” in the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” in the Takeovers Code;

- (d) there were no securities, Shares, options, warrants, derivatives or convertible securities in the Company which were managed on a discretionary basis by fund managers connected with the Company;
- (e) none of the Directors had any interest in the Shares or underlying Shares; and
- (f) none of the Directors or any persons acting in concert with them or the Company had borrowed or lent any Shares, warrants, options, convertible securities or derivatives of the Company during the Relevant Period.

5. ARRANGEMENTS AFFECTING AND RELATING TO DIRECTORS

As at the Latest Practicable Date:

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

6. DIRECTORS' SERVICE CONTRACTS

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 any associated companies of the Company which (a) (including continuous and fixed term contracts) has been entered into or amended within the Relevant Period; (b) is continuous contracts with a notice period of 12 months or more; or (c) is fixed term contract with more than 12 months to run irrespective of the notice period.

7. OTHER INTERESTS OF THE DIRECTORS

As at the Latest Practicable Date:

- (a) none of the Directors had any direct or indirect interest in any assets which have, since 31 December 2017, being the date of the latest published audited consolidated financial statements of the Group were made up to, been acquired or disposed of by, or leased to, or are proposed to be acquired or disposed of by, or leased to any member of the Group; and

- (b) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group, which is subsisting as at the date of this Composite Document and which is significant in relation to the business of the Group as a whole.

8. LITIGATIONS

(a) Perfect Growth Limited (“Perfect Growth”)

As disclosed in the 5 July 2018 Announcement, on 3 July 2018, Perfect Growth, a wholly-owned subsidiary of the Company, received the Amended Writ and the Amended Statement of Claim issued in the Court of First Instance of the High Court of Hong Kong by the Plaintiffs against, among other defendants, Perfect Growth as one of the defendants. Perfect Growth was joined as one of the defendants by way of the Amended Writ.

Perfect Growth is named as one of the Alleged Independent Placees (being placees of the October 2015 Placing) and has been allotted with some of the Wrongfully Allotted Shares (being shares of the 1st Plaintiff allotted in the October 2015 Placing).

Pursuant to the Amended Writ, the reliefs claimed by the Plaintiffs against Perfect Growth are as follows:

- (i) a declaration and an order as against, among others, Perfect Growth, that the allotment of the Wrongfully Allotted Shares by the 1st Plaintiff to, among others, Perfect Growth, is null and void, or should have been rescinded and be set aside;
- (ii) an account of profits and an order for payment of any sums found to be due, equitable compensation to be assessed and/or damages to be assessed for dishonest assistance, unlawful means conspiracy and/or lawful means conspiracy as against, among others, Perfect Growth, in relation to, among other matters, the October 2015 Placing and the allotment of the Wrongfully Allotted Shares; and
- (iii) general or special damages, interests, costs and further and/or other reliefs.

As at the Latest Practicable Date, Perfect Growth and other members of the Group held 13,522,000 shares of the 1st Plaintiff.

(b) AP Group Investment Holdings Limited (“AP Investment”, together with its subsidiaries, “AP Group”) – claim for the Adjustment Amount

As disclosed in the announcements of the Company dated 13 June 2016, 23 June 2016 and 1 July 2016, the Group, through Lucky Famous, a wholly-owned subsidiary of the Company, acquired 51% equity interest in AP Investment pursuant to a sale and purchase agreement (“AP SPA”). According to the terms and conditions of the AP SPA, Fragrant River Entertainment Culture (Holdings) Limited (“Vendor” or “Fragrant River”) shall, and Universe International Financial Holdings Limited (“Guarantor” or “Universe

Financial”) shall procure the Vendor to, pay an adjustment amount (“**Adjustment Amount**”) to the Group in the event that the audited consolidated profit after tax of the AP Group for the period from 1 January 2016 to 31 December 2017 (“**FY 2016 & 2017**”) (which shall only include income or gain generated by activities in the ordinary and usual course of business of the AP Group) is less than HK\$16,000,000. AP Group recorded a net loss for FY 2016 & 2017 (after adjustments for non-recurring items) and hence Vendor and/or the Guarantor shall pay the Adjustment Amount to the Group on or before 26 June 2018 (“**Deadline**”) in accordance with the AP SPA.

