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# THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your Shares in Samson Holding Ltd., you should at once hand this Scheme Document and the accompanying forms of proxy to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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This Scheme Document is not for release, publication or distribution, in whole or in part, in, into or from any jurisdiction where to do so would constitute a violation of the applicable laws or regulations of such jurisdiction. This Scheme Document appears for information purposes only and does not constitute an invitation or offer to acquire, purchase, or subscribe for any securities of Samson Holding Ltd..

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**Glory Mount (HK) Limited**  
**富山(香港)有限公司**

*(Incorporated in Hong Kong with limited liability)*

**SAMSON HOLDING LTD.**  
**順誠控股有限公司\***

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

**(Stock Code: 00531)**

**(1) PROPOSED PRIVATISATION OF  
SAMSON HOLDING LTD. BY THE OFFEROR  
BY WAY OF A SCHEME OF ARRANGEMENT  
(UNDER SECTION 86 OF THE COMPANIES ACT)  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING OF  
SAMSON HOLDING LTD.**

**Financial Adviser to the Offeror**



**Independent Financial Adviser to the Independent Board Committee**



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Unless the context requires otherwise, capitalised terms used in this Scheme Document (including this cover page) are defined under the section headed "Definitions" in Part I of this Scheme Document.

A letter from the Board is set out in Part IV of this Scheme Document. A letter from the Independent Board Committee containing its advice to the Disinterested Scheme Shareholders in connection with the Proposal and the Scheme is set out in Part V of this Scheme Document. A letter from the Independent Financial Adviser to the Independent Board Committee, containing its advice to the Independent Board Committee in connection with the Proposal and the Scheme is set out in Part VI of this Scheme Document. An Explanatory Memorandum regarding the Scheme is set out in Part VII of this Scheme Document. The actions to be taken by the Shareholders are set out in Part II of this Scheme Document.

Notices convening the Court Meeting to be held at 11:00 a.m. (Hong Kong time) on Monday, 21 October 2024 and the EGM to be held at 11:30 a.m. (Hong Kong time) on Monday, 21 October 2024 (or as soon as practicable after the conclusion or adjournment of the Court Meeting) are set out in Appendix V and Appendix VI of this Scheme Document, respectively. Whether or not you are able to attend the Court Meeting and/or the EGM or any adjournment thereof, you are strongly urged to complete and sign the enclosed **PINK** form of proxy in respect of the Court Meeting and the enclosed **WHITE** form of proxy in respect of the EGM, in accordance with the instructions printed thereon, and to lodge them at the Company's Hong Kong branch Share Registrar, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than the respective times and dates as stated under Part II of this Scheme Document. If the **PINK** form of proxy is not so lodged, it may also be handed to the Chairman of the Court Meeting who shall have absolute discretion as to whether or not to accept it. If the **WHITE** form of proxy is not so lodged at least 48 hours before the time appointed for the EGM, it will not be valid. Completion and return of the forms of proxy for Court Meeting and/or the EGM will not preclude you from attending and voting in person at the relevant meeting or any adjournment thereof, should you so wish. In the event that you attend and vote at the relevant meeting or any adjournment thereof after having lodged your forms of proxy, the returned forms of proxy will be revoked by operation of law.

This Scheme Document is issued jointly by the Offeror and the Company. **The English language texts of this Scheme Document and the accompanying forms of proxy shall prevail over their respective Chinese texts for the purpose of interpretation.**

\* For identification purpose only

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## **IMPORTANT NOTICE**

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### **NOTICE TO U.S. INVESTORS**

The Proposal is being made to cancel and extinguish the securities of a company incorporated in the Cayman Islands by means of a scheme of arrangement provided under the Companies Act and is subject to Hong Kong disclosure requirements which are different from those of the U.S..

A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the U.S. Securities Exchange Act of 1934, as amended. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement which differ from the disclosure and procedural requirements applicable under the U.S. federal securities laws.

The receipt of cash pursuant to the Proposal by a U.S. holder of Scheme Shares as consideration for the cancellation and extinguishment of the Scheme Shares pursuant to the Scheme may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other tax laws. U.S. holders of the Scheme Shares are urged to consult their independent professional advisers immediately regarding the tax consequences of the Proposal applicable to them.

It may be difficult for U.S. holders of the Scheme Shares to enforce their rights and claims arising out of the U.S. federal securities laws, since the Offeror and the Company are located in a country other than the U.S., and some or all of their officers and directors may be residents of a country other than the United States. U.S. holders of the Scheme Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgement.

Neither the U.S. Securities and Exchange Commission nor any U.S. state securities commission has approved or disapproved the Proposal or the Scheme, or determined if this Scheme Document is accurate or complete. Any representation to the contrary is a criminal offence in the U.S..

This Scheme Document does not constitute an offer or invitation to purchase or subscribe for any securities of the Company in the U.S..

### **NOTICE TO OVERSEAS HOLDER OF SCHEME SHARES**

The making and implementation of the Proposal to the Scheme Shareholders who are not residents in Hong Kong may be affected by the applicable laws of the relevant jurisdictions.

Such Scheme Shareholders should inform themselves about and observe any applicable legal, tax or regulatory requirements in their respective jurisdictions and, where necessary, seek their own legal advice. Further information in relation to overseas Scheme Shareholders will be contained in this Scheme Document.

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## **IMPORTANT NOTICE**

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It is the responsibility of any overseas Scheme Shareholders wishing to take any action in relation to the Proposal to satisfy themselves 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 which may be required, the compliance with the necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

Any actions taken by the overseas Scheme Shareholders in respect of the Proposal will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their respective advisers that those laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

If you are an overseas Scheme Shareholder, your attention is drawn to the paragraph headed “19. Overseas Scheme Shareholders” in the section headed “Explanatory Memorandum” of this Scheme Document.

### **FORWARD-LOOKING STATEMENTS AND ACCOUNTING STANDARDS**

This Scheme Document may include forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “envisages”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the Offeror’s, the Company’s or their respective affiliates’ intentions, beliefs or current expectations. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those made in or suggested by the forward-looking statements contained in this Scheme Document, and may not be indicative of results or developments in subsequent periods. The forward-looking statements and information contained in this Scheme Document are made as of the date hereof and each of the Offeror and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Takeovers Code.

Financial information disclosed in respect of the Proposal and the Scheme has been or will have been prepared in accordance with non-U.S. accounting standards that may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the U.S..

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*In this Scheme Document, the following expressions have the meanings set out below unless the context requires otherwise.*

“acting in concert”	has the meaning ascribed to it in the Takeovers Code and “concert party” shall be construed accordingly
“Adjusted NAV”	adjusted unaudited consolidated net asset value of the Group as set out in the section headed “4. Property Interests and Adjusted Net Asset Value” in Appendix I of this Scheme Document
“Advent Group Limited”	Advent Group Limited, a company incorporated in the British Virgin Islands with limited liability, which is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu
“Announcement”	the announcement dated 16 July 2024 jointly issued by the Offeror and the Company in relation to the Proposal
“Announcement Date”	16 July 2024, being the date of the Announcement
“associate(s)”	has the meaning ascribed to it in the Takeovers Code
“Authorisations”	all necessary notifications, registrations, applications, filings, authorisations, orders, recognitions, grants, waivers, consents, licences, confirmations, clearances, permissions, no-action relief, exemption relief orders and approvals, and all appropriate waiting periods (including extensions thereof), which are required or necessary in connection with the Proposal under any applicable laws or regulations
“Beneficial Owner”	beneficial owner(s) of the Shares registered in the name of a Registered Owner(s)
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC

“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a person admitted to participate in CCASS as a participant, including a CCASS Investor Participant
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands, as consolidated and revised from time to time
“Company”	Samson Holding Ltd. (順誠控股有限公司*), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 00531)
“Condition(s)”	the condition(s) to the implementation of the Proposal and the Scheme as set out in the paragraph headed “3. Conditions to the Proposal and the Scheme” in the section headed “Explanatory Memorandum” of this Scheme Document
“Court Hearing”	the hearing of the petition by the Grand Court for the sanction of the Scheme and confirmation of the Reduction
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at 11:00 a.m. (Hong Kong time) on Monday, 21 October 2024 at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong, at which the Scheme (with or without modification) will be voted upon, notice of which is set out in Appendix V of this Scheme Document, or any adjournment thereof
“DBSAC”	DBS Asia Capital Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in relation to the Proposal
“DBS Group”	DBS Group Holdings Limited and its subsidiaries from time to time, including but not limited to DBSAC
“Director(s)”	the director(s) of the Company

“Disinterested Scheme Shareholder(s)”	Scheme Shareholder(s) other than Mr. Aminozakeri
“Effective Date”	the date on which the Scheme, if approved and sanctioned by the Grand Court, becomes effective in accordance with its terms and the Companies Act, being the date on which a copy of the order of the Grand Court sanctioning the Scheme and confirming the Reduction is delivered to the Registrar of Companies in the Cayman Islands for registration pursuant to Section 86(3) of the Companies Act
“EGM”	an extraordinary general meeting of the Company to be convened and held at 11:30 a.m. (Hong Kong time) (or, if later, immediately after the conclusion or adjournment of the Court Meeting) on Monday, 21 October 2024 at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong, notice of which is set out in Appendix VI of this Scheme Document, or any adjournment thereof
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof
“Explanatory Memorandum”	the explanatory memorandum set out in the section headed “Explanatory Memorandum” of this Scheme Document
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent committee of the Board which comprises Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Lin, being all of the independent non-executive Directors, established by the Board to make recommendation to the Disinterested Scheme Shareholders in relation to the Proposal and the Scheme
“Independent Financial Adviser” or “Quam Capital”	Quam 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 the independent financial adviser appointed to advise the Independent Board Committee in relation to the Proposal and the Scheme
“Last Trading Day”	9 July 2024, being the last trading day on which the Shares were traded on the Stock Exchange before publication of the Announcement
“Last Undisturbed Day”	8 July 2024, being the last trading day prior to when there were irregular trading volumes and price movements in the Shares
“Latest Practicable Date”	30 September 2024, being the latest practicable date for ascertaining certain information contained in this Scheme Document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Long Stop Date”	31 January 2025, or such later date as the Offeror and the Company may agree in writing or, to the extent applicable, as the Grand Court, on application of the Offeror or the Company, may direct and in all cases for the implementation of the Proposal, as permitted by the Executive
“Meeting Record Date”	Monday, 21 October 2024, or such other date as shall have been announced to the Shareholders, being the record date for the purpose of determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlement of Shareholders to attend and vote at the EGM
“Mr. Aminozakeri”	Mr. Mohamad AMINOZZAKERI, an executive Director



“Mr. Kuo”	Mr. Shan Huei KUO, the chairman of the Company and an executive Director
“Mr. Lin”	Mr. Hung Kang LIN, an independent non-executive Director
“Ms. Liu”	Ms. Yi-Mei LIU, the deputy chairman of the Company and an executive Director
“Offer Period”	has the meaning ascribed to it in the Takeovers Code, which commenced on 16 July 2024 and will end on the Effective Date, or the date on which the Scheme is withdrawn or lapses in accordance with its terms and the Takeovers Code
“Offer Price”	the offer price of HK\$0.480 for the cancellation of each Scheme Share cancelled and extinguished payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“Offeror”	Glory Mount (HK) Limited (富山(香港)有限公司), a company incorporated in Hong Kong with limited liability, which is ultimately beneficially owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu
“Offeror Concert Party(ies)”	parties acting in concert or presumed to be acting in concert with the Offeror, including but not limited to (a) Mr. Kuo, Ms. Liu, Green Bliss Limited, Advent Group Limited and Magnificent Capital Holding Limited; and (b) Mr. Aminoazzakeri
“PRC”	the People’s Republic of China (for the purpose of this Scheme Document, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China, and Taiwan)
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme on the terms and subject to the Conditions
“Reduction”	the reduction of the issued share capital of the Company by the cancellation and extinguishment of the Scheme Shares

“Reference Exchange Rate”	US\$1.00: HK\$7.80
“Registered Owner(s)”	holder(s) of Shares (including without limitation a nominee, trustee, depositary or any other authorised custodian or third party) whose name is entered in the register of members of the Company as a holder of Shares
“Registrar of Companies”	the Registrar of Companies in the Cayman Islands
“Relevant Authorities”	any competent governments and/or governmental bodies, regulatory bodies, courts or institutions (including without limitation the SFC and the Stock Exchange)
“Relevant Period”	the period commencing from the date of six months preceding the Announcement Date (i.e. 16 January 2024) and ending on the Latest Practicable Date (i.e. 30 September 2024)
“Scheme”	a scheme of arrangement to be proposed under Section 86 of the Companies Act between the Company and the Scheme Shareholders (subject to the Conditions) involving the cancellation and extinguishment of all the Scheme Shares and the simultaneous restoration of the number of issued Shares in the share capital of the Company to the amount immediately before the cancellation and extinguishment of the Scheme Shares, with or subject to any modifications, additions or conditions as may be approved or imposed by the Grand Court
“Scheme Document”	this composite scheme document, including each of the letters, statements, memorandum, appendices and notices in it
“Scheme Record Date”	Tuesday, 5 November 2024, or such other date as shall have been announced to the Shareholders, being the record date for the purpose determining the entitlements of the Scheme Shareholders under the Scheme
“Scheme Share(s)”	the Share(s) in issue on the Scheme Record Date other than those directly or indirectly held by the Offeror and the Offeror Concert Parties (excluding Mr. Aminozakeri)

“Scheme Shareholder(s)”	the registered holder(s) of the Scheme Share(s) as at the Scheme Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	ordinary share(s) of a par value of US\$0.05 each in the share capital of the Company
“Share Registrar”	Computershare Hong Kong Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong
“Shareholder(s)”	the registered holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers issued by the SFC as amended from time to time
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“United States” or “U.S.”	the United States of America
“US\$”	United States Dollar(s), the lawful currency of the United States
%	per cent.

\* *For identification purpose only*

All references in this Scheme Document to times and dates are references to Hong Kong times and dates, except as otherwise specified.

All percentages stated in this Scheme Document are approximations and certain amounts and percentage figures included in this Scheme Document have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

This Scheme Document and the accompanying forms of proxy are prepared in both English and Chinese. In the event of inconsistency, the English text of the aforementioned documents shall prevail.

**1. ACTIONS TO BE TAKEN BY THE SHAREHOLDERS****Entitlements of the Scheme Shareholders and the Shareholders to attend and vote at the Court Meeting and the EGM**

Scheme Shareholders who are entitled to attend and vote at the Court Meeting and Shareholders who are entitled to attend and vote at the EGM are those whose names appear on the register of members of the Company as at the close of business on the Meeting Record Date, being Monday, 21 October 2024.

For the purpose of determining the entitlements of Scheme Shareholders to attend and vote at the Court Meeting and the entitlements of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 16 October 2024 to Monday, 21 October 2024 (both days inclusive) and during such period, no transfer of Shares will be effected.

In order to qualify to vote at the Court Meeting and the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Share Registrar at Shops 1712-16, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. (Hong Kong time) on Tuesday, 15 October 2024.

**Forms of proxy**

A **PINK** form of proxy for use at the Court Meeting and a **WHITE** form of proxy for use at the EGM are enclosed with this Scheme Document. Subsequent purchasers of Scheme Shares will need to obtain the relevant proxy form from the transferor if any such purchaser wishes to attend or vote at the Court Meeting and/or the EGM.

Whether or not you are able to attend the Court Meeting and/or the EGM or any adjournment thereof in person, if you are a Scheme Shareholder, we strongly urge you to complete and sign the enclosed **PINK** form of proxy in respect of the Court Meeting, and if you are a Shareholder, we strongly urge you to complete and sign the enclosed **WHITE** form of proxy in respect of the EGM, in accordance with the instructions printed thereon, and to lodge them at the office of the Share Registrar at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible, but in any event no later than the following times and dates in order to be valid:

- The **PINK** form of proxy for use at the Court Meeting should be lodged no later than 48 hours before the time appointed for holding the Court Meeting (i.e. no later than 11:00 a.m. (Hong Kong time) on Saturday, 19 October 2024) or any adjournment thereof although it may be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it).
- The **WHITE** form of proxy for use at the EGM must be lodged no later than 48 hours before the time appointed for holding the EGM (i.e. no later than 11:30 a.m. (Hong Kong time) on Saturday, 19 October 2024) or any adjournment thereof in order to be accepted.

Completion and return of a form of proxy for the Court Meeting and/or the EGM will not preclude you from attending and voting in person at the relevant meeting or any adjournment thereof. In such event, the returned form of proxy will be revoked by operation of law.

Voting at the Court Meeting and the EGM will be taken by poll as required under the Listing Rules and the Takeovers Code.

If you do not appoint a proxy and you do not attend and vote at the Court Meeting and/or the EGM, you will still be bound by the outcome of the Court Meeting and the EGM if, among other things, the resolutions are passed by the requisite majorities of the Scheme Shareholders and Shareholders, respectively. We therefore strongly urge you to attend and vote at the Court Meeting and the EGM in person or by proxy.

### **Announcement of the results of the Court Meeting and the EGM**

The Company and the Offeror will make an announcement in relation to the results of the Court Meeting and the EGM by no later than 7:00 p.m. (Hong Kong time) on Monday, 21 October 2024. If all the resolutions are passed at those meetings, further announcements will be made in relation to, among other things, the results of the Court Hearing and, if the Scheme is sanctioned, the Scheme Record Date, the Effective Date and the date of withdrawal of the listing of the Shares on the Stock Exchange in accordance with the requirements of the Takeovers Code and the Listing Rules.

## **2. ACTIONS TO BE TAKEN BY BENEFICIAL OWNERS WHOSE SHARES ARE HELD BY A REGISTERED OWNER (OTHER THAN HKSCC NOMINEES)**

The Company will not recognise any person as holding any Shares through any trust.

If you are a Beneficial Owner whose Shares are registered in the name of a nominee, trustee, depositary or any other authorised custodian or third party, you should contact such Registered Owner to give instructions to and/or to make arrangements with such Registered Owner as to the manner in which the Shares beneficially owned by you should be voted at the Court Meeting and/or the EGM.

If you are a Beneficial Owner who wishes to attend the Court Meeting and/or the EGM personally, you should:

- (a) contact the Registered Owner directly to make the appropriate arrangements with the Registered Owner to enable you to attend and vote at the Court Meeting and/or the EGM and, for such purpose, the Registered Owner may appoint you as his/her/its proxy; or
- (b) arrange for some or all of the Shares registered in the name of the Registered Owner to be transferred into your own name, if you wish to vote (in person or by proxy) at the Court Meeting and/or the EGM.

The appointment of a proxy by the Registered Owner at the Court Meeting and/or the EGM shall be in accordance with all relevant provisions in the articles of association of the Company.

In the case of the appointment of a proxy by the Registered Owner, the relevant forms of proxy shall be completed and signed by the Registered Owner and shall be lodged in the manner and no later than the latest time for lodging the relevant forms of proxy as more particularly set out in this Scheme Document.

Completion and return of a form of proxy for the Court Meeting and/or the EGM will not preclude the Registered Owner from attending and voting in person at the relevant meeting or any adjournment thereof. In the event that the Registered Owner attends and votes at the relevant meeting or any adjournment thereof after having lodged his forms of proxy, the returned form of proxy will be revoked by operation of law.

Instructions to and/or arrangements with the Registered Owner should be given or made in advance of the relevant latest time for the lodgement of the forms of proxy in respect of the Court Meeting and/or the EGM in order to provide the Registered Owner with sufficient time to complete his/her/its forms of proxy accurately and to submit them by the deadline. To the extent that any Registered Owner requires instructions from or arrangements to be made with any Beneficial Owner at a particular date or time in advance of the relevant latest time for the lodgement of the forms of proxy in respect of the Court Meeting and the EGM, such Beneficial Owner should comply with the requirements of such Registered Owner.

