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**Yael Capital
Management Limited**

*(Incorporated in the British Virgin Islands with
limited liability)*

Quali-Smart Holdings Limited

滙達富控股有限公司*

*(Incorporated in the Cayman Islands with
limited liability)*

(Stock code: 1348)

JOINT ANNOUNCEMENT

- (1) COMPLETION OF THE SALE AND PURCHASE OF THE SALE
SHARES IN QUALI-SMART HOLDINGS LIMITED;
(2) MANDATORY UNCONDITIONAL CASH OFFERS BY
CINDA INTERNATIONAL CAPITAL LIMITED AND
RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF
Yael Capital Management Limited to acquire all
the issued shares of Quali-Smart Holdings Limited
and to cancel all outstanding options of
Quali-Smart Holdings Limited (other than those
already owned and/or agreed to be acquired by
Yael Capital Management Limited and
parties acting in concert with it);
(3) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER;
AND
(4) RESUMPTION OF TRADING**

Joint financial advisers to the Offeror



信達國際
CINDA INTERNATIONAL



RAINBOW CAPITAL (HK) LIMITED
溢博資本有限公司

Financial adviser to the Company



Ignite Capital

Independent Financial Adviser to the Independent Board Committee



瓏盛資本有限公司
Draco Capital Limited

THE SALE AND PURCHASE AGREEMENT

The Board was informed by the Selling Shareholders that on 12 December 2025 (after trading hours), the Offeror (as purchaser) and the Selling Shareholders (as vendors) entered into the Sale and Purchase Agreement, pursuant to which the Selling Shareholders conditionally agreed to sell, and the Offeror conditionally agreed to acquire, the full legal and beneficial title and interest in the Sale Shares (being an aggregate of 887,418,000 Shares), representing approximately 60.20% of the total issued share capital of the Company as at the date of this joint announcement, at a total consideration of HK\$95,841,144, which is equivalent to HK\$0.108 per Sale Share. Details of the Sale and Purchase Agreement are set out in the section headed “The Sale and Purchase Agreement” of this joint announcement.

The Offeror fully paid the Consideration to the Selling Shareholders in cash at Completion, which took place immediately after the entering into of the Sale and Purchase Agreement by the Offeror and the Selling Shareholders on the Completion Date, being 12 December 2025.

MANDATORY UNCONDITIONAL CASH OFFERS

Immediately prior to Completion, none of the Offeror, the ultimate beneficial owner of the Offeror, and the parties acting in concert with any of them was interested in any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately following Completion and as at the date of this joint announcement, the Offeror, the ultimate beneficial owner of the Offeror, and the parties acting in concert with any of them are interested in a total of 887,418,000 Shares, representing approximately 60.2% of the entire issued share capital of the Company.

In addition, immediately following Completion and as at the date of this joint announcement, the Company has 20,300,000 outstanding Options with an exercise price of HK\$0.748 each and the Convertible Notes.

Pursuant to Rules 26.1, 13.1 and 13.5 of the Takeovers Code, upon Completion, the Offeror is required to make mandatory unconditional cash offers (i) to acquire all of the Shares in the issued share capital of the Company (other than those Shares and Options already owned by or to be acquired by the Offeror and parties acting in concert with it); (ii) to acquire the Convertible Notes; and (iii) to cancel all outstanding Options. Given Benefit Global has given the CN Irrevocable Undertaking, taking into account of which, no comparable offer will be made for the Convertible Notes.

As at the date of this joint announcement, the Company has (i) 1,474,232,000 Shares in issue; (ii) 20,300,000 outstanding Options with an exercise price of HK\$0.748 each; and (iii) the Convertible Notes. Save as disclosed above, the Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. As at the date of this joint announcement, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares. The Company has no intention to grant any new share options under the Share Option Scheme during the offer period (as defined under the SFO).

PRINCIPAL TERMS OF THE OFFERS

The Share Offer

Cinda International and Rainbow Capital, for and on behalf of the Offeror and in compliance with the Takeovers Code, will make the Share Offer on the following basis:

For each Offer Share HK\$0.108 in cash

The Share Offer Price of HK\$0.108 per Offer Share under the Share Offer is equal to the price per Sale Share paid by the Offeror for the Sale Shares under the Sale and Purchase Agreement.

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

The Option Offer

Cinda International and Rainbow Capital, for and on behalf of the Offeror, will make the Option Offer to the Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all outstanding Options in exchange for cash on the following basis:

In respect of Options with an exercise price of HK\$0.748 each:

For cancellation of each such Option HK\$0.0001 in cash

In accordance with the terms of the Share Option Scheme, Optionholders are entitled to exercise their Options (to the extent not already exercised) to its full extent at any time after the date on which the Offers are declared unconditional and up to the close of the Offers (or any revised offers), after which the Options will lapse automatically (to the extent not exercised).

Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the Optionholders to cancel their Options. The consideration for the cancellation of each Option would normally be the see-through price which represents the excess of the Share Offer Price per Offer Share and the exercise price of each Option. Given that the exercise price of the Options is above the Share Offer Price, the “see-through” price is zero and the Option Offer Price will be at HK\$0.0001 per Option.

The Option Offer will be unconditional in all respects when made. Following acceptance of the Option Offer, the relevant Options together with all rights attaching thereto will be entirely cancelled and renounced.

The Offeror confirms that the Share Offer Price and cancellation price of the Options are final and will not be increased.

The principal terms of the Offers are set out in the section headed “Principal Terms of the Offers” of this joint announcement.