As further disclosed in the announcements of the Company dated 12 June 2018, 26 June 2018 and 16 July 2018, the Group requested the Vendor and the Guarantor to pay the Adjustment Amount on or before the Deadline. On 22 June 2018, the Group received a letter from the legal adviser acting for the Vendor and the Guarantor that they will defend the purported claim of the Group for the payment of the Adjustment Amount. Up to the Latest Practicable Date, the Group has not received any payment of the Adjustment Amount from any of the Vendor and the Guarantor.

The Board considered that the Vendor and the Guarantor have potentially breached their contractual obligations by failing to repay the Adjustment Amount to the Group in accordance with the terms and conditions of the AP SPA and a legal proceeding has been commenced against the Vendor as first defendant and the Guarantor as the second defendant. A writ of summons with an indorsement of claim were filed by Lucky Famous, as plaintiff, at the Court of First Instance of the High Court of Hong Kong on 16 July 2018. Based on the writ, the Group claimed against the Vendor and the Guarantor for (i) the Adjustment Amount of HK\$20,400,000; (ii) interests; (iii) costs; and (iv) further and/or other reliefs.

(c) AP Investment – claim for the Full Business Records

As disclosed in the announcement of the Company dated 27 July 2018, on 26 July 2018, the Company as the first plaintiff and AP Investment as the second plaintiff issued a writ of summons in the High Court of Hong Kong against the 1st Defendant as the first defendant and the 2nd Defendant as the second defendant for the matters as detailed below. The 1st Defendant and the 2nd Defendant are former directors of AP Investment until their respective resignations on 18 July 2018. The 1st Defendant and/or his controlled company, and the controlled company of the 2nd Defendant, are also former directors of the other members of the AP Group at all material times.

The Company is a majority shareholder holding 51% interest in AP Investment through its wholly-owned subsidiary, Lucky Famous. As a result of the 51% shareholding in AP Investment, all members of the AP Group are subsidiaries of the Company and their financial results have been consolidated into the Group’s financial statements. The AP Group was principally engaged in the provision of education and training programs in relation to self-improvement and self-enhancement in Hong Kong at all material times.

At all material times and during the tenure of office of the Defendants as directors of AP Investment, in reliance of the experience and expertise of the Defendants in running the AP Group, it was agreed by the parties that the Defendants were wholly responsible for the efficient and proper management and operation of the AP Group, including but not limited to, the efficient daily operations of the AP Group, keeping proper books and records of the AP Group at all times for inspection by the Group and the provision of weekly cash and bank balance reports, annual budget and monthly financial reports of AP Investment including that of all the other members of the AP Group to the Company within 15 days after each month's end. After the resignations of the Defendants as directors of AP Investment on 18 July 2018 and up to the Latest Practicable Date, the Defendants failed to deliver up the Full Business Records to the Group.

In order to safeguard the legitimate rights and interests of the Group, after seeking legal advice, the Group has commenced legal proceeding against the Defendants. The Group claims against the Defendants for certain reliefs, including but not limited to, delivering up of the Full Business Records, accounting for the assets of the AP Group for the period from 1 April 2018 to 18 July 2018 that were in the power, possession or control of the Defendants and damages to be assessed.

In addition, the failure by the Defendants to provide the Full Business Records to the Group in a timely manner has prevented the Company from compiling proper consolidated financial statements of the Group involving the financial information of the AP Group for the purpose of preparing the interim results announcement and the interim report of the Group for the 2018 Interim Period by the prescribed deadline in compliance with the requirements of the GEM Listing Rules. After careful consideration, as disclosed in the announcement of the Company dated 14 August 2018, the Board has resolved to deconsolidate the financial results of the AP Group from the Group's condensed consolidated financial statements for the 2018 Interim Period (i.e. the Deconsolidation).

The Board is of the view that the Deconsolidation would not have a significant impact on the financial statements of the Group as the business of the AP Group has never been a core business of the Group and the financial position of the AP Group has been immaterial to the Group since its acquisition in July 2016.

The Company is in the course of seeking further legal advice on the above litigations. Up to the Latest Practicable Date, the Group has not made any provisions for the above litigations as the litigations are ongoing and are at very initial stage of the legal proceedings. The Company is of the view that they are currently unable to assess the impact for the litigations on the financial position and operation of the Group.