### **3. ACTIONS TO BE TAKEN BY BENEFICIAL OWNERS WHOSE SHARES ARE DEPOSITED IN CCASS**

HKSCC Nominees may vote for and against the Scheme in accordance with instructions received from CCASS Participants.

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered under the name of HKSCC Nominees, you must:

- (a) unless you are a CCASS Investor Participant, contact your broker, custodian, nominee, or other relevant person who is, or has, in turn, deposited such Shares with other CCASS Participants, regarding voting instructions to be given to such persons if you wish to vote at the Court Meeting and/or at the EGM in respect of the Scheme. The procedures for voting in respect of the Scheme by the CCASS Investor Participants and the other CCASS Participants with respect to Shares registered under the name of HKSCC Nominees shall be in accordance with the “Operating Guide for Investor Participants”, the “General Rules of CCASS” and the “CCASS Operational Procedures” in effect from time to time; or

- (b) you may also elect to become a Shareholder of record, and thereby have the right to attend and vote at the Court Meeting (if you are a Scheme Shareholder) and the EGM (as a Shareholder). You can become a Shareholder of record by withdrawing all or any of your Shares from CCASS and becoming a Registered Owner of such Shares. For withdrawal of Shares from CCASS and registration thereof, you will be required to pay to CCASS a withdrawal fee per board lot withdrawn, a registration fee for each share certificate issued, stamp duty on each transfer instrument and, if your Shares are held through a financial intermediary, any other relevant fees charged by your financial intermediary. You should contact your broker, custodian, nominee or other relevant person in advance of the latest time for lodging transfers of the Shares into your name so as to qualify to attend and vote at the Court Meeting and the EGM, in order to provide such broker, custodian, nominee or other relevant person with sufficient time to withdraw the Shares from CCASS and register them in your name.

#### **4. EXERCISE YOUR RIGHT TO VOTE**

If you are a Shareholder (or a Scheme Shareholder, as applicable) or a Beneficial Owner, you are strongly encouraged to exercise your right to vote or give instructions to the relevant Registered Owner to vote in person or by proxy at the Court Meeting and at the EGM.

If you keep any Shares in a share lending programme, the Offeror and the Company urge you to recall any outstanding Shares on loan to avoid market participants using borrowed stock to vote.

If you are a Beneficial Owner whose Shares are deposited in CCASS, you are strongly encouraged to provide your broker, custodian, nominee or other relevant person with instructions or make arrangements with HKSCC Nominees in relation to the manner in which those Share(s) should be voted at the Court Meeting and/or at the EGM without delay, and/or withdraw some or all of your Share(s) from CCASS and become a Registered Owner of such Shares and exercise your right to vote (in person or by proxy) at the Court Meeting and/or the EGM.

If you are a Registered Owner holding Share(s) on behalf of one or more Beneficial Owners, you should inform the relevant Beneficial Owner(s) about the importance of exercising their right to vote.

**If the Scheme becomes effective, it will be binding on all the Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.**

**If you are in any doubt as to the action to be taken, you are encouraged to consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.**

*The timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offeror and the Company. All references in this Scheme Document to times and dates are references to Hong Kong times and dates, other than references to the expected date of the Court Hearing and the Effective Date which are the relevant times and dates in the Cayman Islands. For reference only, Cayman time is 13 hours behind Hong Kong time as at the date of this Scheme Document.*

**Hong Kong Time (unless  
otherwise stated)**

Date of despatch of this Scheme Document . . . . . Friday, 4 October 2024

Latest time for lodging transfers of Shares  
in order to become entitled to attend and  
vote at the Court Meeting and the EGM . . . . . 4:30 p.m. on Tuesday,  
15 October 2024

Register of members of the Company  
closed for determination of entitlements of  
the Scheme Shareholders to attend and  
vote at the Court Meeting and of  
Shareholders to attend and vote at the  
EGM (*Note 1*) . . . . . From Wednesday,  
16 October 2024 to Monday,  
21 October 2024  
(both days inclusive)

Latest time for lodging **PINK** forms of  
proxy in respect of the Court Meeting (*Note 2*) . . . . . 11:00 a.m. on Saturday,  
19 October 2024

Latest time for lodging **WHITE** forms of  
proxy in respect of the EGM (*Note 2*) . . . . . 11:30 a.m. on Saturday,  
19 October 2024

Meeting Record Date . . . . . Monday, 21 October 2024

Court Meeting (*Note 3*) . . . . . 11:00 a.m. on Monday,  
21 October 2024

EGM (*Note 3*) . . . . . 11:30 a.m. on Monday,  
21 October 2024  
(or, if later, immediately  
after the conclusion or  
adjournment of the  
Court Meeting)



Announcement of the results of the Court Meeting and the EGM . . . . .	no later than 7:00 p.m. on Monday, 21 October 2024
Expected last time for trading in the Shares on the Stock Exchange . . . . .	4:10 p.m. on Wednesday, 23 October 2024
Court Hearing . . . . .	Friday, 25 October 2024 (Cayman Islands Time)
Announcement of the results of the Court Hearing, the expected Effective Date and the expected date of withdrawal of listing of Shares on the Stock Exchange. . . . .	at or before 8:30 a.m. on Monday, 28 October 2024
Latest time for lodging transfers of Shares in order to qualify for entitlements under the Scheme. . . . .	4:30 p.m. on Thursday, 31 October 2024
Register of members of the Company closed for determining Scheme Shareholders qualified for entitlements under the Scheme ( <i>Note 4</i> ) . . . . .	from Friday, 1 November 2024 onwards
Scheme Record Date . . . . .	Tuesday, 5 November 2024
Effective Date ( <i>Note 5</i> ) . . . . .	Tuesday, 5 November 2024 (Cayman Islands time)
Announcement of the Effective Date and the withdrawal of the listing of the Shares on the Stock Exchange . . . . .	at or before 8:30 a.m. on Wednesday, 6 November 2024
Withdrawal of the listing of Shares on the Stock Exchange becomes effective . . . . .	4:00 p.m. on Thursday, 7 November 2024
Latest time to despatch cheques for cash payment of the Offer Price to the Scheme Shareholders under the Scheme ( <i>Notes 6 and 7</i> ). . . . .	On or before Thursday, 14 November 2024

*Notes:*

1. The register of members of the Company will be closed during such period for the purpose of determining entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlements of the Shareholders to attend and vote at the EGM. For the avoidance of doubt, this period of closure is not for determining entitlements under the Scheme.
2. Forms of proxy should be deposited at the Share Registrar at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible, but in any event no later than the respective times and dates stated above. In the case of the **PINK** form of proxy in respect of the Court Meeting, it may also be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it). If the **WHITE** form of proxy is not lodged at least 48 hours before the time appointed for the EGM, it will not be valid. Completion and return of a form of proxy for the Court Meeting or the EGM will not preclude a Shareholder from attending and voting at the relevant meeting or any adjournment thereof in person. In such event, the relevant form of proxy will be revoked by operation of law.
3. The Court Meeting and the EGM will be held at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong at the times and dates specified above. For further details relating to the Court Meeting and the EGM, please see the notice of Court Meeting set out in Appendix V of this Scheme Document and the notice of EGM set out in Appendix VI of this Scheme Document. If a tropical cyclone warning signal No. 8 or above is or is expected to be hoisted or a black rainstorm warning signal or "extreme conditions" caused by super typhoons is or is expected to be in force at any time after 8:00 a.m. (Hong Kong time) on the date of the Court Meeting and/or the EGM, the Court Meeting and/or the EGM will be adjourned in accordance with the articles of association of the Company and in compliance with the Takeovers Code. If the Court Meeting and/or the EGM are adjourned, the Company will post an announcement on the respective websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.samsonholding.com](http://www.samsonholding.com) notifying its members of the date, time and venue of the rescheduled Court Meeting and/or the EGM.
4. The register of members of the Company will be closed during such period for the purpose of determining Scheme Shareholders who are qualified for entitlements under the Scheme.
5. The Scheme shall become effective upon all the Conditions set out in the paragraph headed "3. Conditions to the Proposal and the Scheme" in the section headed "Explanatory Memorandum" of this Scheme Document having been fulfilled or waived (as applicable).
6. Cheques for the payment of the Offer Price under the Scheme will be despatched no later than seven Business Days after the Effective Date by ordinary post in postage pre-paid envelopes addressed to the persons entitled thereto at their respective registered addresses or, in the case of joint holders, to the registered address of that joint holder whose name stands first in such registers in respect of the joint holding. For Beneficial Owners that hold Scheme Shares through a nominee (other than HKSCC Nominees), cheques issued in the name of the nominee will be sent by post in pre-paid envelopes addressed to the nominee. All such cheques will be posted at the risk of the person(s) entitled thereto and none of the Offeror, the Company, DBSAC, the Independent Financial Adviser, the Share Registrar, nor any of their respective directors, officers, employees, agents, advisers, associates, affiliates, or any other persons involved in the Proposal will be responsible for any loss or delay in transmission.
7. If any severe weather condition is in force in Hong Kong:
  - (a) at any time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date to despatch cheques for the payment of the Offer Price under the Scheme, the latest date to despatch cheques will remain on the same Business Day (i.e. Thursday, 14 November 2024); or
  - (b) at any time at or after 12:00 noon on the latest date to despatch cheques for the payment of the Offer Price under the Scheme, the latest date to despatch cheques will be rescheduled to the following Business Day (i.e. Friday, 15 November 2024) which does not have any of those warnings in force at 12:00 noon and/or thereafter (or another Business Day thereafter that does not have any severe weather condition at 12:00 noon or thereafter).

For the purpose of this document, "severe weather" refers to the scenario where a tropical cyclone warning signal number 8 or above is hoisted, or "extreme conditions" caused by super typhoons or a black rainstorm warning is/are in force in Hong Kong. Further announcement(s) will be made if there is any change to the expected timetable as a result of any severe weather.

**SAMSON HOLDING LTD.****順誠控股有限公司\****(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 00531)***Executive directors:*Mr. Shan Huei Kuo (*Chairman*)

Ms. Yi-Mei Liu

Mr. Mohamad Aminozakeri

*Registered office:*

Grand Pavilion

Hibiscus Way

802 West Bay Road

P.O. Box 31119, KY1-1205

Cayman Islands

*Non-executive director:*

Ms. Sheng Hsiung Pan

*Principal Place of Business in Hong Kong:*

Unit 1007, 10th Floor

Haleson Building

1 Jubilee Street

Central

Hong Kong

*Independent non-executive directors:*

Mr. Ming-Jian Kuo

Mr. Siu Ki Lau

Mr. Sui-Yu Wu

Mr. Hung Kang Lin

4 October 2024

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED PRIVATISATION OF  
SAMSON HOLDING LTD. BY THE OFFEROR  
BY WAY OF A SCHEME OF ARRANGEMENT  
(UNDER SECTION 86 OF THE COMPANIES ACT)  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING OF  
SAMSON HOLDING LTD.**

**1. INTRODUCTION**

Reference is made to the Announcement in relation to the Proposal.

On 11 July 2024, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under section 86 of the Companies Act. The Scheme involves (a) the cancellation and extinguishment of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Offer Price in cash for each Scheme Share cancelled and extinguished; and (b) the withdrawal of the listing of the Shares on the Stock Exchange.

The purpose of this Scheme Document is to provide you with further information regarding the Proposal and the expected timetable as well as to give you notices of the Court Meeting and the EGM (together with proxy forms in relation thereto). Your attention is drawn to the following sections of this Scheme Document: (a) the letter from the Independent Board Committee set out in Part V of this Scheme Document; (b) the letter from the Independent Financial Adviser set out in Part VI of this Scheme Document; (c) the Explanatory Memorandum set out in Part VII of this Scheme Document; and (d) the terms of the Scheme set out in Appendix IV of this Scheme Document.

## **2. TERMS OF THE PROPOSAL**

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to each Scheme Shareholder as at the Scheme Record Date of the Offer Price in cash for each Scheme Share cancelled and extinguished;
- (b) contemporaneously with the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be maintained by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished such that the Offeror and Advent Group Limited will in aggregate own 100% of the total number of Shares in issue. The reserve created in the Company's books of account as a result of the cancellation and extinguishment of the Scheme Shares will be applied in paying up in full at par the new Shares so issued, credited as fully paid, to the Offeror; and
- (c) the Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange following the Effective Date pursuant to Rule 6.15(2) of the Listing Rules.

### **Offer Price**

Under the Proposal, if the Scheme is approved and implemented, the Scheme Shares will be cancelled and extinguished and, in consideration therefor, each Scheme Shareholder as at the Scheme Record Date will be entitled to receive the Offer Price of HK\$0.480 in cash for each Scheme Share cancelled and extinguished under the Scheme.

**The Offeror will not increase the Offer Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price.**

The total consideration payable to the Scheme Shareholders for the Scheme Shares cancelled and extinguished will be paid by the Offeror.

If, after the Latest Practicable Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Offer Price by all or any part of the amount or value of such gross dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this Scheme Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. As at the Latest Practicable Date, the Company (a) has not announced or declared any dividend, distribution or return of capital which has not been made or which remains unpaid; and (b) does not intend to announce, declare, make or pay any dividend, distribution or return of capital on or before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be).

The Offer Price of HK\$0.480 per Scheme Share represents:

- a premium of approximately 3.23% over the closing price of HK\$0.465 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- a premium of approximately 50.00% over the closing price of HK\$0.320 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 75.31% over the average closing price of approximately HK\$0.274 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 94.57% over the average closing price of approximately HK\$0.247 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 143.24% over the average closing price of approximately HK\$0.197 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 181.44% over the average closing price of approximately HK\$0.171 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;

- a premium of approximately 182.22% over the average closing price of approximately HK\$0.170 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- a premium of approximately 171.24% over the average closing price of approximately HK\$0.177 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- a premium of approximately 149.95% over the average closing price of approximately HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- a premium of approximately 77.78% over the closing price of HK\$0.270 per Share as quoted on the Stock Exchange on the Last Undisturbed Day;
- a premium of approximately 86.77% over the average closing price of approximately HK\$0.257 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 105.39% over the average closing price of approximately HK\$0.234 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 150.09% over the average closing price of approximately HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 186.74% over the average closing price of approximately HK\$0.167 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 184.45% over the average closing price of approximately HK\$0.169 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Undisturbed Day;

- a premium of approximately 172.78% over the average closing price of approximately HK\$0.176 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 150.56% over the average closing price of approximately HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Undisturbed Day;
- a discount of approximately 40.81% to the audited consolidated net asset value attributable to the Shareholders per Share of approximately HK\$0.811 as at 31 December 2023, based on the Reference Exchange Rate;
- a discount of approximately 40.28% to the unaudited consolidated net asset value attributable to the Shareholders per Share of approximately HK\$0.804 as at 30 June 2024, based on the Reference Exchange Rate; and
- a discount of approximately 47.06% to the Adjusted NAV attributable to the Shareholders per Share of approximately HK\$0.907.

Your attention is drawn to the summary of the property valuation as set out in the property valuation report in Appendix II of this Scheme Document pursuant to Rule 11 of the Takeovers Code providing a valuation of the property interests of the Group as at 31 July 2024.

The Offer Price has been determined on an arm's length commercial basis after taking into account the publicly available financial information of the Group, the historical prices of the Shares and the discounts to the audited consolidated net asset value ("NAV") attributable to the Shareholders per Share at which the Shares have been traded on the Stock Exchange, the factors set out in the section headed "Reasons for, and Benefits of, the Proposal" below, and with reference to the trading prices of the relevant companies' shares (including the last trading day closing price and the average closing prices in the relevant periods before publication of the privatisation proposal) and the pricing levels compared to the NAV attributable to the shareholders per share of other privatisation transactions in Hong Kong in recent years.

Although the Offer Price represents a discount to the NAV attributable to the Shareholders per Share, the Offeror noted that the closing price of the Shares was always far below the NAV attributable to the Shareholders per Share (representing discounts ranging approximately from 50% to 85%) for the 24-month period before the Last Trading Day.

The Offeror also factored in the Group's challenging financial performance over the past few years as well as the persisting turbulent U.S. housing market when evaluating the Offer Price.

**Highest and lowest prices of the Shares**

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.470 on 3 September 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.121 on 17 April 2024, 18 April 2024 and 19 April 2024.

During the six-month period ended on and including the Last Undisturbed Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.270 on 5 July 2024 and 8 July 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.121 on 17 April 2024, 18 April 2024 and 19 April 2024.

**3. CONDITIONS TO THE PROPOSAL AND THE SCHEME**

The Proposal is, and the Scheme will become effective and binding on the Company and all Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of all the Conditions on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

For details of the Conditions, your attention is drawn to the section headed “3. Conditions to the Proposal and the Scheme” in the Explanatory Memorandum in Part VII of this Scheme Document.

**Shareholders and potential investors of the Company should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors of the Company should therefore exercise caution when dealing in securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

**4. TOTAL CONSIDERATION AND CONFIRMATION OF FINANCIAL RESOURCES**

Assuming that no new Shares will be issued prior to the Scheme Record Date, the Proposal will involve making an offer to cancel 879,468,000 Scheme Shares in exchange for the Offer Price of HK\$0.480 per Scheme Share, with the maximum cash consideration payable by the Offeror under the Proposal being approximately HK\$422,144,640.

The Offeror intends to finance the cash consideration payable under the Proposal by a facility provided by CTBC Bank Co., Ltd and DBS Bank (Hong Kong) Limited.

DBSAC, as the financial adviser to the Offeror in connection with the Proposal, is satisfied that sufficient financial resources are available to the Offeror for discharging its payment obligations in respect of the full implementation of the Proposal.



## 5. SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately upon the completion of the Proposal, assuming that there will be no change in the shareholding structure of the Company before completion of the Proposal:

	As at the Latest Practicable Date		Immediately upon completion of the Proposal	
	<i>Number of Shares</i>	<i>Approximate % of total issued Shares</i>	<i>Number of Shares</i>	<i>Approximate % of total issued Shares</i>
Offeror <sup>(1)</sup>	–	–	879,468,000	29.07
<b>Offeror Concert Parties<sup>(2)</sup></b>				
<i>Shares held not subject to the Scheme</i>				
Advent Group Limited <sup>(3)</sup>	2,146,346,773	70.93	2,146,346,773	70.93
<i>Shares held subject to the Scheme</i>				
Mr. Aminozakeri <sup>(4, 6)</sup>	10,000,000	0.33	–	–
Sub-total: Offeror and the Offeror Concert Parties	2,156,346,773	71.26	3,025,814,773	100.00
<b>Disinterested Scheme Shareholders</b>				
– Mr. Lin <sup>(5, 6)</sup>	213,000	0.01	–	–
– Others	869,255,000	28.73	–	–
Sub-total: Disinterested Scheme Shareholders	869,468,000	28.74	–	–
<b>Total number of Scheme Shares<sup>(6)</sup></b>	<u>879,468,000</u>	<u>29.07</u>	<u>–</u>	<u>–</u>
<b>Total number of Shares</b>	<u>3,025,814,773</u>	<u>100.00</u>	<u>3,025,814,773</u>	<u>100.00</u>

*Notes:*

- The Offeror is wholly-owned by Green Bliss Limited (綠怡有限公司), which is ultimately and beneficially owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu. The directors of Green Bliss Limited are Mr. Kuo and Ms. Liu.
- DBSAC is the financial adviser to the Offeror. Accordingly, DBSAC and the relevant members of the DBS Group (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary clients of the DBS Group) are presumed to be acting in concert with the Offeror in accordance with class (5) of the definition of “acting in concert” in the Takeovers Code.