The Company confirms that as at the date of this joint announcement, (i) it has not declared any dividend which is not paid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions until the close of the Offers.

The Offers will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Options to be cancelled.

CN Irrevocable Undertaking

As at the date of this joint announcement, Benefit Global holds the Convertible Notes in the outstanding principal amount of HK\$9,000,000 which is convertible into a maximum of 111,111,111 Shares (at the conversion price of HK\$0.081 per conversions Share).

On 12 December 2025, Benefit Global executed the CN Irrevocable Undertaking in favour of the Offeror, pursuant to which Benefit Global has irrevocably agreed and undertaken to the Offeror that at any time during the period between the date of the CN Irrevocable Undertaking and the end of the offer period of the Offers: (a) it will not, whether directly or indirectly, offer, sell, transfer, pledge, encumber, grant any right over or otherwise dispose of any of the Convertible Notes beneficially owned by it; (b) it will not exercise the conversion right under the terms of the Convertible Notes to subscribe for any conversion Shares; and (c) no offer has to be extended to it in relation to the Convertible Notes; and even if such offer is extended to it, it will not accept the offer in respect of any of the Convertible Notes. The CN Irrevocable Undertaking will be terminated by the end of the offer period of the Offers. Given Benefit Global has given the CN Irrevocable Undertaking, no comparable offer will be made for the Convertible Notes.

Total consideration of the Offers

As at the date of this joint announcement, the Company has (i) 1,474,232,000 Shares in issue; (ii) 20,300,000 outstanding Options with an exercise price of HK\$0.748 each; and (iii) the Convertible Notes. Taking into consideration of the Share Offer Price being HK\$0.108 per Offer Share, the price of HK\$0.0001 for cancellation of each outstanding Option and the CN Irrevocable Undertaking all issued Shares and the outstanding Options of the Company would be valued at HK\$159,219,086.

Upon Completion, save for the 887,418,000 Shares which the Offeror holds (i) the value of the Share Offer will be approximately HK\$63,375,912 (with 586,814,000 Shares subject to the Share Offer); and (ii) the value of the Option Offer will be approximately HK\$2,030. Therefore, the total cash consideration payable by the Offeror under the Offers would be HK\$63,377,942 in the event that the Offers are accepted in full.

Confirmation of financial resources available for the Offers

The maximum payment obligations payable for the Offers shall be payable in cash. The maximum aggregate amount payable by the Offeror for the Offers would be HK\$63,377,942 based on the Share Offer Price of HK\$0.108 per Offer Share and the price of HK\$0.0001 for cancellation of each outstanding Option.

Cinda International and Rainbow Capital, being the joint financial advisers to the Offeror in respect of the Offers, are satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the consideration payable in case of full acceptance of the Offers. The Offeror has sufficient cash funding and intends to finance the consideration payable by the Offeror under the Offers by a guarantee obtained from Get Nice Securities for the sole purpose of satisfying the settlement of the consideration under acceptance of the Offers from the date of this joint announcement until the date falling on the seventh (7th) Business Day following the close of the Offers.

GENERAL**Independent Board Committee and Independent Financial Adviser**

Pursuant to Rule 2.1 of the Takeovers Code, a board which receives an offer or which 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 of the four independent non-executive Directors, namely Mr. Leung Po Wing Bowen Joseph, GBS, JP, Mr. Chan Siu Wing Raymond, Mr. Wong Wah On Edward and Ms. Yeung Wai Ling, has been established to advise the Independent Shareholders as to whether the Share Offer is fair and reasonable and as to acceptance of the Share Offer, and to the Optionholders as to whether the Option Offer is fair and reasonable and as to acceptance of the Option Offer.

Draco Capital has been appointed as the independent financial adviser to advise the Independent Board Committee, the Independent Shareholders and the Optionholders in connection with the Offers and in particular as to whether the Offers are, or are not, fair and reasonable and as to their acceptance. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

Despatch of the Composite Document

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document in connection with the Offers setting out, among other things, (i) details of the Offers (including the expected timetable and terms of the Offers); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders and the Optionholders in respect of the Offers; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee, the Independent Shareholders and the Optionholders in respect of the Offers, together with the Forms of Acceptance, will be despatched jointly by the Offeror and the Company to the Shareholders and Optionholders as soon as practicable within 21 days of the date of this joint announcement unless the Executive grants a consent for extension. It is expected that the Composite Document will be despatched on or before 8 January 2026.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Monday, 15 December 2025 pending publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Friday, 19 December 2025.

WARNING

Shareholders, Optionholders and/or potential investors should exercise caution when dealing in the Shares, exercising the Options or other rights in respect of any of them. If the Shareholders, Optionholders and potential investors are in any doubt about their position, they should consult their professional advisers.

The Board was informed by the Selling Shareholders that on 12 December 2025 (after trading hours), the Offeror (as purchaser) and the Selling Shareholders (as vendors) entered into the Sale and Purchase Agreement, principal terms of which are summarised below:

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are summarised below:

| | |
|---------|---|
| Date | 12 December 2025 (after trading hours) |
| Parties | <p>(1) Vendors: Selling Shareholders, comprising:</p> <ul style="list-style-type: none">• Smart Investor (as to 482,864,000 Sale Shares, representing approximately 32.75% of the total issued share capital of the Company as at the date of this joint announcement)• Mr. Lau (as to 9,600,000 Sale Shares, representing approximately 0.65% of the total issued share capital of the Company as at the date of this joint announcement)• Madam Li (as to 9,600,000 Sale Shares, representing approximately 0.65% of the total issued share capital of the Company as at the date of this joint announcement)• Benefit Global (as to 107,352,000 Sale Shares, representing approximately 7.28% of the total issued share capital of the Company as at the date of this joint announcement)• Mr. Poon (as to 7,896,000 Sale Shares, representing approximately 0.54% of the total issued share capital of the Company as at the date of this joint announcement)• Silver Pointer (as to 172,006,000 Sale Shares, representing approximately 11.67% of the total issued share capital of the Company as at the date of this joint announcement)• Madam Man (as to 12,000,000 Sale Shares, representing approximately 0.81% of the total issued share capital of the Company as at the date of this joint announcement)• Mr. Yau (as to 38,424,000 Sale Shares, representing approximately 2.61% of the total issued share capital of the Company as at the date of this joint announcement)• Mr. Wong (as to 47,676,000 Sale Shares, representing approximately 3.23% of the total issued share capital of the Company as at the date of this joint announcement) <p>(2) Purchaser: Yael Capital Management Limited (the Offeror)</p> |

Sale Shares

Pursuant to the Sale and Purchase Agreement, the Vendors agreed to sell, and the Offeror agreed to acquire, the full legal and beneficial title and interest in the Sale Shares (being an aggregate of 887,418,000 Shares), representing approximately 60.20% of the total issued share capital of the Company as at the date of this joint announcement free from any and all Encumbrances as from the Completion Date and together with all dividends, benefits and rights attached or accruing thereto as from the date of the Sale and Purchase Agreement.

Consideration

The Consideration for the Sale Shares is HK\$95,841,144 (or HK\$0.108 per Sale Share), and are payable to the Selling Shareholders as follows:

- (i) HK\$52,149,312 to Smart Investor;
- (ii) HK\$1,036,800 to Mr. Lau;
- (iii) HK\$1,036,800 to Madam Li;
- (iv) HK\$11,594,016 to Benefit Global;
- (v) HK\$852,768 to Mr. Poon;
- (vi) HK\$18,576,648 to Silver Pointer;
- (vii) HK\$1,296,000 to Madam Man;
- (viii) HK\$4,149,792 to Mr. Yau; and
- (ix) HK\$5,149,008 to Mr. Wong.

The Consideration was determined after arm's length negotiations between the Vendors and the Purchaser taking into account, among others, (i) the business and the historical financial performance and financial position of the Group; and (ii) the Company's historical liquidity and share prices performance traded on the Stock Exchange.

The Consideration has been paid by the Purchaser in the following manner:

- (i) a sum of HK\$7,800,000 to Smart Investor, Silver Pointer and Benefit Global on 10 October 2025 as deposit (pro-rated according to the number of Sale Shares proposed to be sold by each of them) after the entering into of the Memorandum of Understanding in respect of the Sale Shares, which has been applied as part payment of the Consideration; and
- (ii) the remaining balance of the Consideration, being HK\$88,041,144, to the Selling Shareholders upon Completion (pro-rated according to the number of Sale Shares proposed to be sold by each of the Selling Shareholders excluding the deposit already paid as detailed in (i) above).

Completion

The Offeror fully paid the Consideration to the Selling Shareholders in cash at Completion, which took place immediately after the entering into of the Sale and Purchase Agreement by the Offeror and the Selling Shareholders on the Completion Date, being 12 December 2025.

MANDATORY UNCONDITIONAL CASH OFFERS

Immediately prior to Completion, none of the Offeror, the ultimate beneficial owner of the Offeror, and the parties acting in concert with any of them was interested in any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately following Completion and as at the date of this joint announcement, the Offeror, the ultimate beneficial owner of the Offeror, and the parties acting in concert with any of them are interested in a total of 887,418,000 Shares, representing approximately 60.20% of the entire issued share capital of the Company.

In addition, immediately following Completion and as at the date of this joint announcement, the Company has 20,300,000 outstanding Options with an exercise price of HK\$0.748 each and the Convertible Notes.

Pursuant to Rules 26.1, 13.1 and 13.5 of the Takeovers Code, upon Completion, the Offeror is required to make mandatory unconditional cash offers (i) to acquire all of the Shares in the issued share capital of the Company (other than those Shares and Options already owned by or to be acquired by the Offeror and parties acting in concert with it); (ii) to acquire the Convertible Notes; and (iii) to cancel all outstanding Options. Given Benefit Global has given the CN Irrevocable Undertaking, taking into account of which, no comparable offer will be made for the Convertible Notes.

As at the date of this joint announcement, the Company has (i) 1,474,232,000 Shares in issue; (ii) 20,300,000 outstanding Options with an exercise price of HK\$0.748 each; and (iii) the Convertible Notes. Save as disclosed above, the Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. As at the date of this joint announcement, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares. The Company has no intention to grant any new share options under the Share Option Scheme during the offer period (as defined under the SFO).

PRINCIPAL TERMS OF THE OFFERS

The Share Offer

Cinda International and Rainbow Capital, for and on behalf of the Offeror and in compliance with the Takeovers Code, will make the Share Offer on the following basis:

For each Offer Share HK\$0.108 in cash

The Share Offer Price of HK\$0.108 per Offer Share under the Share Offer is equal to the price per Sale Share paid by the Offeror for the Sale Shares under the Sale and Purchase Agreement.

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

The Option Offer

Cinda International and Rainbow Capital, for and on behalf of the Offeror, will make the Option Offer to the Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all outstanding Options in exchange for cash on the following basis:

In respect of Options with an exercise price of HK\$0.748 each:

For cancellation of each such Option HK\$0.0001 in cash

In accordance with the terms of the Share Option Scheme, Optionholders are entitled to exercise their Options (to the extent not already exercised) to its full extent at any time after the date on which the Offers are declared unconditional and up to the close of the Offers (or any revised offers), after which the Options will lapse automatically (to the extent not exercised).

Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the Optionholders to cancel their Options. The consideration for the cancellation of each Option would normally be the see-through price which represents the excess of the Share Offer Price per Offer Share and the exercise price of each Option. Given that the exercise price of the Options is above the Share Offer Price, the “see-through” price is zero and the Option Offer Price will be at HK\$0.0001 per Option.

The Option Offer will be unconditional in all respects when made. Following acceptance of the Option Offer, the relevant Options together with all rights attaching thereto will be entirely cancelled and renounced.

The Offeror confirms that the Share Offer Price and cancellation price of the Options are final and will not be increased.

The Company confirms that as at the date of this joint announcement, (i) it has not declared any dividend which is not paid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions until the close of the Offers.

The Offers will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Options to be cancelled.

Comparison of value

The Share Offer Price of HK\$0.108 per Offer Share represents:

- (i) a discount of approximately 34.9% of the closing price of HK\$0.166 per Share as quoted on the Stock Exchange on 4 December 2025, being the last trading day prior to the announcement made by the Company pursuant to Rule 3.7 of the Takeovers Code dated 4 December 2025;
- (ii) a discount of approximately 45.5% of the closing price of HK\$0.198 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 41.9% of the average closing price of approximately HK\$0.186 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 39.3% of the average closing price of approximately HK\$0.178 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 28.5% of the average closing price of approximately HK\$0.151 per Share, being the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (vi) a premium of approximately 315.4% over the audited consolidated net assets per Share of approximately HK\$0.026 as at 31 March 2025, which was calculated based on the audited consolidated net asset value attributable to owners of the Company of approximately HK\$38,238,000 as at 31 March 2025 (the date on which the latest audited financial results of the Group were made up) and 1,474,232,000 Shares in issue as at the date of this joint announcement; and
- (vii) a premium of approximately 480.6% over the unaudited consolidated net assets per Share of approximately HK\$0.0186 as at 30 September 2025, which was calculated based on the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$27,455,000 as at 30 September 2025 and 1,474,232,000 Shares in issue as at the date of this joint announcement.

Highest and lowest Share prices

During the six-month period immediately prior to the commencement of the offer period (as defined under the Takeovers Code) on 5 June 2025 and up to and including the date of this joint announcement, the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.201 per Share on 8 December 2025 and the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.060 per Share on 4 July 2025.

CN Irrevocable Undertaking

As at the date of this joint announcement, Benefit Global holds the Convertible Notes in the outstanding principal amount of HK\$9,000,000 which is convertible into a maximum of 111,111,111 Shares (at the conversion price of HK\$0.081 per conversion Share).

On 12 December 2025, Benefit Global executed the CN Irrevocable Undertaking in favour of the Offeror, pursuant to which Benefit Global has irrevocably agreed and undertaken to the Offeror that at any time during the period between the date of the CN Irrevocable Undertaking and the end of the offer period of the Offers: (a) it will not, whether directly or indirectly, offer, sell, transfer, pledge, encumber, grant any right over or otherwise dispose of any of the Convertible Notes beneficially owned by it; (b) it will not exercise the conversion right under the terms of the Convertible Notes to subscribe for any conversion Shares; and (c) no offer has to be extended to it in relation to the Convertible Notes; and even if such offer is extended to it, it will not accept the offer in respect of any of the Convertible Notes. The CN Irrevocable Undertaking will be terminated by the end of the offer period of the Offers. Given Benefit Global has given the CN Irrevocable Undertaking, no comparable offer will be made for the Convertible Notes.

Total consideration of the Offers

As at the date of this joint announcement, the Company has (i) 1,474,232,000 Shares in issue; (ii) 20,300,000 outstanding Options with an exercise price of HK\$0.748 each; and (iii) the Convertible Notes. Taking into consideration of the Share Offer Price being HK\$0.108 per Offer Share, the price of HK\$0.0001 for cancellation of each outstanding Option and the CN Irrevocable Undertaking all issued Shares and the outstanding Options of the Company would be valued at HK\$159,219,086.

Upon Completion, save for the 887,418,000 Shares which the Offeror holds (i) the value of the Share Offer will be approximately HK\$63,375,912 (with 586,814,000 Shares subject to the Share Offer); and (ii) the value of the Option Offer will be approximately HK\$2,030. Therefore, the total cash consideration payable by the Offeror under the Offers would be HK\$63,377,942 in the event that the Offers are accepted in full.

Confirmation of financial resources available for the Offers

The maximum payment obligations payable for the Offers shall be payable in cash. The maximum aggregate amount payable by the Offeror for the Offers would be HK\$63,377,942 based on the Share Offer Price of HK\$0.108 per Offer Share and the price of HK\$0.0001 for cancellation of each outstanding Option.

Cinda International and Rainbow Capital, being the joint financial advisers to the Offeror in respect of the Offers, are satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the consideration payable in case of full acceptance of the Offers. The Offeror has sufficient cash funding and intends to finance the consideration payable by the Offeror under the Offers by a guarantee obtained from Get Nice Securities for the sole purpose of satisfying the settlement of the consideration under acceptance of the Offers from the date of this joint announcement until the date falling on the seventh (7th) Business Day following the close of the Offers.