As at the Latest Practicable Date, save for the disclosure made above, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

9. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business carried on or intended to be carried on by the Group) had been entered into by the members of the Group within the two years immediately preceding the date of commencement of the Offer Period and up to the Latest Practicable Date, which are or may be material:

- (a) the sale and purchase agreement dated 13 June 2016 entered into by and among Lucky Famous as purchaser, Fragrant River as vendor, Universe Financial (formerly known as Universe International Holdings Limited) (the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1046)) as guarantor in relation to the acquisition 51% of the issued share capital of AP Group Investment Holdings Limited at a consideration of HK\$20,400,000 (subject to downward adjustment) to be satisfied by the allotment and issue of 40,800,000 new Shares, details of which are set out in the announcement of the Company dated 13 June 2016;
- (b) the subscription agreement dated 13 June 2016 entered into between the Company and Weluck Development Limited (a wholly-owned subsidiary of Fragrant River) as subscriber in relation to the subscription of 8,583,000 new Shares at a subscription price of HK\$0.50 per Share to be and allotted and issued under the general mandate of the Company, details of which are set out in the announcement of the Company dated 13 June 2016;
- (c) the sale and purchase agreement dated 19 August 2016 entered into between Lucky Famous as purchaser and Power Financial Group Limited (“**Power Financial**”) (formerly known as Jun Yang Financial Holdings Limited) (the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 397)) as vendor in relation to the acquisition of approximately 30% of the issued share capital of Jun Yang Solar Power Investment Holdings Limited (“**JY Solar**”) at a cash consideration of HK\$34,500,000, details of which are set out in the announcement of the Company dated 19 August 2016;
- (d) the sale and purchase agreement dated 27 September 2016 entered into between Perfect Growth as vendor and Finsoft Financial Investment Holdings Limited (“**Finsoft**”) (the shares of which are listed on GEM (Stock Code: 8018)) as purchaser in relation to the disposal of 16,538,000 ordinary shares of China Parenting Network Holdings Limited (the shares of which are listed on GEM (Stock code: 8361)) at the consideration of HK\$35,498,817, which were satisfied by the allotment and issue by Finsoft of its 186,492,340 new ordinary shares at the issue price of approximately HK\$0.190 per ordinary share, details of which are set out in the announcement of the Company dated 27 September 2016;

- (e) the sale and purchase agreement dated 1 November 2016 entered into between Lucky Famous as purchaser and Power Financial as vendor in relation to the acquisition of approximately 5% of the issued share capital of JY Solar at a cash consideration of HK\$5,790,000;
- (f) the equity transfer agreement dated 14 November 2016 entered into between Act Point Limited and an independent third party in relation to the disposal of the entire equity interest of 深圳領袖家企業管理諮詢有限公司 (a non-wholly owned subsidiary of the Company at material time) at a cash consideration of HK\$342,082;
- (g) the instrument of transfer and bought and sold notes dated 21 November 2016 executed by GET Financial Group (International) Limited (“**GET Financial**”) (a wholly-owned subsidiary of the Company) as transferor and an independent third party as transferee in relation to the transfer of 255,000 shares, representing 51% of the issued share capital of GEO Finance Limited (“**GEO Finance**”) at a cash consideration of HK\$825,000;
- (h) the loan agreement dated 21 November 2016 entered into by and among the Company as lender, GEO Finance as borrower and Mr. Leung Wai Hon as guarantor in relation to the provision of loan in the principal amount of HK\$7,545,657.53 at an interest rate of 11% per annum for a term maturing on 31 December 2017;
- (i) the underwriting agreement dated 21 December 2016 entered into between the Company and Nuada Limited in relation to the underwriting arrangement in respect of the issue and offer of the rights shares, further details of which are disclosed in the prospectus of the Company dated 20 January 2017;
- (j) the shareholder loan agreement dated 24 February 2017 entered into between Lucky Famous as lender and JY Solar as borrower in relation to the provision of a loan in the principal amount of US\$3,500,000 (equivalent to approximately HK\$27,230,000) repayable on demand, details of which are set out in the announcement of the Company dated 24 February 2017;
- (k) the instrument of transfer and bought and sold notes dated 21 March 2017 executed by GET Financial as transferor and each of two independent third parties as transferee in relation to the transfer of an aggregate of approximately 32% of the issued share capital of GET Mdream Wealth Management Limited at an aggregate cash consideration of HK\$3,000,000, details of which are set out in the announcement of the Company dated 21 March 2017;
- (l) the agreement dated 19 July 2017 entered into between Lucky Famous as subscriber and Nobel Education Organisation Limited (“**Nobel Education**”) as company in relation to the subscription of 9,000,000 new shares in Nobel Education, representing 50% of the enlarged issue share capital of Nobel Education at closing, at a subscription price of HK\$3,000,000;