Exempt principal traders which are connected for the sole reason that they are under the same control as DBSAC are not presumed to be acting in concert with the Offeror. However, Shares held by members of the DBS Group acting in the capacity of exempt principal traders shall not be voted at the Court Meeting and the EGM in accordance with the requirements of Rule 35.4 of the Takeovers Code unless the Executive allows such Shares to be so voted. Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the EGM if (a) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (b) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions shall originate from the client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader). For this purpose, where applicable, a written confirmation of the matters set out in points (a) and (b) above and whether the relevant underlying clients are entitled to vote in the context of the Proposal will be submitted to the Executive before the date of the Court Meeting and the EGM. In the event that no such written confirmation is submitted to the Executive and no consent has been obtained from the Executive before the date of the Court Meeting and the EGM, the Shares held by members of the DBS Group acting in the capacity of exempt principal traders will not be voted at the Court Meeting and the EGM.

As at the Latest Practicable Date, DBSAC and the relevant members of the DBS Group (excluding members of the DBS Group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary clients of the DBS Group) do not have any interests in the Shares.

3. Advent Group Limited is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu. As such, Mr. Kuo and Ms. Liu, Advent Group Limited and Magnificent Capital Holding Limited, are presumed to be acting in concert with the Offeror.
4. Mr. Aminozakeri is an executive Director and therefore presumed to be acting in concert with the Offeror (as each of the ultimate beneficial owners of the Offeror, Mr. Kuo and Ms. Liu, is also a Director) pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code.
5. Mr. Lin is an independent non-executive Director. Mr. Lin is not acting in concert with the Offeror and was not involved in the discussion or negotiation in relation to or has any interest in the Proposal (other than being a Shareholder subject to the Scheme).
6. The Shares held by Mr. Aminozakeri and Mr. Lin will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme being effective.

## **6. SCHEME SHARES, COURT MEETING AND EGM**

As at the Latest Practicable Date, the Offeror does not legally or beneficially own any Shares in the Company and the Offeror Concert Parties beneficially own 2,156,346,773 Shares in aggregate, representing approximately 71.26% of the total number of Shares in issue.

Among the 2,156,346,773 Shares beneficially owned by the Offeror Concert Parties, the 10,000,000 Shares beneficially owned by Mr. Aminozakeri will form part of the Scheme Shares together with the 869,468,000 Shares beneficially owned by the Disinterested Scheme Shareholders, which include 213,000 Shares beneficially owned by Mr. Lin, which will be cancelled and extinguished upon the Scheme becoming effective, while the 2,146,346,773 Shares beneficially owned by Advent Group Limited will not form part of the Scheme Shares and will not be cancelled and extinguished upon the Scheme becoming effective.

The Court Meeting will be held at 11:00 a.m. (Hong Kong time) on Monday, 21 October 2024 at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong, and the EGM will be held at the same place and on the same date as the Court Meeting at 11:30 a.m. (or, if later, immediately after the conclusion or adjournment of the Court Meeting).

For the purpose of exercising your right to vote at the Court Meeting and/or the EGM, your attention is drawn to the paragraph headed “8. Scheme Shares, Court Meeting and EGM” in the section headed “Explanatory Memorandum” of this Scheme Document, the section headed “Actions to be Taken” of this Scheme Document, and the notices of the Court Meeting and the EGM in Appendix V and Appendix VI, respectively, of this Scheme Document.

## **7. INFORMATION OF THE GROUP**

The Company is a company incorporated in the Cayman Islands with limited liability whose Shares are listed on the Main Board of the Stock Exchange (stock code: 00531). The Group is principally engaged in manufacturing and sale of furniture, trading of furniture and procurement services.

Your attention is also drawn to the “Financial Information of the Group” and “General Information” set out in Appendix I and Appendix III, respectively, of this Scheme Document.

## **8. INFORMATION OF THE OFFEROR AND THE OFFEROR CONCERT PARTIES**

Your attention is drawn to the paragraph headed “10. Information on the Offeror and the Offeror Concert Parties” in the section headed “Explanatory Memorandum” of this Scheme Document.

## **9. INTENTION OF THE OFFEROR WITH REGARD TO THE COMPANY**

Your attention is drawn to the paragraph headed “11. Intention of the Offeror with regard to the Company” in the section headed “Explanatory Memorandum” of this Scheme Document.

The Board is pleased to note that as at the Latest Practicable Date, the Offeror (a) intends for the Group to continue carrying on its existing businesses following the implementation of the Proposal and (b) does not have any plan to make any material changes to (i) the continued employment of the employees of the Group (other than in the ordinary course of business of the Group) and (ii) the business of the Group (including any redeployment of any fixed asset of the Group).

## **10. INDEPENDENT BOARD COMMITTEE**

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee shall comprise all the non-executive Directors who have no direct or indirect interest in the Proposal.

An Independent Board Committee which comprises Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Lin, being all of the independent non-executive Directors, has been established by the Board to make a recommendation to the Disinterested Scheme Shareholders as to (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) whether to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the EGM, respectively. Mr. Sheng Hsiung PAN, being a non-executive Director, is presumed to be acting in concert with the Offeror (as each of the ultimate beneficial owners of the Offeror, Mr. Kuo and Ms. Liu, is also a Director) pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code, and will not form part of the Independent Board Committee. As at the Latest Practicable Date, 213,000 Shares (representing approximately 0.007% of the issued share capital of the Company) were beneficially owned by Mr. Lin.

The full text of the letter from the Independent Board Committee is set out in the “Letter from the Independent Board Committee” in Part V of this Scheme Document.

#### **11. INDEPENDENT FINANCIAL ADVISER**

The Company has appointed Quam Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal. Such appointment has been approved by the Independent Board Committee.

The full text of the letter from the Independent Financial Adviser is set out in the “Letter from the Independent Financial Adviser” in Part VI of this Scheme Document.

#### **12. REASONS FOR, AND BENEFITS OF, THE PROPOSAL**

Your attention is drawn to the section headed “14. Reasons for, and Benefits of, the Proposal” in the Explanatory Memorandum in Part VII of this Scheme Document.

#### **13. WITHDRAWAL OF LISTING OF THE SHARES**

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange following the Effective Date in accordance with Rule 6.15(2) of the Listing Rules.

The Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. An expected timetable of the implementation of the Proposal is included in the section headed “Expected Timetable” of this Scheme Document.

Your attention is drawn to the paragraphs headed “15. Withdrawal of Listing of the Shares” and “17. Registration and Payment” in the section headed “Explanatory Memorandum” of this Scheme Document.

**14. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

Subject to the requirements of the Takeovers Code (including Note 2 to Rule 30.1), the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled or waived (where applicable) on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, (a) announce an offer or possible offer for the Company, or (b) acquire any voting rights of the Company if the Offeror or persons acting in concert with it would thereby become obliged under Rule 26 of the Takeovers Code to make an offer, in each case except with the consent of the Executive.

**15. GENERAL MATTERS RELATING TO THE PROPOSAL****Overseas Scheme Shareholders**

If you are an overseas Scheme Shareholder, your attention is drawn to the paragraph headed “19. Overseas Scheme Shareholders” in the section headed “Explanatory Memorandum” of this Scheme Document.

**Taxation Advice**

It is emphasised that none of the Offeror, the Company, DBSAC, the Independent Financial Adviser, nor any of their respective directors, officers, employees, agents, advisers, associates or any other person involved in the Proposal or the Scheme accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of the Proposal or the Scheme.

Your attention is drawn to the section headed “20. Taxation and Independent Advice” in the Explanatory Memorandum in Part VII of this Scheme Document.

**Costs of the Scheme**

If either the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal, and the Scheme is not approved, all costs and expenses incurred by the Company in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code. Since the Independent Board Committee has recommended the Proposal and the Independent Financial Adviser has recommended the Proposal as fair and reasonable, Rule 2.3 of the Takeovers Code is not applicable.

The Company and the Offeror have agreed that each party shall bear their own costs, charges and expenses of and incidental to the Proposal and the Scheme.

#### **16. RECOMMENDATION**

Your attention is drawn to the recommendations of the Independent Financial Adviser to the Independent Board Committee in respect of the Proposal as set out in the section headed “Letter from the Independent Financial Adviser” of this Scheme Document. We would advise you to read these letters carefully before you take any action in respect of the Proposal and the Scheme.

#### **17. FURTHER INFORMATION**

You are encouraged to read carefully (a) the sections headed “Letter from the Independent Board Committee”, “Letter from the Independent Financial Adviser” and “Explanatory Memorandum” of this Scheme Document; (b) the appendices of this Scheme Document, including the Scheme set out in Appendix IV of this Scheme Document; (c) the notice of Court Meeting in Appendix V of this Scheme Document; and (d) the notice of EGM in Appendix VI of this Scheme Document.

In addition, a **PINK** form of proxy in respect of the Court Meeting and a **WHITE** form of proxy in respect of the EGM are enclosed with this Scheme Document.

Shareholders and potential investors of the Company should be aware that the Proposal is subject to the Conditions being fulfilled or waived (as applicable), and therefore the Proposal may or may not be implemented. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

Yours faithfully,  
For and on behalf of the Board  
**SAMSON HOLDING LTD.**  
**Shan Huei KUO**  
*Chairman*

\* *For identification purpose only*

**SAMSON HOLDING LTD.****順誠控股有限公司\****(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 00531)**

*To the Disinterested Scheme Shareholders*

Dear Sir or Madam,

**(1) PROPOSED PRIVATISATION OF  
SAMSON HOLDING LTD. BY THE OFFEROR  
BY WAY OF A SCHEME OF ARRANGEMENT  
(UNDER SECTION 86 OF THE COMPANIES ACT)  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING OF  
SAMSON HOLDING LTD.**

We refer to the scheme document dated 4 October 2024 jointly issued by the Offeror and the Company in relation to the Scheme and the Proposal (the “**Scheme Document**”), of which this letter forms part. Unless the context requires otherwise, terms used in this letter shall have the same meanings as given to them in the Scheme Document.

We have been appointed by the Board as the Independent Board Committee to make a recommendation to the Disinterested Scheme Shareholders in respect of the Proposal and the Scheme, details of which are set out in the sections headed “Part IV – Letter from the Board” and “Part VII – Explanatory Memorandum” of the Scheme Document.

Quam Capital Limited has been appointed, with our approval, as the Independent Financial Adviser to advise us in connection with the Proposal and the Scheme. The details of its advice and the principal factors taken into consideration in arriving at its recommendations are set out in the section headed “Part VI – Letter from the Independent Financial Adviser” of the Scheme Document.

In the section headed “Part VI – Letter from the Independent Financial Adviser” of the Scheme Document, the Independent Financial Adviser states that it considers the terms of the Proposal are fair and reasonable so far as the Disinterested Scheme Shareholders are concerned. Accordingly, the Independent Financial Adviser advises the Independent Board Committee to recommend the Disinterested Scheme Shareholders to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the EGM, respectively.

The Independent Board Committee, having considered the terms of the Proposal and the Scheme, and having taken into account the opinion of the Independent Financial Adviser, and in particular the factors, reasons and recommendations set out in its letter, considers that the terms of the Proposal (including the Offer Price) and the Scheme are fair and reasonable as far as the Disinterested Scheme Shareholders are concerned.

Accordingly, the Independent Board Committee recommends the Disinterested Scheme Shareholders and the Shareholders to vote in favour of the resolutions to be proposed at the Court Meeting and the EGM, respectively, to approve and implement the Proposal and the Scheme.

We draw the attention of the Disinterested Scheme Shareholders to (a) the section headed “Letter from the Board” of the Scheme Document; (b) the section headed “Letter from the Independent Financial Adviser” of the Scheme Document which sets out the factors and reasons taken into account in arriving at its recommendations to the Independent Board Committee; and (c) the section headed “Explanatory Memorandum” as set out in Part VII of the Scheme Document.

Yours faithfully,

**The Independent Board Committee**

**KUO Ming-Jian**

*Independent*

*Non-executive*

*Director*

**LAU Siu Ki**

*Independent*

*Non-executive*

*Director*

**WU Sui-Yu**

*Independent*

*Non-executive*

*Director*

**LIN Hung Kang**

*Independent*

*Non-executive*

*Director*

\* *For identification purpose only*



*Set out below is the text of a letter received from Quam Capital, the Independent Financial Adviser to the Independent Board Committee in respect of the Proposal and the Scheme for the purpose of inclusion in this Scheme Document.*



4 October 2024

*To the Independent Board Committee*

**Samson Holding Ltd.**

Unit 1007, 10th Floor  
Haleson Building  
1 Jubilee Street  
Central, Hong Kong

Dear Sir or Madam,

**(1) PROPOSED PRIVATISATION OF  
SAMSON HOLDING LTD. BY THE OFFEROR  
BY WAY OF A SCHEME OF ARRANGEMENT  
(UNDER SECTION 86 OF THE COMPANIES ACT)  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING OF  
SAMSON HOLDING LTD.**

**INTRODUCTION**

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect to the Proposal and Scheme, details of which are set out in “Letter from the Board” (the “**Letter from the Board**”) and “Explanatory Memorandum” in the Scheme Document dated 4 October 2024, of which this letter forms part. Unless otherwise stated, terms defined in the Scheme Document have the same meanings in this letter.

On 11 July 2024, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, which will involve the Shareholders at the Offer Price of HK\$0.480 in cash for each Scheme Share cancelled. If the Proposal is approved and implemented, all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for payment of the Offer Price of HK\$0.480 for each Scheme Share; the Share capital of the Company will, on the Effective Date, be reduced by cancelling and extinguishing the Scheme

Shares. Upon such reduction, the share capital of the Company will be increased to its former amount by the issue to the Offeror, credited as fully paid, of the same number of new Shares as the number of Scheme Shares cancelled. After the Scheme becoming effective, the Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange.

**THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, comprising Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Lin, being all of the independent non-executive Directors, has been established by the Board to make a recommendation to the Disinterested Scheme Shareholders as to (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) whether to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the EGM, respectively. Mr. Sheng Hsiung PAN, being a non-executive Director, is presumed to be acting in concert with the Offeror (as each of the ultimate beneficial owners of the Offeror, Mr. Kuo and Ms. Liu, is also a Director) pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code, and will not form part of the Independent Board Committee.

We have been appointed, with the approval of the Independent Board Committee, as the Independent Financial Adviser to advise the Independent Board Committee in relation to the Proposal and the Scheme.

As at the Latest Practicable Date, we did not have any relationships or connection (financial or otherwise) with or interests in the Company, the Offeror, or any of their respective controlling shareholders and any party acting, or presumed to be acting, in concert with any of them, and accordingly, are qualified to give independent advice to the Independent Board Committee. Save for our appointment as the Independent Financial Adviser to the Independent Board Committee, we did not act as a financial adviser to the Company and the Offeror within the two years immediately preceding the commencement of the Offer Period and up to and including the Latest Practicable Date. Apart from the normal advisory fee payable to us in connection with our appointment as the Independent Financial Adviser to the Independent Board Committee, no arrangement exists whereby we shall receive any other fees or benefits from the Company or the Offeror or their respective controlling shareholders or any party acting, or presumed to be acting, in concert with any of them.

**BASIS OF OUR ADVICE**

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Scheme Document; (ii) the information provided by the Directors and the management of Company (the “**Management**”); (iii) the opinions expressed by and the representations of the Directors and the Management; and (iv) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Scheme Document were true, accurate and complete in all material respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Scheme Document are true in all material respects at the time they were made and continue to be true in all material respects as at the Latest Practicable Date and all such statements of belief, opinions and intentions of the Directors and the Management and those as set out or referred to in the Scheme Document were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of such information and representations provided to us by the Directors and the Management. Should there be any material changes to the statements, information and/or representation affecting our opinion after the Latest Practicable Date, the Disinterested Scheme Shareholders would be notified as soon as possible in compliance with Rule 9.1 of the Takeovers Code.

We have reviewed, among others, (i) the annual report of the Company for the year ended 31 December 2023 (the “**2023 Annual Report**”); (ii) the interim report of the Company for the six months ended 30 June 2024 (the “**2024 Interim Report**”); (iii) the unaudited consolidated management accounts of the Group for the seven months ended 31 July 2024; (iv) the Announcement; (v) the property valuation report contained in Appendix II to the Scheme Document; and (vi) other information set out in the Scheme Document. We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Scheme Document so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinions expressed by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position, financial forecast or future prospects of the Group and the Offeror.

This letter is issued for the purpose of advising the Independent Board Committee regarding the Proposal, and except for its inclusion in the Scheme Document, is 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.

**TERMS OF THE PROPOSAL**

Under the Proposal, if the Scheme is approved and implemented, the Scheme Shares will be cancelled and extinguished and, in consideration therefor, each Scheme Shareholder as at the Scheme Record Date will be entitled to receive the Offer Price of HK\$0.480 in cash for each Scheme Share cancelled and extinguished under the Scheme.

The Offeror will not increase the Offer Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price.

The total consideration payable to the Scheme Shareholders for the Scheme Shares cancelled and extinguished will be paid by the Offeror.

If, after the Latest Practicable Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Offer Price by all or any part of the amount or value of such gross dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this Scheme Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. As at the Latest Practicable Date, the Company (a) has not announced or declared any dividend, distribution or return of capital which has not been made or which remains unpaid; and (b) does not intend to announce, declare, make or pay any dividend, distribution or return of capital on or before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be).

The implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented and the Scheme may or may not become effective. As at the Latest Practicable Date, none of the Conditions have been fulfilled or waived (as the case may be). Details of the Conditions are set out in the section headed “CONDITIONS TO THE PROPOSAL AND THE SCHEME” of the Letter from the Board.

**PRINCIPAL FACTORS AND REASONS CONSIDERED**

**1. Background information of the Group**

The Company is a company incorporated in the Cayman Islands with limited liability whose Shares are listed on Main Board of the Stock Exchange. The Group is principally engaged in manufacturing and sale of furniture, trading of furniture and procurement services.

***1.1 Financial Information of the Group***

Set out below is a summary of (i) the audited consolidated financial information of the Company for the years ended 31 December 2022 (“**FY2022**”) and 2023 (“**FY2023**”) as extracted from the 2023 Annual Report; and (ii) the unaudited consolidated financial information of the Company for the six months ended 30 June 2023 (“**HY2023**”) and 2024 (“**HY2024**”) as extracted from the 2024 Interim Report.