Effect of accepting the Offers

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

By accepting the Option Offer, the Optionholders will agree to the cancellation of their tendered Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of the despatch of the Composite Document. In accordance with the Share Option Scheme, the Options will lapse automatically (to the extent not exercised) upon the close of the Offers.

The Offers will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Options to be cancelled. Acceptance of the Offers shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Stamp duty

In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptance 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 acceptance of the Share Offer, whichever is higher, and will be deducted from the cash amount payable by the Offeror 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 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 relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the Option Offer.

Payment

Payment in cash in respect of acceptance of the Offers will be made as soon as possible but in any event no later than seven (7) business days (as defined in the Takeovers Code) after the date on which the duly completed acceptance of Share Offer and/or Option Offer (as the case may be) is/are received. Relevant documents evidencing title in respect of such acceptance must be received by or on behalf of the Offeror (or its agent) to render each such acceptance of the Share Offer and/or the Option Offer (as the case may be) complete and valid in accordance with Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a Hong Kong cent will be payable and the amount of the consideration payable to a Shareholder and/or an Optionholder who accepts the Offers will be rounded up to the nearest Hong Kong cent.

Taxation advice

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

Availability of the Offers

The Offeror intends to make the Share Offer and the Option Offer available to all the Independent Shareholders and Optionholders, respectively. As the Share Offer and the Option Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, Independent Shareholders and Optionholders 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 Offers, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction.

In the event that the receipt of the Composite Document by overseas Shareholders and Optionholders is prohibited by any applicable laws and regulations or may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, may not be despatched to such overseas Shareholders and Optionholders. The Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code as and when appropriate.

Any acceptance by the Independent Shareholders and Optionholders with a registered address in a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such overseas Independent Shareholders and Optionholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws. Such overseas Independent Shareholders and Optionholders should consult their respective professional advisers if in doubt.

DEALING AND INTERESTS IN THE COMPANY'S SECURITIES

Save for the acquisition of the Sale Shares by the Offeror under the Sale and Purchase Agreement, none of the Offeror, the ultimate beneficial owner of the Offeror nor the parties acting in concert with any of them has dealt for value in nor owned any Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period immediately prior to the commencement of the offer period (as defined under the Takeovers Code) on 4 June 2025 and up to and including the date of this joint announcement.

OTHER ARRANGEMENTS OR AGREEMENTS

As at the date of this joint announcement:

- (i) save for the Sale Shares acquired by the Offeror, none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them holds, owns or has control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives in respect of such securities of the Company;
- (ii) there is no outstanding derivative in respect of the securities in the Company which is owned, controlled or directed by, or has been entered into by the Offeror, its ultimate beneficial owner and/or any person acting in concert with any of them;
- (iii) there is 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 in relation to the shares of the Offeror or the Shares and which might be material to the Offers;
- (iv) save for the Memorandum of Understanding, the Sale and Purchase Agreement and the CN Irrevocable Undertaking, there is no agreement or arrangement to which the Offeror 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 Offers;
- (v) save for the CN Irrevocable Undertaking, none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them has received any irrevocable commitment(s) to accept or reject the Offers;
- (vi) none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (vii) there was no agreement, arrangement or understanding that any securities acquired in pursuance of the Offers would be transferred, charged or pledged to any other persons;

- (viii) save for the Memorandum of Understanding, the Sale and Purchase Agreement and the CN Irrevocable Undertaking, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them on the one hand, and the Vendors and/or parties acting in concert with any one of them on the other hand;
- (ix) save for the Memorandum of Understanding, the Sale and Purchase Agreement and the CN Irrevocable Undertaking, there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeover Code) between (i) any Shareholder; and (ii)(a) the Offeror and/or any party acting in concert with it or (ii)(b) the Company, its subsidiaries or associated companies;
- (x) save for the Consideration paid by the Offeror to the Vendors under the Sale and Purchase Agreement, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or any parties acting in concert with it to the Vendors or any party acting in concert with any one of them in connection with the sale and purchase of the Sale Shares;
- (xi) save for the Memorandum of Understanding, the Sale and Purchase Agreement and the CN Irrevocable Undertaking, there is no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror or any person acting in concert with it and any of the Directors, recent directors of the Company, Shareholders or recent shareholders of the Company having any connection with or dependence upon the Offers; and
- (xii) no benefit (other than statutory compensation) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offers.

Independent Shareholders and Optionholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offers and as to acceptance that will be included in the Composite Document before deciding whether or not to accept the Share Offer and/or the Option Offer.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately before Completion; and (ii) immediately following Completion and as at the date of this joint announcement:

| Shareholders | Immediately before Completion | | Immediately following Completion and as at the date of this joint announcement | |
|--|-------------------------------|--|--|--|
| | <i>Number of Shares</i> | <i>Approximate% of issued Shares</i> | <i>Number of Shares</i> | <i>Approximate% of issued Shares</i> |
| The Offeror and parties acting in concert with it | | | | |
| – The Offeror <i>(Note 1)</i> | – | – | 887,418,000 | 60.20 |
| Subtotal | – | – | 887,418,000 | 60.20 |
| Other Selling Shareholders | | | | |
| – Smart Investor <i>(Note 2)</i> | 482,864,000 | 32.75 | – | – |
| – Mr. Lau | 9,600,000 | 0.65 | – | – |
| – Madam Li | 9,600,000 | 0.65 | – | – |
| – Benefit Global <i>(Note 3)</i> | 107,352,000 | 7.28 | – | – |
| – Mr. Poon | 7,896,000 | 0.54 | – | – |
| – Silver Pointer <i>(Note 4)</i> | 172,006,000 | 11.67 | – | – |
| – Madam Man | 12,000,000 | 0.81 | – | – |
| – Mr. Yau | 38,424,000 | 2.61 | – | – |
| – Mr. Wong | 47,676,000 | 3.23 | – | – |
| Other Director(s) | | | | |
| – Mr. Hau Yiu Por | 2,340,000 | 0.16 | 2,340,000 | 0.16 |
| Public Shareholders | 584,474,000 | 39.65 | 584,474,000 | 39.65 |
| Total | 1,474,232,000 | 100.00 | 1,474,232,000 | 100.00 |