- (m) the provisional agreement for sale and purchase (“**Original Provisional SP Agreement**”) dated 31 July 2017 entered into by and among Million Worldwide Investment Limited (“**Original Vendor**”) (a wholly-owned subsidiary of the Company) as vendor, an independent third party (“**Original Purchaser**”) as purchaser and the Company as the vendor’s guarantor in relation to disposal of 100% of the issued share capital of Talent Vision Limited (“**Talent Vision**”) and all such sum of money advanced by way of loan by the Original Vendor to Talent Vision and due and owing by Talent Vision to the Original Vendor as at completion at an aggregate cash consideration of HK\$20,000,000, details of which are set out in the announcement of the Company dated 31 July 2017;
- (n) the shareholders’ agreement dated 1 September 2017 entered into by and among Lucky Famous, Chiu Yu Heng, Gordon, Noble Partner Ventures Limited, Chiu Tsang Hok Wan and Nobel Education in relation to the management and operation of Nobel Education;
- (o) the cancellation agreement dated 27 September 2017 entered into by and among the Original Vendor, the Original Purchaser, Talent Vision and the Company in relation to the cancellation of the Original Provisional SP Agreement, details of which are set out in the announcement of the Company dated 27 September 2017;
- (p) the sale and purchase agreement dated 27 September 2017 entered into between Talent Vision as vendor and an independent third party (as nominee of the Original Purchaser) as purchaser in relation to the disposal of a property located in Hong Kong at a cash consideration of HK\$20,000,000, details of which are set out in the announcement of the Company dated 27 September 2017; and
- (q) the instrument of transfer and bought and sold notes dated 4 June 2018 executed by Lucky Famous as transferor and an independent third party as transferee in relation to the transfer of 7,355,000 ordinary shares of Creative Lead Limited at a cash consideration of HK\$2,100,000.

10. EXPERTS

In addition to the Offeror’s professional advisers listed in the paragraph headed “Consents and Qualifications” in Appendix IV to this Composite Documents, the following are the qualifications of the experts who have given opinion or advice contained in this Composite Document:

| Name | Qualification |
|--------------|--|
| Veda Capital | a corporation licensed to carry on type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Company |

| Name | Qualification |
|------------------------|--|
| Hooray Capital Limited | a corporation licensed to carry on type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders |

Each of the above experts 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, in the form and context in which they appear herein.

As at the Latest Practicable Date, the above experts had no shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection (i) on the website of the SFC (www.sfc.hk); (ii) on the website of the Company (www.geth.com.hk); and (iii) at the head office and principal place of business of the Company in Hong Kong at 21/F, China Hong Kong Tower, 8–12 Hennessy Road, Wanchai, Hong Kong during normal business hours from 9:00 a.m. to 5:00 p.m., Monday to Friday (except public holidays), from the date of this Composite Document up to and including the Closing Date:

- (a) the memorandum of continuance and bye-laws of the Company;
- (b) the annual reports of the Company for each of the financial years ended 31 December 2016 and 31 December 2017 and the interim report of the Company for the six months ended 30 June 2018;
- (c) the “Letter from the Board”, the text of which is set out on pages 16 to 22 of this Composite Document;
- (d) the “Letter from the Independent Board Committee”, the text of which is set out on pages 23 to 24 of this Composite Document;
- (e) the “Letter from the Independent Financial Adviser”, the text of which is set out on pages 25 to 55 of this Composite Document;
- (f) the written consents referred to in the paragraph headed “Experts” in this Appendix;
- (g) the material contracts referred to in the paragraph headed “Material contracts” in this Appendix; and
- (h) a copy of this Composite Document.