	<b>FY2022</b>	<b>FY2023</b>	<b>HY2023</b>	<b>HY2024</b>
	<i>US\$’000</i>	<i>US\$’000</i>	<i>US\$’000</i>	<i>US\$’000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Revenue</b>	<b>598,850</b>	<b>414,539</b>	<b>215,630</b>	<b>200,072</b>
Cost of sales	(446,382)	(307,319)	(163,010)	(147,339)
<b>Gross profit</b>	<b>152,468</b>	<b>107,220</b>	<b>52,620</b>	<b>52,733</b>
Other income and gains, net	9,523	24,067	12,503	7,549
Distribution costs	(14,529)	(12,623)	(7,081)	(4,800)
Sales and marketing expenses	(67,113)	(57,064)	(29,725)	(28,799)
Administrative expenses	(53,064)	(46,662)	(23,814)	(23,495)
Share of (loss)/profit of an associate	72	(215)	17	(56)
Finance costs	(7,308)	(10,556)	(5,873)	(4,101)
<b>Profit/(loss) before income tax</b>	<b>20,049</b>	<b>4,167</b>	<b>(1,353)</b>	<b>(969)</b>
Income tax (expenses)/credit	(4,924)	(879)	230	253
<b>Profit/(loss) for the year/period</b>	<b>15,125</b>	<b>3,288</b>	<b>(1,123)</b>	<b>(716)</b>

	As at 31 December 2022 US\$'000 (audited)	As at 31 December 2023 US\$'000 (audited)	As at 30 June 2024 US\$'000 (unaudited)
Non-current assets	206,455	196,997	189,923
Current assets	409,921	334,954	322,005
<b>Total assets</b>	<b>616,376</b>	<b>531,951</b>	<b>511,928</b>
Non-current liabilities	53,856	19,483	13,919
Current liabilities	247,153	197,869	186,222
<b>Total liabilities</b>	<b>301,009</b>	<b>217,352</b>	<b>200,141</b>
<b>Net assets</b>	<b>315,367</b>	<b>314,599</b>	<b>311,787</b>

*FY2023 as compared with FY2022*

The Group's revenue was mainly derived from sale of furniture in the U.S. The Group recorded a decrease in revenue of approximately 30.8% from US\$598.9 million for FY2022 to US\$414.5 million for FY2023. The revenue decrease was mainly a result of the decrease in demand of sizable home furniture in the U.S. due to continuous decline in housing market in 2023.

It is noted that the Group has implemented multiple measures to control costs in response to the difficult business environment. These measures have included adjustment in inventory levels and reduction in variable expenses in sales and marketing and administrative as well as personnel cost. Gross profit margin of the Group slightly increased to 25.9% in FY2023 from 25.5% in FY2022. The Group recorded a net profit of US\$3.3 million for FY2023, representing a decrease of 78.1% from US\$15.1 million for FY2022.

*HY2024 as compared with HY2023*

The Group recorded a decrease in revenue of approximately 7.2% from US\$215.6 million for HY2023 to US\$200.1 million for HY2024. The revenue decrease was mainly attributable to the U.S. housing market remained inactive during HY2024. Gross profit margin of the Group increased to 26.4% in HY2024 from 24.4% in HY2023, mainly due to more sales discounts offered during HY2023 for inventory destocking purpose.

The Group recorded a loss of US\$0.7 million for HY2024, as compared with a loss of US\$1.1 million for HY2023. The decrease in loss was mainly attributable to the gross profit margin improvement and series of cost control measures.

*Financial position*

As at 30 June 2024, total assets of the Group was US\$511.9 million, which mainly consisted of (i) inventories of US\$107.1 million which composed raw materials, work-in-progress and finished goods for the manufacturing of furniture; (ii) held-for-trading investments of US\$82.3 million; and (iii) trade and other receivables of US\$83.6 million.

As at 30 June 2024, total liabilities of the Group was US\$200.1 million, which mainly consisted of (i) interest-bearing bank borrowings of US\$102.7 million; (ii) trade and other payables of US\$57.6 million; and (iii) tax payable of US\$19.9 million.

The unaudited consolidated net assets of the Group attributable to the Shareholders amounted to US\$311.8 million as at 30 June 2024. Based on 3,025,814,773 issued Shares as at the 30 June 2024 and the Reference Exchange Rate, the consolidated net asset value attributable to the Shareholders per Share as at 30 June 2024 was approximately HK\$0.804.

**1.2 Property valuation**

The valuation report (the “**Valuation Report**”) prepared by Jones Lang LaSalle Corporate Appraisal and Advisory Limited (the “**Valuer**”) relating to the valuation (the “**Valuation**”) of properties interests held by the Group (the “**Properties**”) is set out in Appendix II to the Scheme Document.

We have conducted an interview with the Valuer to assess its qualifications and experiences in valuing similar property interests and we casted no doubt that the Valuer and the signor of the Valuation Report have sufficient qualifications and experiences in valuing the Properties. The Valuer has also confirmed its independence from the Company and the Offeror and their respective concert parties. Save for the Valuation engagement, the Valuer has no current or prior relationships with the core connected persons of the Company or the Offeror. We are not aware the Company or the Offeror has made any formal or informal representation to the Valuer. In addition, we have reviewed the Valuer’s terms of engagement and noted that the scope of work is appropriate for arriving at the opinion in the Valuation and there are no limitations on the scope of work which might adversely affect the degree of assurance given by the Valuer in the Valuation Report. As noted in the Valuation Report, in valuing the Properties, the Valuer has complied with all requirements contained in Chapter 5 and Practice Note 12 of the Listing Rules; Rule 11 of the Takeovers Code; the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards published by the International Valuation Standards Council.

We have reviewed the Valuation Report and discussed with the Valuer, among others, the bases and assumptions and the methodology adopted, and the major procedures performed by the Valuer for the Valuation. With reference to the Valuation Report, the Properties consist of 23 properties located in the PRC, the U.S., Indonesia, Bangladesh and Vietnam. Following discussions with the Valuer, we noted that the Valuer has adopted comparison approach, income approach, or cost approach, where appropriate, subject to factors such as the nature of the underlying Properties and the availability of the relevant market evidence. As advised by the Valuer, each of the comparison approach, income approach and cost approach is commonly adopted valuation approaches for valuing properties of similar nature as the Properties. Based on our discussion with the Valuer and our review of the Valuation Report, we consider the principal bases and assumptions adopted by the Valuer in respect of the Valuation are appropriate.

### **1.3 Adjusted NAV**

In evaluating the Proposal, we have taken into account the Group's Adjusted NAV, which is provided by the Company and calculated based on the unaudited net asset value ("NAV") of the Group as at 30 June 2024, adjusted with reference to the Valuation as at the valuation date (i.e. 31 July 2024). With reference to the Scheme Document, details of the adjustments are set out in the table below:

	<i>US\$'000</i>
Unaudited NAV of the Group as at 30 June 2024	311,787
<i>Add: net revaluation surplus arising from the Valuation <sup>(1)</sup></i>	<u>39,951</u>
<b>Adjusted NAV attributable to Shareholders</b>	<b>351,738</b>
<b>Adjusted NAV attributable to Shareholders per Share:</b>	
<b>In US\$<sup>(2)</sup></b>	0.116
<b>In HK\$<sup>(2,3)</sup></b>	0.907
<b>Discount of the Offer Price to the Adjusted NAV attributable to Shareholders per Share</b>	<b>47.08%</b>

*Notes:*

1. This represents the net revaluation surplus calculated by comparing the market value of the Properties held by the Group from the Valuation, over the corresponding book value of the Properties as at 30 June 2024, net of the potential tax attributable to the revaluation surplus.
2. It is calculated based on 3,025,814,773 Shares in issue as at the Latest Practicable Date.
3. Based on Reference Exchange Rate.



### ***1.4 Outlook of the Group***

As described under section 1.1 above, the Group's overall financial results had not been satisfactory in the recent years/periods in view of the continuous decrease in revenue from FY2022 to FY2023 and from HY2023 to HY2024. We have reviewed the 2024 Interim Report and noted that, the Group has been affected by a number of adverse factors such as high level of interest rate, political turmoil and other uncertainties which caused the U.S. housing market to remain inactive and has been slowing down the market demand for furniture in the U.S.. According to the June 2024 Advance Monthly Retail report released by the U.S. Department of Commerce, the total sales from furniture & home furnishings stores in the U.S. for January to June 2024 was estimated to decrease by 7.0% as compared with the corresponding period in 2023.

With reference to the 2024 Interim Report, in the face of challenges and uncertainties within the U.S. furniture industry, the Group has been constantly striving to react appropriately, focusing on improving margins through efficient cost control measures, diversifying sales channels and continuous improvement of product quality and keep exploring more customers through diverse channels, committed in investing digital marketing and strategies to increase the Group's online presence and attract a wider potential customers, and by continuing to streamline the Group's operations, for example by standardizing and automating the manufacturing process, to improve operational efficiencies across the Group.

Overall, having considered, among others, (i) the expected challenges and uncertainties faced by the Group arising from the overall market conditions in the U.S. such as the high interest rate environment and the political turmoil; (ii) the Group's unsatisfactory financial performance in recent years/periods under the headwinds from the macro environment, we maintain a cautious view on the outlook of the Group in the near term.

## **2. Background information of the Offeror**

### ***2.1 The Offeror and the Offeror Concert Parties***

The Offeror is a company incorporated in Hong Kong with limited liability, which is principally engaged in investment holding and is wholly-owned by Green Bliss Limited (綠怡有限公司), which is ultimately and beneficially owned as to 50% by Mr. Kuo and as to 50% by his spouse, Ms. Liu. As at the Latest Practicable Date, the directors of the Offeror are Mr. Kuo and Ms. Liu. Mr. Kuo is the chairman of the Company and an executive Director, while Ms. Liu is the deputy chairman of the Company and an executive Director.

Advent Group Limited is a company incorporated in the British Virgin Islands with limited liability, which is principally engaged in investment holding and is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo and 50% by Ms. Liu, respectively.

Mr. Aminozakeri is an executive Director and therefore presumed to be acting in concert with the Offeror pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code. The Shares held by Mr. Aminozakeri will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme being effective.

## ***2.2 The Offeror’s intention in relation to the Company***

As at the Latest Practicable Date, the Offeror intends for the Group to continue carrying on its existing businesses following the implementation of the Proposal and does not have any plan to make any material changes to (a) the continued employment of the employees of the Group (other than in the ordinary course of business of the Group) and (b) the business of the Group (including any redeployment of any fixed asset of the Group). The Offeror will conduct a strategic review of the Group’s assets, corporate structure, capitalisation, operations, properties, policies and management to determine if any changes (including any redeployment of the fixed assets) would be appropriate and desirable following the implementation of the Proposal with a view to optimising the Group’s activities and development, and may make any changes as the Offeror deems necessary, appropriate or beneficial for the Group in light of its review of the Group or any future development.

## **3. Offer Price**

### ***3.1 Offer Price comparison***

The Offer Price of HK\$0.480 per Share under the Proposal represents:

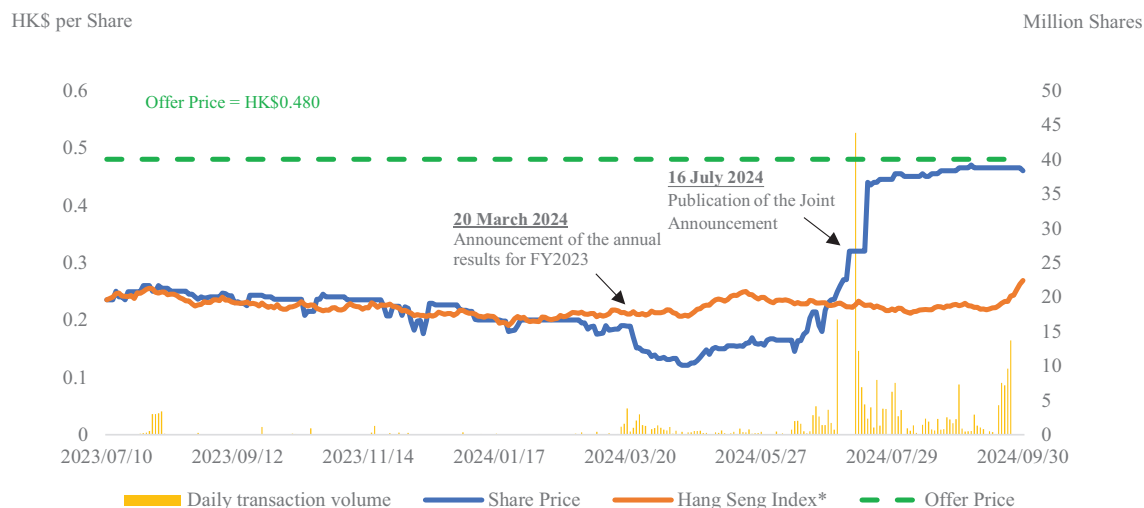
- (i) a premium of approximately 3.23% over the closing price of HK\$0.465 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 50.00% over the closing price of HK\$0.320 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 75.31% over the average closing price of approximately HK\$0.274 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 94.57% over the average closing price of approximately HK\$0.247 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;

- (v) a premium of approximately 143.24% over the average closing price of approximately HK\$0.197 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (vi) a premium of approximately 181.44% over the average closing price of approximately HK\$0.171 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (vii) a premium of approximately 182.22% over the average closing price of approximately HK\$0.170 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (viii) a premium of approximately 171.24% over the average closing price of approximately HK\$0.177 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- (ix) a premium of approximately 149.95% over the average closing price of approximately HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- (x) a premium of approximately 77.78% over the closing price of HK\$0.270 per Share as quoted on the Stock Exchange on the Last Undisturbed Day;
- (xi) a premium of approximately 86.77% over the average closing price of approximately HK\$0.257 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Undisturbed Day;
- (xii) a premium of approximately 105.39% over the average closing price of approximately HK\$0.234 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Undisturbed Day;
- (xiii) a premium of approximately 150.09% over the average closing price of approximately HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Undisturbed Day;

- (xiv) a premium of approximately 186.74% over the average closing price of approximately HK\$0.167 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Undisturbed Day;
- (xv) a premium of approximately 184.45% over the average closing price of approximately HK\$0.169 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Undisturbed Day;
- (xvi) a premium of approximately 172.78% over the average closing price of approximately HK\$0.176 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Undisturbed Day;
- (xvii) a premium of approximately 150.56% over the average closing price of approximately HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Undisturbed Day;
- (xviii) a discount of approximately 40.81% to the audited consolidated NAV attributable to the Shareholders per Share of approximately HK\$0.811 as at 31 December 2023, based on the Reference Exchange Rate; and
- (xix) a discount of approximately 40.28% to the unaudited consolidated NAV attributable to the Shareholders per Share of approximately HK\$0.804 as at 30 June 2024, based on the Reference Exchange Rate; and
- (xx) a discount of approximately 47.08% to the Adjusted NAV attributable to the Shareholders per Share of approximately HK\$0.907.

### 3.2 Analysis of historical price performance of the Shares

Set out below is the movement of the closing price of the Shares and Hang Seng Index from 10 July 2023, being approximately one year period before the Last Trading Day (i.e. 9 July 2024), and up to the Latest Practicable Date (the “**Review Period**”). We consider the length of such period is sufficient and representative to provide a general overview of the recent market performance of the Shares and market sentiment for conducting a reasonable comparison between the closing Share prices and the Offer Price.-



Source: the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk))

Note: Hang Seng Index is rebased to the closing price of Shares as at 10 July 2023

The Shares were closed below the Offer Price at all times during the Review Period. From the beginning of the Review Period until the Last Trading Day, the closing price of the Shares fluctuated within the range between the lowest of HK\$0.121 (17, 18 and 19 April 2024) and the highest of HK\$0.320 (the Last Trading Day), and the Offer Price represents a premium of approximately 134.1% over the average closing price during such period of HK\$0.205 per Share. After the Last Trading Day until the Latest Practicable Date, the closing Share price increased sharply and fluctuated within a higher range between HK\$0.320 and HK\$0.470, which was likely to be associated with the market response to the Proposal. There is no assurance that the closing price of the Shares will remain at the current level or continue to rise if the Scheme is not approved or the Proposal otherwise lapses.

The closing price of the Shares was in general on a downward trend starting from early July 2023 to mid-March 2024, which was generally in line with the movement of the Hang Seng Index. Following the publication of the annual results announcement of the Company for FY2023 on 20 March 2024, which announced a decrease in profit of the Group for FY2023, the closing price of the Shares decreased and had slumped to its lowest at HK\$0.121 on 17, 18 and 19 April 2024. Thereafter, the closing price of the Shares rebounded and exhibited an increasing trend until the Last Trading Day. Save as disclosed above, we did not notice any other announcements of the Company during the Review Period which may have correlation to the Share price movement shown in the chart above.

**3.3 Trading volume analysis**

The table below sets out the average daily trading volume of the Shares on a monthly basis during the Review Period and the respective percentages of the average daily trading volume of the Shares as compared to the total number of issued Shares and the total number of issued Shares held by the Disinterested Scheme Shareholders.

<b>Period/month</b>	<b>Average daily trading volume (number of Shares) (Note 1)</b>	<b>Approximate percentage of average daily trading volume to total number of issued Shares %</b> (Note 2)	<b>Approximate percentage of average daily trading volume to total number of issued Shares held by Disinterested Scheme Shareholders %</b> (Note 3)
<b>2023</b>			
July (starting from 10 July 2023)	5,733	*	*
August	625,696	0.02%	0.07%
September	64,789	*	0.01%
October	57,400	*	0.01%
November	87,636	*	0.01%
December	37,684	*	*
<b>2024</b>			
January	30,409	*	*
February	12,632	*	*
March	577,350	0.02%	0.07%
April	768,656	0.03%	0.09%
May	319,048	0.01%	0.04%
June	935,842	0.03%	0.11%
July	5,317,005	0.18%	0.61%
August	1,842,273	0.06%	0.21%
September (up to and including the Latest Practicable Date)	3,223,000	0.11%	0.37%
<b>Average</b>	927,010	0.03%	0.11%

\* Less than 0.01%

*Source: the website of the Stock Exchange*

*Notes:*

1. Average daily trading volume is calculated by dividing the total trading volume for the month/period by the number of trading days in the respective month/period.
2. Based on total number of issued Shares at the respective month/period end.
3. Based on the number of issued Shares held by the Disinterested Scheme Shareholders as at the Latest Practicable Date.

As illustrated in the above table, the average daily trading volume of the Shares was thin during the Review Period, with a range from less than 0.01% to approximately 0.18% of the total number of the Shares in issue and less than 0.01% to approximately 0.61% of the issued Shares held by the Disinterested Scheme Shareholders. We noted the higher average daily volume for July 2024, which we believe that the increase in trading volume of the Shares was possibly due to the market reaction to the publication of the Announcement. The above statistics illustrate that the liquidity of the Shares was thin and there may not be sufficient liquidity in the Shares and an active market for the Shareholders to dispose considerable amount of their Shares in the open market without having an adverse impact on the price level of the Shares.

In view of the above, the Proposal provides an opportunity for the Shareholders to realize their investment in the Company for cash regardless of the number of Shares they hold without exerting downward pressure on the market price of the Shares.

### **3.4 Comparables analysis**

In order to assess the fairness and reasonableness of the Offer Price, we took into consideration the reference to price-to-earnings (“**P/E**”) ratio and price-to-book (“**P/B**”) ratio, which are commonly used benchmarks in assessing the valuation of a company.

We have identified five comparable companies (the “**Comparable Companies**”) as presented in the table below, which is an exhaustive list based on the selection criteria including (i) companies being listed on the Main Board of the Stock Exchange; (ii) companies with market capitalisation of less than HK\$3 billion as at the Latest Practicable Date, having considered the implied market capitalisation of the Company based on the Offer Price; and (iii) companies with over 50% of its latest reported annual revenue generated from manufacturing and sales of furniture, indicating that such business is their principal business and primary revenue driver like the Group. While the revenue of the Comparable Companies was not substantially generated from the United States like the Group, we believe the Comparable Companies selected are appropriate to serve as a benchmark reference for our comparable analysis purpose, which reflected the prevailing market sentiment towards the same business sector. We consider the Comparable Companies to be fair and representative samples for comparison purpose.

**PART VI LETTER FROM THE INDEPENDENT FINANCIAL ADVISER**

Disinterested Scheme Shareholders should note that despite the aforesaid criteria, the business, scale of operation, trading prospect, location of business and capital structure of the Company are not exactly the same as those of the comparable companies, and we have not conducted any in-depth investigation into the businesses and operations of the comparable companies.