Notes:

1. The Offeror is beneficially wholly owned by Mr. Liu.
2. Smart Investor is a company incorporated in the British Virgin Islands and is owned as to approximately 67.4% by Mr. Lau and approximately 32.6% by Madam Li.
3. Benefit Global is a company incorporated in the British Virgin Islands. It is wholly owned by Mr. Chu Sheng Yu, Lawrence.
4. Silver Pointer is a company incorporated in the British Virgin Islands and is owned as to 100% by Mr. Poon.

INFORMATION ON THE GROUP

The Company is an exempt company incorporated in the Cayman Islands with limited liability on 14 March 2012. The Group is principally engaged in the manufacturing and sales of toys.

FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the financial information of the Group for (i) each of the three financial years ended 31 March 2023, 2024 and 2025 as extracted from the annual reports of the Company for the years ended 31 March 2023, 2024 and 2025; and (ii) the six months ended 30 September 2024 and 2025 as extracted from the interim results announcement of the Company for the six months ended 30 September 2024 and 2025:

| | For the year ended 31 March | | | For the six months ended | |
|---|-----------------------------|------------|------------|--------------------------|-------------|
| | 2023 | 2024 | 2025 | 30 September 2024 | 2025 |
| | (HK\$'000) | (HK\$'000) | (HK\$'000) | (HK\$'000) | (HK\$'000) |
| | (Audited) | (Audited) | (Audited) | (Unaudited) | (Unaudited) |
| Revenue | 341,801 | 177,259 | 71,933 | 58,309 | 27,836 |
| Profit/(loss) and total comprehensive income for the period attributable to owners of the Company | (72,321) | (73,941) | (17,872) | (10,230) | (10,783) |

As disclosed in the interim results announcement of the Company for the six months ended 30 September 2025, the unaudited consolidated net assets of the Company as at 30 September 2025 was approximately HK\$27.46 million.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 11 June 2018, which is an investment holding company. As at the date of this joint announcement, the Offeror is wholly and beneficially owned by Mr. Liu who is also the sole director of the Offeror.

Mr. Liu, aged 31, is the sole beneficial owner and sole director of the Offeror. He graduated from Imperial College London with a bachelor's and master's degree in materials science and engineering. Mr. Liu has been the sole shareholder of the Offeror since 2021. Over the past years, Mr. Liu has been mostly involved in investments in companies in Hong Kong and the PRC, from angel investments to pre-IPO investments. The investment focus of Mr. Liu was mainly in companies involved in innovative technologies, such as biotechnology companies, AI companies and agricultural related technology companies.

Mr. Liu is of the view that the Consideration is fair and reasonable, considering the recent market price of the Shares. He also considered that the acquisition of the Shares to be a good opportunity to broaden his investment portfolio. He believed that obtaining control of the Company will enable him to efficiently formulate and implement business plans and strategies for the Group's long-term development in the future. The Consideration for the purchase of the Sale Shares and the consideration for the Offers are funded by Mr. Liu's personal savings and earnings through his investments. No borrowing was made to fund the Consideration or to make the Offers.

The Offeror and its ultimate beneficial owner are Independent Third Parties.

Immediately after Completion and as at the date of this joint announcement, none of the Offeror, its ultimate beneficial owner and the parties acting in concert with any of them is interested in any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, save for the Sale Shares acquired by the Offeror.

THE OFFEROR'S INTENTION ON THE GROUP

Following the close of the Offers, it is the intention of the Offeror that the Group will continue with its existing principal business. The Offeror does not intend to introduce any major changes to the existing operations and business of the Group immediately after close of the Offers and will neither redeploy nor dispose of any of the assets (including fixed assets) of the Group other than in the ordinary course of business.

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

As at the date of this joint announcement, no investment or business opportunity has been identified nor has the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group.

Save for the proposed change(s) to the composition of the Board as mentioned below, the Offeror has no plan to terminate the employment of any other employees or other personnel of the Group. However, the Offeror reserves the right to make any changes that they deem necessary or appropriate to the benefit of the Group.

PROPOSED CHANGE TO THE BOARD COMPOSITION OF THE COMPANY

As at the date of this joint announcement, the Board comprises Mr. Poon Pak Ki Eric, Mr. Hau Yiu Por and Ms. Tang Yuen Ching Irene as executive Directors; and Mr. Leung Po Wing Bowen Joseph, GBS, JP, Mr. Chan Siu Wing Raymond, Mr. Wong Wah On Edward and Ms. Yeung Wai Ling as independent non-executive Directors.

It is intended that all of the existing Directors, except Mr. Poon Pak Ki Eric, will resign from the Board with effect from a date no earlier than the date of the close of the Offers or at the earliest time permitted under the Takeovers Code and the Listing Rules.

The Offeror intends to nominate new Directors to the Board to facilitate the business operation, management and strategy of the Group with effect from a date which is no earlier than such date as permitted under the Takeovers Code and the Listing Rules or such later date as the Offeror considers to be appropriate.

Any changes to the members of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement(s) will be made as and when appropriate.