12. GENERAL

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The head office and principal place of business of the Company in Hong Kong is at 21/F, China Hong Kong Tower, 8–12 Hennessy Road, Wanchai, Hong Kong.
- (c) The Company's principal share registrar and transfer office of the Company is Conyers Corporate Services (Bermuda) Limited at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (d) The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited at Level 22, Hopewell Centre 183 Queen's Road East Hong Kong.
- (e) The company secretary of the Company is Mr. Lau Siu Cheong.
- (f) The registered office of Veda Capital is situated at Room 1106, 11/F., Wing On Centre, 111 Connaught Road Central, Hong Kong.
- (g) The registered office of Hooray Capital Limited is situated at 1/F, Guangdong Investment Tower, 148 Connaught Road Central, Hong Kong.
- (h) This Composite Document and the accompanying Form of Acceptance are prepared in both English and Chinese. In the event of inconsistency, the English text shall prevail over the Chinese text.

1. RESPONSIBILITY STATEMENT

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 Directors) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than the opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. MARKET PRICES

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

| Date | Closing price per Share HK\$ |
|--|---|
| 29 December 2017 | 0.400 |
| 31 January 2018 | 0.420 |
| 28 February 2018 | 0.410 |
| 29 March 2018 | 0.400 |
| 30 April 2018 | 0.425 |
| 31 May 2018 | 0.400 |
| 6 June 2018 (being the Last Trading Day) | 0.415 |
| 29 June 2018 | 0.420 |
| 31 July 2018 | 0.405 |
| 28 August 2018 (being the Latest Practicable Date) | 0.365 |

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.450 per Share on 13 February 2018 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.315 per Share on 14 May 2018.

3. DEALINGS IN SECURITIES IN THE COMPANY

Save as disclosed below, the Offeror and parties acting in concert with him had not dealt in the Shares, outstanding options, derivatives, warrants or other securities convertible into Shares during the Relevant Period:

| Date of transaction | Name | No. of Shares purchased | Purchase price per Share | Approximate % | On exchange/off exchange |
|---------------------|---------|-------------------------|--------------------------|---------------|--------------------------|
| 23 January 2018 | Offeror | 3,996,000 | 0.42 | 0.90% | On exchange |
| 24 January 2018 | Offeror | 2,400,000 | 0.42 | 0.54% | On exchange |
| 25 January 2018 | Offeror | 2,400,000 | 0.42 | 0.54% | On exchange |
| 29 January 2018 | Offeror | 4,200,000 | 0.42 | 0.94% | On exchange |
| 31 January 2018 | Offeror | 4,500,000 | 0.42 | 1.01% | On exchange |
| 5 February 2018 | Offeror | 5,400,000 | 0.42 | 1.21% | On exchange |
| 7 February 2018 | Offeror | 390,000 | 0.415 | 0.09% | On exchange |
| 12 February 2018 | Offeror | 408,000 | 0.42 | 0.09% | On exchange |
| 10 April 2018 | Offeror | 18,000 | 0.415 | 0.00% | On exchange |
| 10 April 2018 | Offeror | 9,582,000 | 0.42 | 2.16% | On exchange |
| 11 April 2018 | Offeror | 2,268,000 | 0.42 | 0.51% | On exchange |
| 16 April 2018 | Offeror | 9,600,000 | 0.42 | 2.16% | On exchange |
| 18 April 2018 | Offeror | 4,800,000 | 0.42 | 1.08% | On exchange |
| 19 April 2018 | Offeror | 18,000 | 0.415 | 0.00% | On exchange |
| 19 April 2018 | Offeror | 4,782,000 | 0.42 | 1.08% | On exchange |
| 24 April 2018 | Offeror | 9,600,000 | 0.42 | 2.16% | On exchange |
| 25 April 2018 | Offeror | 9,600,000 | 0.42 | 2.16% | On exchange |
| 27 April 2018 | Offeror | 534,000 | 0.415 | 0.12% | On exchange |
| 27 April 2018 | Offeror | 8,466,000 | 0.42 | 1.90% | On exchange |
| 3 May 2018 | Offeror | 10,950,000 | 0.42 | 2.46% | On exchange |
| 18 May 2018 | Offeror | 12,000 | 0.415 | 0.00% | On exchange |
| 18 May 2018 | Offeror | 11,784,000 | 0.42 | 2.65% | On exchange |
| 23 May 2018 | Offeror | 12,000 | 0.415 | 0.00% | On exchange |
| 23 May 2018 | Offeror | 12,870,000 | 0.42 | 2.90% | On exchange |
| 24 May 2018 | Offeror | 48,000 | 0.415 | 0.01% | On exchange |
| 24 May 2018 | Offeror | 12,042,000 | 0.42 | 2.71% | On exchange |
| 6 June 2018 | Offeror | 3,540,000 | 0.42 | 0.80% | On exchange |
| 6 June 2018 | Offeror | 60,000 | 0.415 | 0.01% | On exchange |