<b>Company name (Stock code)</b>	<b>Principal businesses</b>	<b>Percentage of revenue generated from the manufacturing and sales of furniture business (Note 1)</b>	<b>Market capitalisation (Note 2) HK\$' million</b>	<b>P/E ratio (Note 2) times</b>	<b>P/B ratio (Note 2) times</b>
Royale Home Holdings Limited (1198.HK)	Principally engaged in the design, manufacturing, sale of sofas, beds, chairs, tables, cabinets, and other furniture	94.6%	1,039	N/A (Note 2)	0.64
Huisen Shares Group Limited (2127.HK)	Principally engaged in the manufacturing and sale of household furnishings	99.6%	250	1.1	0.05
Kasen International Holdings Ltd. (496.HK)	Principally engaged in the manufacturing of upholstered furniture and leather product	55.4%	382	4.9	0.09
Regal Partners Holdings Ltd. (1575.HK)	Principally engaged in the design, production and marketing of sofa, wood furniture, and other related accessories	100.0%	193	N/A (Note 3)	N/A (Note 4)
Hing Lee HK Holdings Limited (396.HK)	Principally engaged in the manufacturing, and wholesale of home furniture products	88.2%	44	N/A (Note 3)	0.40



Company name (Stock code)	Principal businesses	Percentage of revenue generated from the manufacturing and sales of furniture business	Market capitalisation	P/E ratio	P/B ratio
		(Note 1)	(Note 2) HK\$' million	(Note 2) times	(Note 2) times
			<b>Maximum</b>	4.9	0.64
			<b>Minimum</b>	1.1	0.05
			<b>Average</b>	3.0	0.30
			<b>Median</b>	3.0	0.25
<b>The Company</b>		99.9% (Note 1)	1,452 (Note 5)	56.4 (Note 6)	0.53 (Note 7)

Source: Bloomberg, website of the Stock Exchange

Notes:

- For the latest financial year based on the latest published annual reports of the companies.
- The market capitalization of the Comparable Companies are based on information extracted from Bloomberg as at the Latest Practicable Date. The P/E ratios of the Comparable Companies are based on the market capitalization as at the Latest Practicable Date and the profit attributable to shareholders for the latest financial year reported in the respective companies' annual reports. The P/B ratios of the Comparable Companies are based on the market capitalization as at the Latest Practicable Date and the net asset value attributable to shareholders as at the latest financial period end reported in the respective companies' financial reports or results.
- The P/E ratio is not applicable as the subject company recorded net loss in its latest financial year.
- The P/B ratio is not applicable as the subject company was in net liability position as at its latest financial period end.
- The implied market capitalization of the Company under the Proposal is calculated by multiplying the Offer Price of HK\$0.480 per Share and the number of issued Shares of 3,025,814,773 Shares as at the Latest Practicable Date.
- The implied P/E ratio of the Company is calculated based on the implied market capitalization and the profit for the year of the Company for the year ended 31 December 2023.
- The implied P/B ratio of the Company is calculated based on the implied market capitalization and the Adjusted NAV attributable to Shareholders as discussed under section 1.3 above.

As shown in the above table, the P/E ratios of the Comparable Companies ranged from approximately 1.1 times to 4.9 times with an average and median of approximately 3.0 times. As such, the implied P/E ratio of the Company under the Proposal of approximately 56.4 times is substantially higher than all P/E ratios of the Comparable Companies.

The P/B ratios of the Comparable Companies ranged from approximately 0.05 times to 0.64 times with an average and median of approximately 0.30 times and 0.25 times respectively. As such, the implied P/B ratio of the Company under the Proposal of approximately 0.53 times is higher than the average and median of the P/B ratios of the Comparable Companies.

Based on the above, we consider that the Offer Price is fair and reasonable from the perspective of comparables analysis.

### ***3.5 Privatisation precedents***

To further assess the fairness and reasonableness of the terms of the Proposal, we have reviewed recent successful privatisation precedents on the Stock Exchange and studied their respective offer/cancellation price relative to their share price movements. In selecting the privatisation precedents, we have screened for companies: (i) of which the shares were listed on the Main Board of the Stock Exchange before completing privatisation; (ii) of which the privatisation proposal was also conducted by way of a scheme of arrangement; (iii) of which the privatisation was announced since 1 July 2022 and up to the Last Trading Day, representing a period of approximately two years; and (iv) which has been successfully privatized as at the Latest Practicable Date. Based on our research, we have identified an exhaustive list of 14 precedent privatisations (the “**Privatisation Precedents**”). We consider that such review period which covers approximately two years and the sample size identified under such basis to be appropriate and sufficient for analysis of the pricing of recent privatisations of Main Board listed companies in Hong Kong and such period is close enough to reflect the prevailing market conditions in Hong Kong. It should be noted that the subject companies in the Privatisation Precedents were involved in industries which are not identical to that of the Company. As such, the analysis should not be considered on an isolated basis but should be taken into account in totality with other factors for considering whether to accept the Proposal. Nevertheless, we are of the view that the Privatisation Precedents would be able to provide us with a fair and representative reference of the recent market pricings of privatisation proposals in the Hong Kong capital market. Set out below is the comparison between the Proposal and the Privatisation Precedents in terms of the premium or discount of the cancellation price over or to the respective closing price on the last trading day or undisturbed day and the respective average closing price over the last 5, 30, 60, 120 and 180 trading days of the shares.

Date of Rule 3.5 announcement	Company	Stock code	Premium/(discount) of cancellation/offer price over/to the closing price/average closing price per share on/over <sup>(Note 1)</sup>					
			Last trading day/ undisturbed day <sup>(Note 2)</sup>	Last 5 trading days average <sup>(Note 2)</sup>	Last 30 trading days average <sup>(Note 2)</sup>	Last 60 trading days average <sup>(Note 2)</sup>	Last 120 trading days average <sup>(Note 2)</sup>	Last 180 trading days average <sup>(Note 2)</sup>
27 May 2024	Huafa Property Services Group Company Limited	982	30.63%	36.79%	70.59%	82.24%	90.01%	104.89%
28 Mar 2024	SciClone Pharmaceuticals (Holdings) Limited	6600	33.90%	36.03%	47.47%	47.93%	58.06%	67.06%
14 Dec 2023	Sinsoft Technology Group Limited	1297	29.41%	30.43%	31.13%	22.48%	11.39%	14.23%
6 Oct 2023	Haitong International Holdings Limited	665	114.08%	111.11%	126.53%	122.22%	125.19%	110.53%
6 Oct 2023	Pine Care Group Limited	1989	(1.11)%	0.68%	1.48%	8.94%	(24.01)%	43.78%
15 Sep 2023	Lansen Pharmaceutical Holdings Limited	503	26.76%	24.14%	20.00%	15.37%	14.60%	23.29%
1 Sep 2023	CST Group Limited	985	61.29%	24.38%	36.61%	(1.38)%	13.90%	(33.82)%
27 Jun 2023	Dali Foods Group Company Limited	3799	37.87%	36.36%	30.21%	21.75%	49.21%	12.99%
11 Jun 2023	Mason Group Holdings Limited	273	20.71%	20.71%	19.15%	16.15%	82.65%	19.18%
28 May 2023	Golden Eagle Retail Group Limited	3308	40.41%	62.03%	54.87%	49.61%	25.74%	45.36%
21 Feb 2023	Jiangnan Group Limited	1366	12.68%	72.27%	101.44%	99.55%	11.39%	77.48%

Date of Rule 3.5 announcement	Company	Stock code	Premium/(discount) of cancellation/offer price over/to the closing price/average closing price per share on/over <sup>(Note 1)</sup>					
			Last trading day/ undisturbed day <sup>(Note 2)</sup>	Last 5 trading days average <sup>(Note 2)</sup>	Last 30 trading days average <sup>(Note 2)</sup>	Last 60 trading days average <sup>(Note 2)</sup>	Last 120 trading days average <sup>(Note 2)</sup>	Last 180 trading days average <sup>(Note 2)</sup>
17 Feb 2023	AAG Energy Holdings Limited	2686	10.12%	10.38%	10.69%	23.97%	125.19%	26.09%
24 Oct 2022	Kingston Financial Group Limited	1031	47.78%	48.37%	39.41%	33.27%	26.64%	10.99%
5 Aug 2022	Lifestyle International Holdings Limited	1212	62.34%	75.93%	70.11%	58.66%	38.72%	30.01%
		<b>Maximum</b>	114.08%	111.11%	126.53%	122.22%	125.19%	110.53%
		<b>Minimum</b>	(1.11)%	0.68%	1.48%	(1.38)%	(24.01)%	(33.82)%
		<b>Average</b>	36.44%	41.74%	47.00%	42.89%	40.18%	39.40%
		<b>Median</b>	30.02%	33.59%	38.01%	28.62%	28.31%	28.05%
<b>The Proposal</b>	based on Last Undisturbed Day		77.78%	86.77%	150.09%	186.74%	172.78%	150.56%
	<b>based on Last Trading Day</b>		50.00%	75.31%	143.24%	181.44%	171.24%	149.95%

Source: Bloomberg and website of the Stock Exchange

Notes:

1. The figures are quoted from the respective scheme document or if such data is not available, calculated based on the offer/cancellation price divided by average closing price of shares during the relevant period.
2. Up to and including the last trading day or undisturbed day of the shares (where applicable).

As shown in the table above, the premiums represented by the Offer Price over the Last Undisturbed Day and Last Trading day in all types of comparisons (i.e. last trading day/undisturbed day, 5-day average, 30-day average, 60-day average, 120-day average and 180-day average) are larger and more favourable than the average and median premiums of the Privatisation Precedents. Therefore, we consider the Offer Price is fair and reasonable from the perspective of the privatisation precedents analysis.

**3.6 Analysis of the discount represented by the Offer Price to the NAV attributable to Shareholders per Share**

In addition to the above, we have further analysed the discount represented by the Offer Price to the NAV attributable to Shareholders per Share. The Offer Price represents a discount of approximately (i) 40.81% to the consolidated NAV attributable to the Shareholders per Share as at 31 December 2023; (ii) 40.28% to the consolidated NAV attributable to the Shareholders per Share as at 30 June 2024; and (iii) 47.08% to the Adjusted NAV attributable to the Shareholders per Share.

In assessing the Offer Price compared to the NAV attributable to Shareholders per Share, set out below is a table illustrating the historical closing Share prices against the published NAV of the Group for the 12-month period before the Last Trading Day:

From	To	NAV per Share (Note 1) (HK\$)	Average closing Share price (HK\$)	Highest closing Share price (HK\$)	Lowest closing Share price (HK\$)	Approximate discount of average Share closing price to NAV per Share	Approximate discount of highest Share closing price to NAV per Share	Approximate discount of lowest Share closing price to NAV per Share
10 Jul 2023	23 Aug 2023	0.813	0.248	0.260	0.235	69.5%	68.0%	71.1%
<i>(i.e. the period immediately before and up to the date when the interim results of the Company for the six months ended 30 June 2023 was published)</i>								
24 Aug 2023	20 Mar 2024	0.801	0.216	0.247	0.175	73.0%	69.2%	78.2%
<i>(i.e. the period immediately before and up to the date when the annual results of the Company for the year ended 31 December 2023 was published)</i>								
21 Mar 2024	9 Jul 2024	0.811	0.166	0.320	0.121	79.5%	60.5%	85.1%
<i>(i.e. the period up to the Last Trading Day)</i>								

Source: the website of the Stock Exchange

Note 1: The latest published audited or unaudited NAV attributable to Shareholders per Share for the respective period.

With reference to the table above, we noted that the Shares had been traded at a substantial discount to the NAV at all times during the 12-month period before the Last Trading Day ranging from approximately 60.5% to 85.1%, which was steeper as compared with the discount to NAV represented by the Offer Price. This indicates that the investors might not have valued the Shares based solely on the value of the Company's net assets and the Shareholders may not be able to realise their investments in the Shares through an on-market transaction at a price equal or similar to the NAV per Share.

Furthermore, as discussed under section 3.4 above, the average and median P/B ratios of the Comparable Companies were approximately 0.30 times and 0.25 times respectively, which were lower than the implied P/B ratio of the Company as calculated based on the Offer Price and the Adjusted NAV attributable to Shareholders of approximately 0.53 times. It appears common for the shares of companies operating in the same industry as the Group to be traded as discount to their NAV under the current market environment.

Based on the above, we are of the view that the discount represented by the Offer Price to the NAV attributable to Shareholders per Share is fair and reasonable.

## **RECOMMENDATIONS**

Having considered the factors and reasons set out in this letter, in particular,

- (i) taking into account the unsatisfactory financial performance of the Group in recent years/periods under the headwinds from the macro environment and the expected challenges and uncertainties faced by the Group arising from the overall market conditions in the U.S. as discussed under section 1 above, the outlook of the Group in the near term should be viewed cautiously;
- (ii) the Offer Price is higher than the closing prices of the Shares on all trading days throughout the Review Period, and represents a premium of approximately 134.1% over the average closing prices from the beginning of the Review Period until the Last Trading Day;
- (iii) given that the trading liquidity of the Shares was thin during the Review Period, it may be difficult for the Disinterested Scheme Shareholders to dispose of their Shares in the open market without exerting downward pressure on the Share price;
- (iv) notwithstanding that the Offer Price represents a discount to the NAV attributable to Shareholders per Share, (a) the Shares had been traded at a substantial discount to the NAV at all times during the 12-month period before the Last Trading Day which was steeper as compared with the discount to NAV represented by the Offer Price; and (b) it appears common for the shares of companies operating in the same industry as the Group to be traded as discount to their NAV under the current market environment;
- (v) the Offer Price is fair and reasonable from the comparables analysis standpoint given that the implied P/E ratio of the Company under the Proposal is substantially higher than all P/E ratios of the Comparable Companies, while the implied P/B ratio of the Company under the Proposal is higher than the average and median of the P/B ratios of the Comparable Companies,

we consider that the Proposal provides the Scheme Shareholders with an assured opportunity to exit and monetise their investments in the Company at a fixed and fair and reasonable Offer Price.

Based on the above, we consider that the terms of the Proposal are fair and reasonable so far as the Disinterested Scheme Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend the Disinterested Scheme Shareholders to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the EGM, respectively.

**As different Disinterested Scheme Shareholders would have different investment criteria, objectives or risk appetite and profiles, we recommend any Disinterested Scheme Shareholders who may require advice in relation to any aspect of the Scheme Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser.**

Yours faithfully,  
For and on behalf of  
**Quam Capital Limited**  
**Leo Chan**  
*Head of Corporate Finance*

*Mr. Leo Chan is the Head of Corporate Finance of Quam Capital Limited and is licensed under the SFO as a Responsible Officer to carry out, among others Type 6 (advising on corporate finance) regulated activity and has approximately 28 years of experience in corporate finance.*

*This Explanatory Memorandum constitutes the statement required under Order 102, rule 20(4)(e) of the Rules of the Grand Court of the Cayman Islands 1995 (as revised).*

**SCHEME OF ARRANGEMENT  
(UNDER SECTION 86 OF THE COMPANIES ACT)**

**1. INTRODUCTION**

Reference is made to the Announcement. On 11 July 2024, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under section 86 of the Companies Act.

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to each Scheme Shareholder as at the Scheme Record Date of the Offer Price in cash for each Scheme Share cancelled and extinguished;
- (b) contemporaneously with the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be maintained by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished such that the Offeror and Advent Group Limited will in aggregate own 100% of the total number of Shares in issue. The reserve created in the Company's books of account as a result of the cancellation and extinguishment of the Scheme Shares will be applied in paying up in full at par the new Shares so issued, credited as fully paid, to the Offeror; and
- (c) the Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange following the Effective Date pursuant to Rule 6.15(2) of the Listing Rules.

The purpose of this Explanatory Memorandum is to explain the terms and effects of the Proposal and to provide Scheme Shareholders with additional information in relation to the Scheme.

Your attention is also drawn to the sections headed "Letter from the Board", "Letter from the Independent Board Committee" and "Letter from the Independent Financial Adviser" of this Scheme Document and the Scheme set out in Appendix IV of this Scheme Document.



## 2. TERMS OF THE PROPOSAL

### Offer Price

Under the Proposal, if the Scheme is approved and implemented, the Scheme Shares will be cancelled and extinguished and, in consideration therefor, each Scheme Shareholder as at the Scheme Record Date will be entitled to receive the Offer Price of HK\$0.480 in cash for each Scheme Share cancelled and extinguished under the Scheme.

**The Offeror will not increase the Offer Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price.**

The total consideration payable to the Scheme Shareholders for the Scheme Shares cancelled and extinguished will be paid by the Offeror.

If, after the Latest Practicable Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Offer Price by all or any part of the amount or value of such gross dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this Scheme Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. As at the Latest Practicable Date, the Company (a) has not announced or declared any dividend, distribution or return of capital which has not been made or which remains unpaid; and (b) does not intend to announce, declare, make or pay any dividend, distribution or return of capital on or before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be).

The Offer Price of HK\$0.480 per Scheme Share represents:

- a premium of approximately 3.23% over the closing price of HK\$0.465 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- a premium of approximately 50.00% over the closing price of HK\$0.320 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 75.31% over the average closing price of approximately HK\$0.274 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 94.57% over the average closing price of approximately HK\$0.247 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;

- a premium of approximately 143.24% over the average closing price of approximately HK\$0.197 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 181.44% over the average closing price of approximately HK\$0.171 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 182.22% over the average closing price of approximately HK\$0.170 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- a premium of approximately 171.24% over the average closing price of approximately HK\$0.177 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- a premium of approximately 149.95% over the average closing price of approximately HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- a premium of approximately 77.78% over the closing price of HK\$0.270 per Share as quoted on the Stock Exchange on the Last Undisturbed Day;
- a premium of approximately 86.77% over the average closing price of approximately HK\$0.257 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 105.39% over the average closing price of approximately HK\$0.234 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 150.09% over the average closing price of approximately HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Undisturbed Day;

- a premium of approximately 186.74% over the average closing price of approximately HK\$0.167 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 184.45% over the average closing price of approximately HK\$0.169 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 172.78% over the average closing price of approximately HK\$0.176 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 150.56% over the average closing price of approximately HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Undisturbed Day;
- a discount of approximately 40.81% to the audited consolidated net asset value attributable to the Shareholders per Share of approximately HK\$0.811 as at 31 December 2023, based on the Reference Exchange Rate;
- a discount of approximately 40.28% to the unaudited consolidated net asset value attributable to the Shareholders per Share of approximately HK\$0.804 as at 30 June 2024, based on the Reference Exchange Rate; and
- a discount of approximately 47.06% to the Adjusted NAV attributable to the Shareholders per Share of approximately HK\$0.907.

Your attention is drawn to the summary of the property valuation as set out in the property valuation report in Appendix II of this Scheme Document pursuant to Rule 11 of the Takeovers Code providing a valuation of the property interests of the Group as at 31 July 2024.

The Offer Price has been determined on an arm's length commercial basis after taking into account the publicly available financial information of the Group, the historical prices of the Shares and the discounts to the audited consolidated net asset value ("NAV") attributable to the Shareholders per Share at which the Shares have been traded on the Stock Exchange, the factors set out in the section headed "Reasons for, and Benefits of, the Proposal" below, and with reference to the trading prices of the relevant companies' shares (including the last trading day closing price and the average closing prices in the relevant periods before publication of the privatisation proposal) and the pricing levels compared to the NAV attributable to the shareholders per share of other privatisation transactions in Hong Kong in recent years.