PUBLIC FLOAT AND MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange. Each of the Company, the Directors, the Offeror, the directors of the Offeror and the new Directors to be appointed will undertake to the Stock Exchange to take appropriate steps to ensure that not less than 25% of the issued share capital of the Company will continue to be held by the public at all material times.

The Stock Exchange has stated that if, at the close of the Offers, 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,

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

Therefore, it should be noted that upon close of the Offers, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares.

The Company will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules in case less than 25% of the issued share capital of the Company will be held by the public upon the close of the Offers. Appropriate steps will be taken to ensure public float will be restored as soon as possible after the close of the Offers.

Further announcement(s) regarding the restoration of public float will be made by the Company as and when appropriate.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, a board which receives an offer or which 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 of the four independent non-executive Directors, namely Mr. Leung Po Wing, Bowen Joseph, GBS, JP, Mr. Chan Siu Wing, Raymond, Mr. Wong Wah On, Edward and Ms. Yeung Wai Ling, has been established to advise the Independent Shareholders as to whether the Share Offer is fair and reasonable and as to acceptance of the Share Offer, and to the Optionholders as to whether the Option Offer is fair and reasonable and as to acceptance of the Option Offer.

Draco Capital has been appointed as the independent financial adviser to advise the Independent Board Committee, the Independent Shareholders and the Optionholders in connection with the Offers and in particular as to whether the Offers are, or are not, fair and reasonable and as to their acceptance. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

DESPATCH OF COMPOSITE DOCUMENT

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document in connection with the Offers setting out, among other things, (i) details of the Offers (including the expected timetable and the terms of the Offers); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders and the Optionholders in respect of the Offers; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee, the Independent Shareholders and the Optionholders in respect of the Offers, together with the Forms of Acceptance, will be despatched jointly by the Offeror and the Company to the Shareholders and Optionholders as soon as practicable within 21 days of the date of this joint announcement unless the Executive grants a consent for extension. It is expected that the Composite Document will be despatched on or before 8 January 2026.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

The Independent Shareholders and the Optionholders are encouraged to read the Composite Document carefully, including the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser as to whether the Offers are fair and reasonable so far as the Independent Shareholders and the Optionholders are concerned and their acceptance before deciding whether or not to accept the Offers.

DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company and the Offeror (including persons who own or control 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company and the Offeror) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Monday, 15 December 2025 pending publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on Friday, 19 December 2025.

WARNING

The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement, and strongly recommend the Independent Shareholders and the Optionholders not to form a view on the Offers unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee and the advice from the Independent Financial Adviser on the Offers.

Shareholders and potential investors should exercise caution when dealing in the Shares. If the Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

In this joint announcement, unless the context otherwise requires, the following expressions have the following meanings:

| | |
|-----------------------|--|
| “acting in concert” | has the meaning ascribed to it under the Takeovers Code |
| “associate(s)” | has the meaning ascribed to it under the Takeovers Code |
| “Benefit Global” | Benefit Global Limited, a company incorporated in the British Virgin Islands which is wholly owned by Mr. Chu Lawrence Sheng Yu |
| “Board” | the board of Directors |
| “Cinda International” | Cinda International Capital Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being one of the joint financial advisers to the Offeror in respect of the Offers and one of the agents making the Offers for and on behalf of the Offeror |

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|------------------------------|--|
| “CN Irrevocable Undertaking” | the irrevocable undertaking given by Benefit Global on 12 December 2025, the details of which are set out in sub-section headed “CN Irrevocable Undertaking” in this joint announcement |
| “Company” | Quali-Smart Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange (stock code: 1348) |
| “Completion” | completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement, which took place immediately after the entering into of the Sale and Purchase Agreement by the Offeror and the Selling Shareholders on the Completion Date |
| “Completion Date” | 12 December 2025 |
| “Composite Document” | the composite offer and response document to be jointly issued by the Offeror and the Company in connection with the Offers in accordance with the Takeovers Code |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Convertible Notes” | the 6% convertible notes with outstanding principal amount of HK\$9,000,000 and conversion price of HK\$0.081 per conversion Share issued by the Company on 16 May 2023 which is currently held by Benefit Global |
| “Consideration” | the purchase price for the sale and purchase of the Sale Shares under the Sale and Purchase Agreement, being an aggregate of HK\$95,841,144 |
| “Director(s)” | the director(s) of the Company |
| “Encumbrances” | any lien, pledge, encumbrance, charge (fixed or floating), mortgage, third party claim, debenture, option, right of pre-emption, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or other security interests of any kind, including retention arrangements or other encumbrances and any agreement to create any of the foregoing |

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|--|---|
| “Executive” | the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director |
| “Form(s) of Acceptance” | the WHITE form of acceptance and transfer of Shares in respect of the Share Offer and the PINK form of acceptance and cancellation of all outstanding Options in respect of the Option Offer |
| “Get Nice Securities” | Get Nice Securities Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Ignite Capital” | Ignite Capital (Asia Pacific) Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the financial adviser to the Company in respect of the Offers |
| “Independent Board Committee” | the independent board committee of the Board (comprising all of the four independent non-executive Directors, namely Mr. Leung Po Wing, Bowen Joseph, GBS, JP, Mr. Chan Siu Wing, Raymond, Mr. Wong Wah On, Edward and Ms. Yeung Wai Ling) which has been established to advise the Independent Shareholders and Optionholders in connection with the Offers and as to the acceptance of the Offers |
| “Independent Financial Adviser” or “Draco Capital” | Draco Capital Limited, a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee, the Independent Shareholders and the Optionholders in connection with the Offers |