4. SHAREHOLDINGS AND DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the Offeror owned a total of 134,280,000 Shares, representing approximately 30.21% of the existing issued share capital of the Company. Save as disclosed above, the Offeror confirmed that, as at the Latest Practicable Date:

- (a) neither the Offeror nor any of the parties acting in concert with him owns or has control or direction over any voting rights or rights over the Shares, derivatives, convertible securities, warrants or options in the Company;
- (b) neither the Offeror nor any parties acting in concert with him has received any irrevocable commitment to accept or reject the Share Offer;
- (c) there was no outstanding derivative in respect of the securities in the Company entered into by the Offeror or any of the parties acting in concert with him;
- (d) save for the Loan Facility Agreement and the Share Charge, 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 or parties acting with concert with him and any other person during the Relevant Period;
- (e) save for the Loan Facility Agreement and the Share Charge, there was no agreement, arrangement, or understanding which may result in the Shares or securities of the Company to be acquired under the Share Offer being transferred, charged or pledged to any other persons during the Relevant Period;
- (f) there was no agreement or arrangement to which the Offeror and/or any of the parties acting in concert with him is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Share Offer;
- (g) there was no agreement, arrangement or understanding (including any compensation arrangement) existing between the Offeror or parties acting with concert with him and any Directors, recent Directors, Shareholders or recent Shareholders having any connection with or dependent upon the Share Offer;
- (h) there was no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror (or any of the parties acting in concert with him) has borrowed or lent during the Relevant Period;
- (i) there was no benefit (other than statutory compensation required under the applicable laws) given or to be given to any Director as compensation for loss of office or otherwise in connection with the Share Offer;

- (j) there was no special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror and parties acting in concert with him on one hand and the Shareholders on the other hand; and
- (k) save for the payment under the Purchase, there was no other consideration in any form paid or payable by the Offeror or parties acting in concert with him to the sellers under the Purchase.

5. CONSENTS AND QUALIFICATIONS

Set out below are the names and qualifications of the professional advisers to the Offeror whose letter, opinion or advice are contained or whose names are referred to in this Composite Document:

| Name | Qualification |
|---------------------|---|
| Get Nice Securities | a corporation licensed under the SFO to carry on type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities |
| Get Nice Capital | a corporation licensed under the SFO to carry on type 6 (advising on corporate finance) regulated activity |
| China AF | a corporation licensed under the SFO to carry on type 6 (advising on corporate finance) regulated activity |

Each of Get Nice Securities, Get Nice Capital and China AF has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of its respective advice and/or letter and the references to its name included herein in the form and context in which they respectively appear.

6. MISCELLANEOUS

- (a) The correspondence address of the Offeror is Unit 1, 3/F, Hing Yip Commercial Centre, 272–284 Des Voeux Road Central, Hong Kong.
- (b) The registered office of Get Nice Securities is at 10/F, Cosco Tower, Grand Millennium Plaza, 183 Queen’s Road Central, Hong Kong.
- (c) The registered office of Get Nice Capital is at 10/F, Cosco Tower, Grand Millennium Plaza, 183 Queen’s Road Central, Hong Kong.
- (d) The registered office of China AF is at Units 2303–2306, 23/F, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong.

- (e) In case of inconsistency, the English text of this Composite Document and the Form of Acceptance shall prevail over the Chinese text.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection (i) on the website of the SFC (www.sfc.hk); (ii) on the website of the Company (www.geth.com.hk); and (iii) at the head office and principal place of business of the Company in Hong Kong at 21/F, China Hong Kong Tower, 8–12 Hennessy Road, Wanchai, Hong Kong during normal business hours from 9:00 a.m. to 5:00 p.m., Monday to Friday (except public holidays), from the date of this Composite Document up to and including the Closing Date:

- (a) the “Letter from Get Nice Securities”, the text of which is set out on pages 6 to 15 of this Composite Document; and
- (b) the written consents as referred to in the paragraph headed “5. Consents and qualifications” in this Appendix.