Although the Offer Price represents a discount to the NAV attributable to the Shareholders per Share, the Offeror noted that the closing price of the Shares was always far below the NAV attributable to the Shareholders per Share (representing discounts ranging approximately from 50% to 85%) for the 24-month period before the Last Trading Day.

The Offeror also factored in the Group's challenging financial performance over the past few years as well as the persisting turbulent U.S. housing market when evaluating the Offer Price.

### **Highest and lowest prices of the Shares**

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.470 on 3 September 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.121 on 17 April 2024, 18 April 2024 and 19 April 2024.

During the six-month period ended on and including the Last Undisturbed Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.270 on 5 July 2024 and 8 July 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.121 on 17 April 2024, 18 April 2024 and 19 April 2024.

### **3. CONDITIONS TO THE PROPOSAL AND THE SCHEME**

The Proposal and the Scheme will only become effective and binding on the Company and all Shareholders subject to the satisfaction or waiver (where applicable) of the following Conditions:

- (a) the approval of the Scheme (by way of poll) at the Court Meeting by the Scheme Shareholders, representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting, provided that:
  - (i) the Scheme is approved (by way of poll) by the Disinterested Scheme Shareholders holding not less than 75% of the votes attaching to the Shares held by the Disinterested Scheme Shareholders that are voted either in person or by proxy at the Court Meeting; and
  - (ii) the number of votes cast (by way of poll) by the Disinterested Scheme Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Shares held by all the Disinterested Scheme Shareholders;
- (b) the passing of a special resolution by a majority of at least 75% of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to (i) the Reduction; (ii) the increase of the issued share capital of

the Company to the amount prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme; and (iii) the application of the credit arising in the Company's books of accounts as a result of such issued share capital reduction in paying up in full at par value the new Shares issued to the Offeror, credited as fully paid;

- (c) the sanction of the Scheme (with or without modifications) by the Grand Court and the Grand Court's confirmation of the Reduction, and the delivery to the Registrar of Companies of a copy of the order of the Grand Court and the minute approved by the Grand Court in respect of the Reduction for registration;
- (d) to the extent necessary, compliance with the procedural requirements and conditions, if any, under the Companies Act in relation to the Reduction;
- (e) all Authorisations (if any) having been obtained or made from, with or by (as the case may be) the Relevant Authorities in the Cayman Islands, Hong Kong, and any other relevant jurisdictions; and, if applicable, any waiting periods having expired or terminated;
- (f) all Authorisations (if any) remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no legal or regulatory requirement having been imposed by any Relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in relevant laws, rules, regulations or codes in connection with the Proposal or any matters, documents (including circulars) or things relating thereto, which are material in the context of the Group (taken as a whole), in each aforesaid case up to the Effective Date;
- (g) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or its implementation in accordance with its terms), other than such actions, proceedings, suits, investigations or enquiries as would not have a material adverse effect on the legal ability of the Offeror to proceed with the Proposal;
- (h) since the Announcement Date, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of the Group (to an extent which is material in the context of the Group taken as a whole or in the context of the Proposal);

- (i) all necessary consents in connection with the Proposal and the withdrawal of listing of the Shares on the Stock Exchange which may be required under any existing contractual obligations of any member of the Group being obtained or waived by the relevant party(ies) and remaining in effect (if applicable); and
- (j) save in connection with the implementation of the Proposal, the listing of the Shares on the Stock Exchange not having been withdrawn, and no indication having been received from the Executive and/or the Stock Exchange, to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn.

The Conditions in paragraphs (a) to (d) cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (e) to (j), to the extent permissible by relevant laws and regulations, the Listing Rules and the Takeovers Code, either in whole or in respect of any particular matter. The Company does not have the right to waive any of the Conditions.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal.

All of the Conditions must be satisfied or waived (where applicable) on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse. If the Scheme is withdrawn, not approved or lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

As at the Latest Practicable Date, none of the Conditions set out in paragraphs (a) to (j) have been fulfilled or waived (as the case may be).

As at the Latest Practicable Date, with respect to the Conditions in:

- (a) paragraphs (e) and (f), each of the Offeror and the Company is not aware of any requirement for such Authorisations other than those set out in the Conditions in paragraphs (a) to (d);
- (b) paragraph (g), each of the Offeror and the Company is not aware of any such action, proceeding, suit, investigation, enquiry, statute, regulation, demand or order; and
- (c) paragraph (i), each of the Offeror and the Company is not aware of any such consents other than those from certain facility agreements entered into by the Group.

If the Conditions are satisfied or waived (as applicable), the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

Shareholders and potential investors of the Company should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors of the Company should therefore exercise caution when dealing in securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

#### **4. TOTAL CONSIDERATION AND CONFIRMATION OF FINANCIAL RESOURCES**

Assuming that no new Shares will be issued prior to the Scheme Record Date, the Proposal will involve making an offer to cancel 879,468,000 Scheme Shares in exchange for the Offer Price of HK\$0.480 per Scheme Share, with the maximum cash consideration payable by the Offeror under the Proposal being approximately HK\$422,144,640.

The Offeror intends to finance the cash consideration payable under the Proposal by a facility provided by CTBC Bank Co., Ltd and DBS Bank (Hong Kong) Limited.

DBSAC, as the financial adviser to the Offeror in connection with the Proposal, is satisfied that sufficient financial resources are available to the Offeror for discharging its payment obligations in respect of the full implementation of the Proposal.

#### **5. BINDING EFFECT OF THE SCHEME**

Pursuant to section 86(1) of the Companies Act, where a compromise or arrangement is proposed between a company and its members or any class of them, the Grand Court may, on the application of the company or any member of the company, order a meeting of the members of the company or class of members, as the case may be, to be summoned in such manner as the Grand Court directs.

Section 86(2A) of the Companies Act further provides that if 75% in value of the members or class of members, as the case may be, present and voting either in person or by proxy at the meeting convened as directed by the Grand Court as aforesaid, agree to any compromise or arrangement, the compromise or arrangement shall, if sanctioned by the Grand Court, be binding on all members or class of members, as the case may be, and also on the company.

Upon the Scheme becoming effective, it will be binding on the Company and the Shareholders, regardless of how they voted (or whether they voted) at the Court Meeting and the EGM.

## 6. ADDITIONAL REQUIREMENTS AS IMPOSED BY RULE 2.10 OF THE TAKEOVERS CODE

In addition to satisfying the requirements under section 86 of the Companies Act as summarised above, under Rule 2.10 of the Takeovers Code, except with the consent of the Executive, the Scheme may only be implemented if:

- (a) the Scheme is approved (by way of poll) by the Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Shares held by the Disinterested Scheme Shareholders that are voted either in person or by proxy at the Court Meeting; and
- (b) the number of votes cast (by way of poll) by the Disinterested Scheme Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Shares held by all the Disinterested Scheme Shareholders.

## 7. SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately upon the completion of the Proposal, assuming that there will be no change in the shareholding structure of the Company before completion of the Proposal:

	As at the Latest Practicable Date		Immediately upon completion of the Proposal	
	Number of Shares	Approximate % of total issued Shares	Number of Shares	Approximate % of total issued Shares
Offeror <sup>(1)</sup>	–	–	879,468,000	29.07
<b>Offeror Concert Parties<sup>(2)</sup></b> <i>Shares held not subject to the Scheme</i>				
Advent Group Limited <sup>(3)</sup>	2,146,346,773	70.93	2,146,346,773	70.93
<i>Shares held subject to the Scheme</i>				
Mr. Aminozakeri <sup>(4, 6)</sup>	10,000,000	0.33	–	–
Sub-total: Offeror and the Offeror Concert Parties	2,156,346,773	71.26	3,025,814,773	100
<b>Disinterested Scheme Shareholders</b>				
– Mr. Lin <sup>(5, 6)</sup>	213,000	0.01	–	–
– Others	869,255,000	28.73	–	–
Sub-total: Disinterested Scheme Shareholders	869,468,000	28.74	–	–
<b>Total number of Scheme Shares<sup>(6)</sup></b>	879,468,000	29.07	–	–
Total number of Shares	3,025,814,773	100.00	3,025,814,773	100.00



*Notes:*

1. The Offeror is wholly-owned by Green Bliss Limited (綠怡有限公司), which is ultimately and beneficially owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu. The directors of Green Bliss Limited are Mr. Kuo and Ms. Liu.
2. DBSAC is the financial adviser to the Offeror. Accordingly, DBSAC and the relevant members of the DBS Group (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary clients of the DBS Group) are presumed to be acting in concert with the Offeror in accordance with class (5) of the definition of “acting in concert” in the Takeovers Code.

Exempt principal traders which are connected for the sole reason that they are under the same control as DBSAC are not presumed to be acting in concert with the Offeror. However, Shares held by members of the DBS Group acting in the capacity of exempt principal traders shall not be voted at the Court Meeting and the EGM in accordance with the requirements of Rule 35.4 of the Takeovers Code unless the Executive allows such Shares to be so voted. Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the EGM if (a) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (b) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions shall originate from the client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader). For this purpose, where applicable, a written confirmation of the matters set out in points (a) and (b) above and whether the relevant underlying clients are entitled to vote in the context of the Proposal will be submitted to the Executive before the date of the Court Meeting and the EGM. In the event that no such written confirmation is submitted to the Executive and no consent has been obtained from the Executive before the date of the Court Meeting and the EGM, the Shares held by members of the DBS Group acting in the capacity of exempt principal traders will not be voted at the Court Meeting and the EGM.

As at the Latest Practicable Date, DBSAC and the relevant members of the DBS Group (excluding members of the DBS Group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary clients of the DBS Group) do not have any interests in the Shares.

3. Advent Group Limited is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu. As such, Mr. Kuo and Ms. Liu, Advent Group Limited and Magnificent Capital Holding Limited, are presumed to be acting in concert with the Offeror.
4. Mr. Aminozakeri is an executive Director and therefore presumed to be acting in concert with the Offeror (as each of the ultimate beneficial owners of the Offeror, Mr. Kuo and Ms. Liu, is also a Director) pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code.
5. Mr. Lin is an independent non-executive Director. Mr. Lin is not acting in concert with the Offeror and was not involved in the discussion or negotiation in relation to or has any interest in the Proposal (other than being a Shareholder subject to the Scheme).
6. The Shares held by Mr. Aminozakeri and Mr. Lin will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme being effective.

## 8. SCHEME SHARES, COURT MEETING AND EGM

As at the Latest Practicable Date, the Offeror does not legally or beneficially own any Shares in the Company and the Offeror Concert Parties beneficially own 2,156,346,773 Shares in aggregate, representing approximately 71.26% of the total number of Shares in issue.

Among the 2,156,346,773 Shares beneficially owned by the Offeror Concert Parties, the 10,000,000 Shares beneficially owned by Mr. Aminozakeri will form part of the Scheme Shares together with the 869,468,000 Shares beneficially held by the Disinterested Scheme Shareholders, which include 213,000 Shares beneficially owned by Mr. Lin, which will be cancelled and extinguished upon the Scheme becoming effective, while the 2,146,346,773 Shares beneficially owned by Advent Group Limited will not form part of the Scheme Shares and will not be cancelled and extinguished upon the Scheme becoming effective.

### **Court Meeting**

In accordance with the directions of the Grand Court, the Court Meeting will be held for the purpose of considering, and if thought fit, passing a resolution by way of a poll to approve the Scheme (with or without modification(s)).

All Scheme Shareholders whose names appear on the register of members of the Company as at the Meeting Record Date will be entitled to attend and vote, in person or by proxy, at the Court Meeting, provided that only the votes of the Disinterested Scheme Shareholders will be counted for the purposes of determining whether the requirements in paragraphs (a)(i) and (a)(ii) in the section headed “3. Conditions to the Proposal and the Scheme” and the requirements set out in the section headed “6. Additional Requirements as imposed by Rule 2.10 of the Takeovers Code” above in this Explanatory Memorandum are satisfied in accordance with the Takeovers Code.

Each of the Offeror and the Offeror Concert Parties will procure that any Shares in respect of which they are legally or beneficially interested will not be represented or voted at the Court Meeting. The Offeror will undertake to the Grand Court that it will be bound by the Scheme, so as to ensure that it will comply with and be subject to the terms and conditions of the Scheme, and will execute and do all things as may be necessary or desirable to be executed and done by it for the purposes of the Scheme. Advent Group Limited will:

- (a) acknowledge that the Shares held by it will not form part of the Scheme Shares under the Scheme and will not be cancelled and extinguished when the Scheme becomes effective;
- (b) undertake that, even if the Scheme is extended to it, it will not accept the Scheme in respect of the Shares held by it;
- (c) undertake that it will not sell, transfer, pledge or otherwise dispose of any Shares held by it, or directly or indirectly deal in or acquire any shares, securities or other interests of the Company before the end of the Offer Period; and

- (d) undertake that, unless the Scheme or the Proposal prejudices the legal rights and interests of Advent Group Limited, it will not take any action or enter into agreements or arrangements which may: (i) restrict or delay the progress of the Scheme or the Proposal; or (ii) prejudice the successful outcome of the Scheme or the Proposal.

Notice of Court Meeting is set out in Appendix V of this Scheme Document. The Court Meeting will be held at 11:00 a.m. (Hong Kong time) on Monday, 21 October 2024 at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong.

### **EGM**

All Shareholders will be entitled to attend the EGM to vote on, among others, the special resolution to approve and give effect to (a) the Reduction; (b) the increase of the issued share capital of the Company to the amount prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme; and (c) the application of the credit arising in the Company's books of accounts as a result of such issued share capital reduction in paying up in full at par value the new Shares issued to the Offeror, credited as fully paid.

The special resolution described in the paragraph above will be passed if not less than 75% of the votes cast by the Shareholders, present and voting in person or by proxy at the EGM, are in favour of the special resolution.

At the EGM, the resolutions will be put to the vote by way of poll under article 97 of the articles of association of the Company and as required by Rule 13.39(4) of the Listing Rules. Each Shareholder present and voting, either in person or by proxy, will be entitled to vote all of their Shares in favour of (or against) the resolutions. Alternatively, such Shareholder may vote some of their Shares in favour of the resolutions and any of the balance of their Shares against the resolutions (and vice versa).

The Offeror and the Offeror Concert Parties have indicated that, if the Scheme is approved at the Court Meeting, the Offeror and the Offeror Concert Parties will vote in favour of the resolution(s) to be proposed at the EGM.

Notice of EGM is set out in Appendix VI of this Scheme Document. The EGM will be held at the same place and on the same date at 11:30 a.m. (or, if later, immediately after the conclusion or adjournment of the Court Meeting).

### **Results of the Court Meeting and the EGM**

A joint announcement will be made by the Company and the Offeror on the results of the Court Meeting and the EGM no later than 7:00 p.m. (Hong Kong time) on Monday, 21 October 2024.

If the requisite approval is obtained at the Court Meeting and the resolutions are passed at the EGM, the Court Hearing will be held for the Grand Court to hear the petition to sanction the Scheme and confirm the Reduction. The Court Hearing is listed to be heard on Friday, 25 October 2024 at 9:00 a.m. (Cayman Islands time). Any Scheme Shareholder who voted at the Court Meeting and any Beneficial Owner who gave voting instructions to a custodian or a clearing house who voted at the Court Meeting have the right to attend, or appear by counsel, and be heard at the Court Hearing.

Further announcements will be made by the Offeror and the Company in relation to, among other things, the results of the Court Hearing, the Effective Date and the date of withdrawal of the listing of the Shares from the Stock Exchange in accordance with the requirements of the Takeovers Code and the Listing Rules.

## **9. INFORMATION ON THE GROUP**

The Company is a company incorporated in the Cayman Islands with limited liability whose Shares are listed on the Main Board of the Stock Exchange (stock code: 00531). The Group is principally engaged in manufacturing and sale of furniture, trading of furniture and procurement services.

Your attention is drawn to the sections headed “Financial Information of the Group” and “General Information” set out in Appendix I and Appendix III, respectively, of this Scheme Document.

## **10. INFORMATION ON THE OFFEROR AND THE OFFEROR CONCERT PARTIES**

### **The Offeror**

The Offeror is a company incorporated in Hong Kong with limited liability, which is principally engaged in investment holding and is wholly-owned by Green Bliss Limited (綠怡有限公司), which is ultimately and beneficially owned as to 50% by Mr. Kuo and as to 50% by his spouse, Ms. Liu.

As at the Latest Practicable Date, the directors of the Offeror are Mr. Kuo and Ms. Liu.

Mr. Kuo, being an executive Director of the Company and the chairman of the Board has been one of the principal managers responsible for the Company’s business and corporate strategy, marketing and production operations and expansion strategies.

Ms. Liu, being an executive Director of the Company and the deputy chairman of the Board, has been closely involved in executing the corporate strategy and daily operations of the Group. In addition to her general management role, she oversees the financial control, cash management and human resources operations of the business of the Company.

**Advent Group Limited**

Advent Group Limited is a company incorporated in the British Virgin Islands with limited liability, which is principally engaged in investment holding and is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo and 50% by Ms. Liu, respectively.

As at the Latest Practicable Date, the directors of Advent Group Limited are Mr. Kuo and Ms. Liu.

**Mr. Aminoazzakeri**

Mr. Aminoazzakeri is an executive Director and therefore presumed to be acting in concert with the Offeror pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code. The Shares beneficially owned by Mr. Aminoazzakeri will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme being effective.

**11. INTENTION OF THE OFFEROR WITH REGARD TO THE COMPANY**

As at the Latest Practicable Date, the Offeror intends for the Group to continue carrying on its existing businesses following the implementation of the Proposal and does not have any plan to make any material changes to (a) the continued employment of the employees of the Group (other than in the ordinary course of business of the Group) and (b) the business of the Group (including any redeployment of any fixed asset of the Group). The Offeror will conduct a strategic review of the Group’s assets, corporate structure, capitalisation, operations, properties, policies and management to determine if any changes (including any redeployment of the fixed assets) would be appropriate and desirable following the implementation of the Proposal with a view to optimising the Group’s activities and development, and may make any changes as the Offeror deems necessary, appropriate or beneficial for the Group in light of its review of the Group or any future development.

**12. INDEPENDENT BOARD COMMITTEE**

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee shall comprise all the non-executive Directors who have no direct or indirect interest in the Proposal.

An Independent Board Committee which comprises Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Lin, being all of the independent non-executive Directors, has been established by the Board to make a recommendation to the Disinterested Scheme Shareholders as to (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) whether to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the EGM, respectively. Mr. Sheng Hsiung PAN, being a non-executive Director, is presumed to be acting in concert with the

Offeror (as each of the ultimate beneficial owners of the Offeror, Mr. Kuo and Ms. Liu, is also a Director) pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code, and will not form part of the Independent Board Committee.

The full text of the letter from the Independent Board Committee is set out in the “Letter from the Independent Board Committee” in Part V of this Scheme Document.

### **13. INDEPENDENT FINANCIAL ADVISER**

The Company has appointed Quam Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal. Such appointment has been approved by the Independent Board Committee.

The full text of the letter from the Independent Financial Adviser is set out in the “Letter from the Independent Financial Adviser” in Part VI of this Scheme Document.

### **14. REASONS FOR, AND BENEFITS OF, THE PROPOSAL**

#### **For Scheme Shareholder**

#### ***An opportunity to secure attractive cash returns and mitigate uncertainties on macro-economic and business outlook***

The U.S. housing market continues to be impacted by the U.S. Federal Reserve’s maintenance of higher interest rates such that the home furnishing sector has encountered substantial challenges. The downturn in price and demand within this sector has directly affected the Company’s financial performance.

In light of these circumstances, the Proposal presents a valuable opportunity for the Scheme Shareholders to reduce their exposure to the volatile U.S. home furnishing sector and mitigate the risks associated with the sector’s broader macro-economic and business uncertainties.