| | |
|--------------------------------|--|
| “Independent Shareholders(s)” | Shareholders(s) other than the Offeror, Mr. Liu and parties acting in concert with any of them |
| “Independent Third Party(ies)” | party(ies) independent of and not connected with the Company and its connected persons |
| “Last Trading Day” | 12 December 2025, being the last trading day of the Shares on the Stock Exchange immediately prior to the suspension of trading in the Shares pending the publication of this joint announcement |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “Madam Li” | Madam Li Man Yee, Stella, one of the Selling Shareholders |
| “Madam Man” | Madam Man Sin Yan Corinna, one of the Selling Shareholders |
| “Memorandum of Understanding” | a memorandum of understanding dated 10 October 2025 and entered into between Smart Investor, Benefit Global, Silver Pointer and the Offeror in relation to the acquisition of the Sale Shares (as amended by the supplemental memorandum of understanding dated 9 December 2025 entered into between Smart Investor, Benefit Global, Silver Pointer and the Offeror in relation to the acquisition of the Sale Shares) |
| “Mr. Poon” | Mr. Poon Pak Ki, Eric, an executive Director, the chairman of the Board, one of the Selling Shareholders |
| “Mr. Lau” | Mr. Lau Ho Ming, Peter, one of the Selling Shareholders |
| “Mr. Liu” | Mr. Liu Chong, the sole beneficial owner and sole director of the Offeror |
| “Mr. Wong” | Mr. Wong Hoi Fan, one of the Selling Shareholders |
| “Mr. Yau” | Mr. Yau Wing Hay Uri, one of the Selling Shareholders |

| | |
|-------------------------------|---|
| “Offer Share(s)” | all of the issued Share(s), other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it |
| “Offeror” or “Purchaser” | Yael Capital Management Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly owned by Mr. Liu, both being Independent Third Parties |
| “Offers” | the Share Offer and the Option Offer |
| “Option(s)” | share option(s) granted by the Company pursuant to the Share Option Scheme, whether vested or not |
| “Optionholder(s)” | the holder(s) of the Options |
| “Option Offer” | the proposal to be made by Cinda International and Rainbow Capital for and on behalf of the Offeror in compliance with Rule 13 of the Takeovers Code to cancel all outstanding Options in accordance with the terms and conditions set out in this joint announcement |
| “Rainbow Capital” | Rainbow Capital (HK) Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being one of the joint financial advisers to the Offeror in respect of the Offers and one of the agents making the Offers for and on behalf of the Offeror |
| “Sale and Purchase Agreement” | the sale and purchase agreement dated 12 December 2025 entered into between the Offeror and the Selling Shareholders in relation to the sale and purchase of the Sale Shares |
| “Sale Share(s)” | an aggregate of 887,418,000 Shares agreed to be sold by the Selling Shareholders pursuant to the Sale and Purchase Agreement, representing approximately 60.20% of the total number of issued Shares as at the date of this joint announcement |

| | |
|-------------------------------------|--|
| “Selling Shareholders” or “Vendors” | Smart Investor, Mr. Lau, Madam Li, Benefit Global, Mr. Poon (an executive Director and the chairman of the Board), Silver Pointer, Madam Man, Mr. Yau and Mr. Wong who held approximately 32.75%, 0.65%, 0.65%, 7.28%, 0.54%, 11.67%, 0.81%, 2.61% and 3.23%, respectively, of the total number of issued Shares immediately before Completion. Immediately after Completion and as at the date of this joint announcement, the Selling Shareholders ceased to hold any issued Share. As at the date of this joint announcement, save for Mr. Poon who holds 7,500,000 outstanding Options with an exercise price of HK\$0.748 each, none of the Selling Shareholders were an Optionholder |
| “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)” | ordinary share(s) of US\$0.000025 each in the share capital of the Company |
| “Share Offer” | the mandatory unconditional cash offer to be made by Cinda International and Rainbow Capital for and on behalf of the Offeror to acquire all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code |
| “Share Offer Price” | the price of HK\$0.108 per Offer Share at which the Share Offer will be made in cash |
| “Share Option Scheme” | the share option scheme adopted by the Company on 3 January 2013, as amended from time to time |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Silver Pointer” | Silver Pointer Limited, a company incorporated in the British Virgin Islands, which is owned as to 100% by Mr. Poon |
| “Smart Investor” | Smart Investor Holdings Limited, a company incorporated in the British Virgin Islands, which is owned as to approximately 67.4% by Mr. Lau and approximately 32.6% by Madam Li |

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“Takeovers Code”

the Hong Kong Code on Takeovers and Mergers

“%”

per cent

By order of the Board
**Yael Capital
Management Limited**
Liu Chong
Director

By order of the Board
QUALI-SMART HOLDINGS LIMITED
滙達富控股有限公司*
Poon Pak Ki Eric
Chairman and Executive Director

Hong Kong, 18 December 2025

As at the date of this joint announcement, the Board comprises Mr. Poon Pak Ki Eric (Chairman), Mr. Hau Yiu Por and Ms. Tang Yuen Ching Irene as executive Directors; and Mr. Leung Po Wing Bowen Joseph GBS, JP, Mr. Chan Siu Wing Raymond, Mr. Wong Wah On Edward and Ms. Yeung Wai Ling as independent non-executive Directors.

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

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

This joint announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange website at www.hkexnews.hk for at least seven days from the day of its publication. This joint announcement will also be published on the Company’s website at www.quali-smart.com.hk.

* For identification purposes only