#### ***An appealing opportunity for Scheme Shareholders to fully monetise their investments***

The trading liquidity of the Shares has been at a low level over a prolonged period in recent years. The average daily trading volume of the Shares for the three-month period, six-month period, 12-month period and 24-month period up to and including the Last Undisturbed Day were approximately 694,324 Shares, 498,411 Shares, 330,517 Shares and 287,428 Shares per trading day, representing only approximately 0.02%, 0.02%, 0.01% and 0.01% respectively of the total number of issued Shares as at the date of this Scheme Document.

Given this low trading liquidity, it would be challenging for the Scheme Shareholders to sell significant portions of their holdings on the open market without adversely affecting the Share price.

In this regard, the Proposal provides an excellent opportunity for the Scheme Shareholders to liquidate their investments at a premium in one go and allows the Scheme Shareholders to utilise the proceeds from the Proposal for other investment opportunities.

***Offer Price represents an exit premium to the prevailing price of the Shares***

The Proposal offers an exit to the Scheme Shareholders at a premium to the prevailing price of the Shares. The Offer Price represents a premium of approximately 150.09%, 186.74% and 184.45% over the average closing price of approximately HK\$0.192, HK\$0.167 and HK\$0.169 per Share for the 30, 60 and 90 trading days up to and including the Last Undisturbed Day, respectively.

**For the Offeror and the Company**

***The listed platform has provided limited equity financing capabilities***

Since the Company was listed on the Stock Exchange, the Company has not engaged in any equity fundraising activities, which is typically one of the main benefits of being publicly listed. This is largely due to the low liquidity of the Shares and the consistent downward trend in their trading price. As a result, the Company has been unable to effectively utilise its listing platform as a viable source of funding for its long-term growth and maintaining the listing status is of limited significance to the Group from a financing perspective.

***The Proposal offers the Company an opportunity to reduce the costs and expenses associated with maintaining its listing status, while affording the Offeror and the Company enhanced flexibility to pursue its long-term growth strategy***

The Proposal, which entails the delisting of the Company, is expected to reduce the administrative costs and management resources associated with maintaining the Company's listing status and compliance with regulatory requirements.

The Group has been suffering from stagnant demand due to the high interest rates environment and political turmoil, which have kept the U.S. housing market relatively inactive.

The Proposal will provide more flexibility to the Offeror and the Company, as a privately owned company, to turnaround the business of the Group, achieve long-term commercial development for the Group and maintain its competitiveness amidst the challenging business environment.



This strategic move will also allow the Offeror and the Company to concentrate on long-term initiatives without the pressures of short-term financial performance, market expectations, share price volatility, and compliance obligations associated with maintaining the listing status.

*The Proposal can eliminate the potential adverse impact of the share price fluctuation*

As a listed company, the Company's capital market volatility will influence the Company's branding, the reputation with customers, suppliers and investors, as well as the employees' morale, which are critical to business operation. The Proposal could eliminate the uncertainty on the Company's business operation, including the potential adverse impact, associated with the share price fluctuation.

**The Board is of the view that the terms of the Proposal and the Scheme are fair and reasonable and in the interests of the Company and its Shareholders as a whole. The Independent Board Committee, whose view is set out in the section headed "Letter from the Independent Board Committee" of this Scheme Document, having considered the terms of the Proposal and the Scheme, and having taken into account the opinion of the Independent Financial Adviser as set out in the section headed "Letter from the Independent Financial Adviser" of this Scheme Document, considers that the terms of the Proposal (including the Offer Price) and the Scheme are fair and reasonable as far as the Disinterested Scheme Shareholders are concerned.**

## **15. WITHDRAWAL OF LISTING OF THE SHARES**

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange following the Effective Date in accordance with Rule 6.15(2) of the Listing Rules.

The Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. An expected timetable of the implementation of the Proposal is included in the section headed "Expected Timetable" of this Scheme Document.

## **16. ACTIONS TO BE TAKEN**

The summary of actions to be taken by the Shareholders can be found in the section headed "Actions to be Taken" of this Scheme Document.



**17. REGISTRATION AND PAYMENT****Closure of the register of members of the Company**

Assuming the Scheme Record Date falls on Tuesday, 5 November 2024, it is proposed that the register of members of the Company will be closed from Friday, 1 November 2024 (or such other date as the Shareholders may be notified by an announcement) onwards in order to determine entitlements under the Scheme.

In order to qualify for entitlements under the Scheme, Scheme Shareholders should ensure that the transfers of Shares to them are lodged with the Share Registrar at Shops 1712-16, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. (Hong Kong time) on Thursday, 31 October 2024.

**Payment of the Offer Price to the Scheme Shareholders**

Upon the Scheme becoming effective, the Offer Price of HK\$0.480 per Scheme Share will be paid by the Offeror to the Scheme Shareholders whose names appear in the register of members of the Company as at the Scheme Record Date as soon as possible but in any event no later than seven (7) Business Days after the Effective Date. On the basis that the Scheme becomes effective on Tuesday, 5 November 2024 (Cayman Islands time), the cheques for the payment of the Offer Price are expected to be despatched on or before Thursday, 14 November 2024. If any severe weather condition is in force in Hong Kong: (a) at any time before 12:00 noon but no longer in force at or after 12:00 noon on the latest date to despatch cheques for the payment of the Offer Price under the Scheme, the latest date to despatch cheques will remain on the same Business Day (i.e. Thursday, 14 November 2024); or (b) at any time at or after 12:00 noon on the latest date to despatch cheques for the payment of the Offer Price under the Scheme, the latest date to despatch cheques will be rescheduled to the following Business Day (i.e. Friday, 15 November 2024) which does not have any of those warnings in force at 12:00 noon and/or thereafter (or another Business Day thereafter that does not have any severe weather condition at 12:00 noon or thereafter).

Cheques for the payment of the Offer Price will be sent by ordinary post in postage pre-paid envelopes addressed to such Scheme Shareholders at their respective registered addresses as at the Scheme Record Date, or, in the case of joint holders, to the registered address of that joint holder whose name then stands first in the register of members of the Company in respect of the relevant joint holding. For Beneficial Owners that hold Scheme Shares through a nominee (other than HKSCC Nominees), cheques issued in the name of the nominee will be sent by post in pre-paid envelopes addressed to the nominee. All such cheques will be posted at the risk of the addressees and none of the Offeror, the Company, DBSAC, the Independent Financial Adviser, the Share Registrar, nor any of their respective directors, officers, employees, agents, advisers, associates, affiliates, or any other persons involved in the Proposal will be responsible for any loss or delay in transmission.

For Beneficial Owners whose Scheme Shares are deposited in CCASS and registered under the name of HKSCC Nominees, cheque(s) will be in envelope(s) addressed to and made available for collection by HKSCC Nominees. Upon receipt of the cheque(s), HKSCC Nominees will cause such cash payment to be credited to the designated bank accounts of the relevant CCASS Participants in accordance with the “General Rules of CCASS” and “CCASS Operational Procedures” in effect from time to time.

As provided in the Scheme:

- (a) on or after the day being six calendar months after the posting of such cheques, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed or has been returned uncashed and shall place all monies represented thereby in a deposit account in the name of the Offeror (or its nominee) with a licensed bank in Hong Kong selected by the Offeror (or its nominee);
- (b) the Offeror (or its nominee) shall hold such monies represented by such uncashed cheques until the expiry of six years from the Effective Date and shall, prior to such date, make payments therefrom of the sums payable pursuant to the Scheme to persons who satisfy the Offeror (or its nominee) that they are respectively entitled thereto and the cheques of which they are payees have not been cashed. Any payments made by the Offeror shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to the Scheme, and are subject to, if applicable, the deduction required by law and expenses incurred. The Offeror shall exercise its absolute discretion in determining whether or not it is satisfied that any person is so entitled, and a certificate of the Offeror to the effect that any particular person is so entitled or not so entitled, as the case may be, shall be conclusive and binding upon all persons claiming an interest in the relevant monies; and
- (c) on the expiry of six years from the Effective Date, the Offeror (and, if applicable, its nominee) shall be released from any further obligation to make any payments under the Scheme and the Offeror shall be absolutely entitled to the balance (if any) of the sums then standing to the credit of the deposit account in its name, including accrued interest subject to, if applicable, any deduction required by law and expenses incurred.

Settlement of the Offer Price to which any Scheme Shareholder is entitled will be implemented in full in accordance with the terms of the Proposal 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 Scheme Shareholder.

Assuming the Scheme becomes effective, the register of members of the Company will be updated accordingly to reflect the cancellation of all the Scheme Shares and all existing certificates for the Scheme Shares will cease to have effect as documents or evidence of title as from the Effective Date, which is expected to be on Tuesday, 5 November 2024 (Cayman Islands time).

**18. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

Subject to the requirements of the Takeovers Code (including Note 2 to Rule 30.1), the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled or waived (where applicable) on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, (a) announce an offer or possible offer for the Company, or (b) acquire any voting rights of the Company if the Offeror or persons acting in concert with it would thereby become obliged under Rule 26 of the Takeovers Code to make an offer, in each case except with the consent of the Executive.

**19. OVERSEAS SCHEME SHAREHOLDERS**

The making and implementation of the Proposal to the Scheme Shareholders who are not residents in Hong Kong may be affected by the applicable laws of the relevant jurisdictions.

Such Scheme Shareholders should inform themselves about and observe any applicable legal, tax or regulatory requirements in their respective jurisdictions and, where necessary, seek their own legal advice. Further information in relation to overseas Scheme Shareholders will be contained in this Scheme Document.

It is the responsibility of any overseas Scheme Shareholders wishing to take any action in relation to the Proposal to satisfy themselves 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 which may be required, the compliance with the necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

Any approval or acceptance by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their respective advisers that those laws and regulatory requirements have been complied with.

Scheme Shareholders residing in jurisdictions other than Hong Kong should consult their professional advisers if they are in any doubt as to the potential applicability of, or consequence under, any provision of law or regulation or judicial or regulatory decisions or interpretations in any jurisdiction, territory or locality therein or thereof and, in particular, whether there will be any restriction or prohibition on the acquisition, retention, disposal or otherwise with respect to the Scheme Shares, as the case may be. It is emphasised that none

of the Offeror, the Company, DBSAC, the Independent Financial Adviser, nor any of their respective directors, officers, employees, agents, affiliates or advisers or any other person involved in the Proposal accept any responsibility in relation to the above.

As at the Latest Practicable Date, there were two overseas Scheme Shareholders whose respective address as shown in the register of members of the Company was outside Hong Kong.

## **20. TAXATION AND INDEPENDENT ADVICE**

As the Scheme does not involve the sale and purchase of Hong Kong stock, no Hong Kong stamp duty will be payable pursuant to the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong) on the cancellation of the Scheme Shares upon the Scheme becoming effective.

Scheme Shareholders, whether in Hong Kong or in other jurisdictions, are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal or the Scheme, and in particular, whether the receipt of the Offer Price would make them liable to taxation in Hong Kong or in other jurisdictions.

It is emphasised that none of the Offeror, the Company, DBSAC, the Independent Financial Adviser, nor any of their respective directors, officers, employees, agents, advisers, associates, affiliates, or any other person involved in the Proposal or the Scheme accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of the Proposal or the Scheme.

## **21. COSTS OF THE SCHEME**

If either the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal, and the Scheme is not approved, all costs and expenses incurred by the Company in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

Since the Independent Board Committee has recommended the Proposal and the Independent Financial Adviser has recommended the Proposal as fair and reasonable, Rule 2.3 of the Takeovers Code is not applicable. The Company and the Offeror have agreed that each party shall bear their own costs, charges and expenses of and incidental to the Proposal and the Scheme.

## **22. RECOMMENDATION**

Your attention is drawn to the recommendations of the Independent Financial Adviser to the Independent Board Committee in respect of the Proposal as set out in the section headed “Letter from the Independent Financial Adviser” of this Scheme Document.

Your attention is also drawn to the recommendation of the Independent Board Committee to the Scheme Shareholders in respect of the Proposal as set out in the section headed “Letter from the Independent Board Committee” of this Scheme Document.

### **23. FURTHER INFORMATION**

Further information is set out in the Appendices to, and elsewhere in, this Scheme Document, all of which form part of this Explanatory Memorandum.

You should rely only on the information contained in this Scheme Document in order to vote your Shares at the Court Meeting and the EGM. None of the Offeror, the Company, DBSAC, the Independent Financial Adviser, nor any of their respective directors, officers, employees, agents, advisers, associates, affiliates, or any other person involved in the Proposal has authorised anyone to provide you with information that is different from what is contained in this Scheme Document.

### **24. GENERAL**

In case of any inconsistency, the English language text of this Scheme Document and the accompanying forms of proxy shall prevail over the Chinese language text.

Given that the Proposal will be implemented by way of the Scheme, compulsory acquisition is not applicable and the Offeror has no powers of compulsory acquisition in relation to the Proposal and the Scheme.

## 1. FINANCIAL SUMMARY

The following summary financial information for each of the three years ended 31 December 2021, 2022 and 2023 is extracted from the annual reports of the Company for the years ended 31 December 2021 (the “**2021 Annual Report**”), 2022 (the “**2022 Annual Report**”) and 2023 (the “**2023 Annual Report**”), and the interim reports of the Company for the six months ended 30 June 2023 (the “**2023 Interim Report**”) and 30 June 2024 (the “**2024 Interim Report**”) respectively.

The audited consolidated financial statements of the Group for the years ended 31 December 2021, 2022 and 2023, have been audited by Ernst & Young, did not contain any modified opinion, emphasis of matter or material uncertainty related to going concern.

	<b>(Unaudited)</b>		<b>(Audited)</b>		
	<b>For the six months</b>		<b>For the year ended 31 December</b>		
	<b>ended 30 June</b>		<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>2024</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
<b>REVENUE</b>	200,072	215,630	414,539	598,850	488,109
Cost of sales	<u>(147,339)</u>	<u>(163,010)</u>	<u>(307,319)</u>	<u>(446,382)</u>	<u>(359,539)</u>
Gross profit	52,733	52,620	107,220	152,468	128,570
Other income, gains, losses and expenses	7,549	12,503	24,067	9,523	21,097
Distribution costs	(4,800)	(7,081)	(12,623)	(14,529)	(12,038)
Sales and marketing expenses	(28,799)	(29,725)	(57,064)	(67,113)	(60,331)
Administrative expenses	(23,495)	(23,814)	(46,662)	(53,064)	(45,359)
Share of (loss)/profit of an associate	(56)	17	(215)	72	281
Finance costs	<u>(4,101)</u>	<u>(5,873)</u>	<u>(10,556)</u>	<u>(7,308)</u>	<u>(3,448)</u>
<b>(LOSS)/PROFIT BEFORE TAX</b>	(969)	(1,353)	4,167	20,049	28,772
Income tax credit/(expense)	<u>253</u>	<u>230</u>	<u>(879)</u>	<u>(4,924)</u>	<u>(1,614)</u>
<b>(LOSS)/PROFIT FOR THE YEAR/ PERIOD<sup>(NOTE 1)</sup></b>	<u><u>(716)</u></u>	<u><u>(1,123)</u></u>	<u><u>3,288</u></u>	<u><u>15,125</u></u>	<u><u>27,158</u></u>

	(Unaudited)		(Audited)		
	For the six months		For the year ended 31 December		
	ended 30 June		2023	2022	2021
	2024	2023	2023	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>(LOSS)/EARNINGS</b>					
<b>PER SHARE</b>					
<b>ATTRIBUTABLE TO</b>					
<b>ORDINARY EQUITY</b>					
<b>HOLDERS OF THE</b>					
<b>PARENT</b>					
– Basic (in US cent)	<u>(0.024)</u>	<u>(0.037)</u>	<u>0.11</u>	<u>0.50</u>	<u>0.87</u>
– Diluted (in US cent)	<u>(0.024)</u>	<u>(0.037)</u>	<u>0.11</u>	<u>0.50</u>	<u>0.87</u>
<b>LOSS/PROFIT FOR</b>					
<b>THE YEAR/PERIOD</b>	<u>(716)</u>	<u>(1,123)</u>	<u>3,288</u>	<u>15,125</u>	<u>27,158</u>
<b>OTHER</b>					
<b>COMPREHENSIVE</b>					
<b>INCOME/(LOSS):</b>					
Other comprehensive					
income/(loss) that may					
be reclassified to					
profit or loss in					
subsequent periods:					
Exchange differences on					
translation of foreign					
operations	<u>(2,096)</u>	<u>419</u>	<u>(183)</u>	<u>(7,728)</u>	<u>1,461</u>
<b>TOTAL</b>					
<b>COMPREHENSIVE</b>					
<b>(LOSS)/INCOME</b>					
<b>FOR THE YEAR/</b>					
<b>PERIOD</b> <sup>(NOTE 1)</sup>	<u>(2,812)</u>	<u>(704)</u>	<u>3,105</u>	<u>7,397</u>	<u>28,619</u>

	For the six months		For the year ended 31 December		
	ended 30 June		2023	2022	2021
	2024	2023			
<b>Dividends (US\$'000)</b>	Nil	Nil	Nil	7,730 <sup>(Note 2)</sup>	7,792 <sup>(Note 3)</sup>
<b>Dividends per share (HK\$)</b>	Nil	Nil	Nil	0.02 <sup>(Note 2)</sup>	0.02 <sup>(Note 3)</sup>

*Notes:*

1. No (loss)/profit for the period attributable to non-controlling interests and total comprehensive (loss)/income attributable to non-controlling interests were recorded for the years ended 31 December 2021, 2022 and 2023, and for the six months ended 30 June 2023 and 2024. There were no items of income or expense which were material.
2. For the financial year ended 31 December 2022, an interim dividend in respect of the six months ended 30 June 2022 of HK0.01 per Share amounting to approximately US\$3,857,000 (based on an exchange rate of US\$1: HK\$7.874) in aggregate was declared and paid within the same financial year; and a final dividend in respect of the year ended 31 December 2022 of HK0.01 per Share amounting to approximately US\$3,873,000 (based on an exchange rate of US\$1: HK\$7.8125) in aggregate was declared by the Board and was paid to the Shareholders in 2023.
3. For the financial year ended 31 December 2021, no interim dividend was declared by the Board nor was paid to the Shareholders during the year; a final dividend in respect of the year ended 31 December 2021 of HK0.02 per Share amounting to approximately US\$7,792,000 (based on an exchange rate of US\$1: HK\$7.8125) was declared by the Board and was paid to the Shareholders in 2022.

## 2. AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

The Company is required to set out or refer to in this Scheme Document the consolidated statement of financial position, consolidated statement of cash flows (if provided) and any other primary statement as shown in (a) the audited consolidated financial statements of the Group for the year ended 31 December 2021 (the “**2021 Financial Statements**”); (b) the audited consolidated financial statements of the Group for the year ended 31 December 2022 (the “**2022 Financial Statements**”); (c) the audited consolidated financial statements of the Group for the year ended 31 December 2023 (the “**2023 Financial Statements**”); (d) the unaudited financial statements of the Group for the six months ended 30 June 2023 (the “**2023 Interim Financial Statements**”); and the unaudited financial statements of the Group for the six months ended 30 June 2024 (the “**2024 Interim Financial Statements**”), together with the notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial information.

The 2021 Financial Statements can be found on pages 66 to 72 of the 2021 Annual Report published on 12 April 2022.

The 2021 Annual Report is posted on the Company’s website at [www.samsonholding.com](http://www.samsonholding.com). Please also see below a direct link to the 2021 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0412/2022041200451.pdf>



The 2022 Financial Statements can be found on pages 69 to 75 of the 2022 Annual Report published on 14 April 2023.

The 2022 Annual Report is posted on the Company's website at [www.samsonholding.com](http://www.samsonholding.com). Please also see below a direct link to the 2022 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0414/2023041400255.pdf>

The 2023 Financial Statements can be found on pages 37 to 43 of the 2023 Annual Report published on 11 April 2024.

The 2023 Annual Report is posted on the Company's website at [www.samsonholding.com](http://www.samsonholding.com). Please also see below a direct link to the 2023 Annual Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0411/2024041100276.pdf>

The 2023 Interim Financial Statements can be found on pages 10 to 15 of the 2023 Interim Report published on 7 September 2023.

The 2023 Interim Report is posted on the Company's website at [www.samsonholding.com](http://www.samsonholding.com). Please also see below a direct link to the 2023 Interim Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0907/2023090700317.pdf>

The 2024 Interim Financial Statements can be found on pages 11 to 16 of the 2024 Interim Report published on 5 September 2024.

The 2024 Interim Report is posted on the Company's website at [www.samsonholding.com](http://www.samsonholding.com). Please also see below a direct link to the 2024 Interim Report:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0905/2024090500641.pdf>

The 2021 Financial Statements (but not any other part of the 2021 Annual Report), the 2022 Financial Statements (but not any other part of the 2022 Annual Report), the 2023 Financial Statements (but not any other part of the 2023 Annual Report), the 2023 Interim Financial Statements (but not any other part of the 2023 Interim Report), and the 2024 Interim Financial Statements (but not any other part of the 2024 Interim Report) are incorporated by reference into this Scheme Document and form part of this Scheme Document.

No figures are not comparable to a material extent because of a change in accounting policy for the last three financial years and two interim periods.

### 3. STATEMENT OF INDEBTEDNESS

As at 31 July 2024, being the latest practicable date for the purpose of this statement of indebtedness prior to the despatch of this Scheme Document, the indebtedness of the Group was as follows:

#### **Interest-bearing bank and other borrowings**

As at 31 July 2024, the Group had unsecured interest-bearing bank borrowings amounting to US\$74.2 million and secured interest-bearing bank borrowings amounting to US\$30.0 million. The secured interest-bearing bank borrowings were secured by certain of the Group's property, plant and equipment and investment properties.

#### **Lease liabilities**

As at 31 July 2024, the Group had lease liabilities amounting to US\$11.2 million.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal payables and accruals in the ordinary course of business, the Group did not have any bank overdrafts or loans, or other similar indebtedness, mortgages, charges, guarantees, material capital commitments or other material contingent liabilities outstanding as at the close of business on 31 July 2024.

The Directors are not aware of any material adverse changes in the Group's indebtedness position and contingent liabilities since 31 July 2024, up to and including the Latest Practicable Date.

### 4. PROPERTY INTERESTS AND ADJUSTED NET ASSET VALUE

Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, has valued the property interests held by the Group as at 31 July 2024. The valuation report is set out in Appendix II to this Scheme Document. The unaudited net asset value ("NAV") of the Company as of 30 June 2024 is US\$311,787,000, representing approximately US\$0.103 or HK\$0.804 per Share (on the basis of 3,025,814,773 Shares issued as of 30 June 2024 and based on the Reference Exchange Rate). Taking into account the valuation report with net revaluation surplus of US\$39,951,000, the adjusted NAV of the Company is US\$351,738,000, representing approximately US\$0.116 or HK\$0.907 per Share based on the Reference Exchange Rate.

## 5. MATERIAL CHANGES

The Directors confirm that, save and except for the below as disclosed in the 2024 Interim Report, there had been no material changes in the financial or trading position or outlook of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date:

- (a) the net sales for the six months ended 30 June 2024 was US\$200.1 million as compared to US\$215.6 million for the six months ended 30 June 2023, representing a decrease of US\$15.5 million or 7.2%. The decrease in net sales was mainly attributable to the U.S. housing market remained inactive during the six months ended 30 June 2024;
- (b) the gross profit margin for the six months ended 30 June 2024 of 26.4% was recorded as compared to 24.4% for the six months ended 30 June 2023. The increase in gross profit margin was mainly due to the ongoing inventory destocking pushed down the short-term performance for the six months ended 30 June 2023;
- (c) the total operating expenses for the six months ended 30 June 2024 decreased to US\$57.1 million from US\$60.6 million for the six months ended 30 June 2023. The decrease in operating expenses was mainly attributable to decreased variable expenses in distribution costs as well as sales and marketing expensed due to the decrease in sales and continuous cost control measures;
- (d) other income, gains, losses and expenses for the six months ended 30 June 2024 decreased from US\$12.5 million (for the six months ended 30 June 2023) to US\$7.5 million. The decrease in other income, gains, losses and expenses was mainly due to the decrease in gain on disposal of property, plant and equipment and increase in the unrealised loss on change in fair value of held-for-trading investments; and
- (e) compared with a loss of US\$1.1 million for the six months ended 30 June in 2023, the Group recorded a loss of US\$0.7 million for the six months ended 30 June 2024. The decrease in loss was mainly attributable to the gross profit margin improvement and series of cost measures.

*The following is the text of the letter, a summary of valuations and the valuation report prepared for the purpose of incorporation in this Scheme Document received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent property valuer, in connection with its opinion on the value of the property interests of the Group in the PRC, the United States, Indonesia, Vietnam and Bangladesh as at 31 July 2024.*



Jones Lang LaSalle Corporate Appraisal and Advisory Limited  
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979 King's Road, Hong Kong  
tel +852 2846 5000 fax +852 2169 6001  
Company Licence No.: C-030171

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公司牌照號碼：C-030171

The Board of Directors  
**Samson Holdings Limited**  
Unit 1007, 10th Floor,  
Haleson Building,  
1 Jubilee Street, Central,  
Hong Kong

4 October 2024

Dear Sirs,

In accordance with your instructions to value the property interests held by **Samson Holding Limited** (the “**Company**”) and its subsidiaries (hereinafter together referred to as the “**Group**”) in the People’s Republic of China (the “**PRC**”), the United States, Indonesia, Vietnam and Bangladesh, we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market values of the property interests as at 31 July 2024 (the “**valuation date**”).

Our valuation is carried out on a market value basis. Market value is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

We have valued property nos. 3 to 14 and nos. 20 to 22 by the comparison approach assuming sale of the property interests in their existing states with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the market. This approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

Due to the property's current leased out status, we have valued property no. 2 by the income approach, we analyzed the revenue potential of the subject and considered appropriate allowances for vacancy, collection loss, and operating income. Market rent was estimated based on an analysis of comparable rentals. We estimated stabilized net operating income by taking into account the rental income of the property derived from the existing leases and/or achievable in the existing market and then used the income capitalization method to produce indications of value. The capitalization rate was based on data from comparable sales.

Where, due to the nature of the buildings and structures of property nos. 1, 15 to 19 and 23, there are unlikely to be relevant market comparable sales readily available, the relevant property interests have been valued by the cost approach with reference to their depreciated replacement cost.

Depreciated replacement cost is defined as "the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization." It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the improvements, less deduction for physical deterioration and all relevant forms of obsolescence and optimization. In arriving at the value of the land portion, reference has been made to the sales evidence as available in the locality. The depreciated replacement cost of the property interest is subject to adequate potential profitability of the concerned business. In our valuation, it applies to the whole of the complex or development as a unique interest, and no piecemeal transaction of the complex or development is assumed.

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; Rule 11 of the Code on Takeovers and Mergers issued by Securities and Futures Commission; the RICS Valuation – Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy and all other relevant matters.

We have been shown copies of title documents including State-owned Land Use Rights Certificates, Real Estate Title Certificates and Building Ownership Certificates in the PRC and other official documents relating to the property interests in the United States, Indonesia, Vietnam and Bangladesh and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the legal opinion given by the Company's PRC Legal Advisor – Beijing Dacheng Law Offices, LLP (Shanghai), concerning the validity of the property interests in the PRC, the Company's Indonesia Legal Advisor – Hanafiah Ponggawa & Partners, concerning the validity of the property interest in Indonesia, the Company's Vietnam Legal Advisor – Branch Office of Nishimura & Asahi (Vietnam) Law Firm in Ho Chi Minh City, concerning the validity of the property interest in Vietnam and the Company's Bangladesh Legal Advisor – MNA Barristers & Advocates, concerning the validity of the property interests in Bangladesh.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

Inspection of the properties was carried out from May to June 2024 by about 7 technical staff including Ms. Queena Qiao, Ms. Sukanya Banerji, Mr. Chris Farrell, Mr. Phuoc Vo, Ms. Ly Pham, Mr. Bayu Wiseso, Mr. Andi Saladin, Mr. Agus Prianto and Mr. Muhammad Iqbal etc. They are Chartered Surveyors or have more than 7 years' experience in the valuation of properties.

The exchange rates adopted in our valuation are United States Dollar (“USD”)1=Renminbi (“RMB”)7.2266 for Part B, USD1=Indonesian Rupiah (“IDR”)16,260 for Part C, USD1=Vietnamese Dongs (“VND”)25,248 for Part D and USD1=Bangladeshi Taka (“BDT”)117.65 for Part E, which were the exchange rate provided by Bloomberg as at the valuation date. Unless otherwise stated, the monetary figures stated in our valuations are in USD in respect of all the properties.

As advised by the Group, the potential tax liabilities that would arise on the disposal of the property interests mainly comprise the following:

***For the PRC properties:*** Value-added tax at the rate of 9%, stamp duty at the rate of 0.05% of the contract price, land appreciation tax at progressive rates ranging from 30% to 60% on the appreciated amount (being the proceeds of sales of the property less deductible expenditure including costs of land, development and construction) and enterprise income tax at the rate of 25% on the gain.

***For the United States properties:*** Federal tax at the rate of 21% on the gain and State of North Carolina tax at the rate of 2.5% on the gain.

***For Indonesia properties:*** Income tax at the rate of 2.5% on the contract price, land and building tax at the maximum rate of 0.5% and the tax due is calculated by applying the tax rate on the sale value of the tax object (Nilai Jual Objek Pajak or NJOP) (ranging from 20% to 100%) deducted by non-taxable NJOP, the non-taxable NJOP is set at a minimum of IDR 10 million and stamp duty of a fixed amount of IDR 10,000 on certain documents relevant to the transaction.

***For Vietnam properties:*** Income tax at the rate of 20% on the gain.

***For Bangladesh property:*** Tax at the rate of 2.5% on the contract price with no objection letter from the Bangladesh Export Processing Zones Authority, the Banks (if applicable) and the national tax authorities.

In respect of the properties held by the Group for occupation, investment and for future development, we are advised that the likelihood of the relevant tax liabilities crystallizing is remote as the Group has no plans for the disposal of such properties yet.

Our summary of values and valuation certificates are attached below for your attention.

Yours faithfully,

For and on behalf of

**Jones Lang LaSalle Corporate Appraisal and Advisory Limited**

**Eddie T. W. Yiu**

*MRICS MHKIS RPS (GP)*

*Senior Director*

*Note:* Eddie T.W. Yiu is a Chartered Surveyor who has 30 years' experience in the valuation of various sectors of the property industry in Hong Kong and experience in the PRC, Indonesia, Vietnam, Bangladesh and the United States.



## SUMMARY OF VALUES

**Abbreviation:**

Part A: Property interest held by the Group in the PRC  
 Part B: Property interest held by the Group in the United States  
 Part C: Property interests held by the Group in Indonesia  
 Part D: Property interest held by the Group in Vietnam  
 Part E: Property interest held by the Group in Bangladesh

Group I: Property interests held and occupied by the Group  
 Group II: Property interests held for investment by the Group  
 Group III: Property interest held for future development by the Group

“N/A”: Not Available or Not Applicable

Part	Property no.	Market value in	Market value in	Market value in	Total market value
		existing state as at the valuation date Group I (USD):	existing state as at the valuation date Group II (USD):	existing state as at the valuation date Group III (USD):	in existing state as at the valuation date Total (USD):
Part A	1	12,800,000	73,300,000	N/A	86,100,000
Part B	2 to 14	71,985,000	19,300,000	N/A	91,285,000
Part C	15 to 17	6,110,000	N/A	N/A	6,110,000
Part D	18 to 22	N/A	N/A	18,300,000	18,300,000
Part E	23	530,000	N/A	N/A	530,000
	<b>Total</b>	91,425,000	92,600,000	18,300,000	202,325,000

*Notes:*

1. We have attributed no commercial value to a portion of property no.1 due to lack of proper title certificates. For reference purposes, we are of the opinion that the depreciated replacement cost of these buildings would be USD2,768 (RMB20,000) as at the valuation date assuming all relevant title certificates have been obtained and these buildings could be freely transferred.
2. We have attributed no commercial value to property nos. 18 and 19 in Vietnam as the property cannot be transferred. However, for reference purpose, we are of the opinion that the market value of the property would be USD40,600,000 (Equivalent to VND1,025,400,000,000) as at the valuation date assuming that it can be freely transferred.
3. We have attributed no commercial value to property no.22 due to the lack of title documents. However, for reference purpose, we are of the opinion that the market value of the property would be USD57,700,000 (Equivalent to VND1,456,700,000,000) as at the valuation date assuming all relevant title documents have been obtained and the property could be freely transferred.

## THE COMPANY AND ITS SUBSIDIARIES

We listed all relevant companies and the equity interests as below:

<b>Holding Entity</b>	<b>Abbreviation</b>	<b>Equity interests owned by the Company</b>
Samson Holding Limited	the Company	
Lacquer Craft (Jia Shang)	LC-JS	100%
Universal Furniture International Inc.	UFII	100%
Hamilton Square LLC	Hamilton	100%
Craftmaster Furniture Inc.	CM	100%
Legacy Classic Furniture Inc.	Legacy	100%
Baker Knapp & Tubb Inc.	BIG	100%
Grand Manor Furniture Inc.	GM	100%
PT Artcraft Industry Indonesia	PTA	100%
PT Lacquercraft Industry Indonesia	PTL	100%
Jolly State International Limited	JSI	100%
Vincent (HK) Group Limited	VHK	100%
Wealthy Bright (HK) Limited	WBHK	100%
Timber Industries Company Limited	Timber	100%
Samson Industries Company Limited	SIC	100%
Lacquer Craft Furniture Vietnam Company Limited	LCVN	100%
Trendex Furniture Industry Co. Ltd	Trendex	100%

## VALUATION CERTIFICATE

## Part A – Property interests held by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
1.	2 parcels of land, 38 buildings located at No. 2 Taisheng Road Huimin Street, Jiashan County, Jiaying City, Zhejiang Province, the PRC	<p>The property comprises 2 parcels of land with a total site area of approximately 848,034.20 sq.m. and 38 buildings erected thereon which were completed in various stages between 2003 and 2013.</p> <p>The buildings mainly include 2 office buildings, 7 dormitory buildings, 4 guard rooms, 17 industrial buildings, 3 warehouses, 2 electricity substations, a boiler room, a pump house and a canteen with a total gross floor area of approximately 476,229.79 sq.m.</p> <p>The land use rights of the property have been granted for terms expiring on 26 November 2052 and 26 September 2052 for industrial use.</p>	Portions of the property were occupied by the Group for production, office and ancillary purposes and the remaining portions of the property were rented to various third parties for stacking, accommodation, production and ancillary purposes as at the valuation date.	86,100,000 (RMB621,920,000)

*Notes:*

- Pursuant to a State-owned Land Use Rights Certificate – Shan Guo Yong (2005) Di No. 1-4785, the land use rights of a parcel of land with a site area of approximately 99,373.10 sq.m. have been granted to Lacquer Craft (Jia Shang) (台升實業有限公司, “LC-JS”, an indirect wholly-owned subsidiary of the Company) for a term expiring on 26 November 2052 for industrial use.
- Pursuant to 6 Building Ownership Certificates – Jia Shan Xian Fang Quan Zheng Shan Zi Nos. S0023938, S0023934, S0023908, S0023939, S0023932 and S0023931, 10 buildings with a total gross floor area of approximately 46,462.92 sq.m. are owned by LC-JS.
- Pursuant to a Real Estate Title Certificate – Zhe (2019) Jia Shan Xian Bu Dong Chan Quan Di No. 0040444, the land use rights of a parcel of land with a site area of approximately 748,661.10 sq.m. have been granted to LC-JS, for a term expiring on 26 September 2052 for industrial use and 25 buildings with a total gross floor area of approximately 429,689.21 sq.m. are owned by LC-JS.
- As at the valuation date, portions of the property with a total gross floor area of approximately 77.66 sq.m. (3 guard rooms) have not obtained Real Estate Title Certificates. Therefore, we have attributed no commercial value to these buildings. However, for reference purpose, we are of the opinion that the depreciated replacement cost of these buildings would be USD2,768 (RMB20,000) as at the valuation date assuming all relevant title certificates have been obtained and these buildings could be freely transferred.
- Pursuant to various Tenancy Agreements entered into between LC-JS and various independent third parties, portions of the property with a total site area of approximately 108,966.30 sq.m and total gross floor area of approximately 326,520.75 sq.m. and several dormitory rooms were leased out for stacking, accommodation, production and ancillary uses with the expiry dates between 31 December 2024 and 30 September 2027. The total passing monthly rent as at the valuation date is RMB3,883,610, inclusive of Value-added Tax (“VAT”) and exclusive of management fees, water and electricity charges.

6. As advised by the Company, portions of the property with the gross floor area of approximately 326,520.75 sq.m. were leased to various independent third parties (see note 5 above) for production and ancillary uses (the “leased portions”), such portions together with other portions of the property with the total gross floor area of approximately 405,418.54 sq.m. and the corresponding land (inclusive of the leased portions) were classified into Group II – held for investment by the Group.
7. We have been provided with a legal due diligence report regarding the property interest by the Company’s PRC legal advisor, which contains, inter alia, the following:
- a. The property is free of mortgage, seizure, advance notice, prohibition, or restriction on the transfer, mortgage or other encumbrances;
  - b. LC-JS has the rights to lease the property, including the land and buildings, to external parties legally; and
  - c. Portions of the property mentioned in note 4 above constitute an illegal construction and face the legal risks that require rectification and demolition.
8. For the purpose of this report, the property is classified into the following group according to the purpose for which it is held, we are of the opinion that the market value of each group as at the valuation date in its existing state is set out as below:

<b>Group</b>	<b>Gross floor area (sq.m.)</b>	<b>Market value in existing state as at the valuation date (USD)</b>
Group I – held and occupied by the Group	70,811.25	12,800,000
Group II – held for investment by the Group	405,418.54	73,300,000
<b>Total:</b>	<u>476,229.79</u>	<u>86,100,000</u>

## VALUATION CERTIFICATE

## Part B – Property interest held by the Group in the United States

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
2.	4190 Eagle Hill Road, High Point, North Carolina 27265, the United States	<p>The property is an existing industrial manufacturing warehouse property located along the eastern side of Eagle Hill Road in High Point, North Carolina, that consists of one building and contains approximately 342,988 sq.ft. of rentable area, which was constructed in 2002.</p> <p>The improvement was constructed in 2002 and featured approximately 8% office finish, 34-ft. clear heights, 30 dock doors and 1 drive-in door.</p> <p>The site is identified on the Guilford County tax map as 7813-85-8064 and has a total gross site area of 1,278,921.60 sq.ft. or 29.36 acres of land.</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was leased to a third party for industrial purpose.	19,300,000

*Notes:*

1. Pursuant to a Certificate of Ownership and Merger, Universal Furniture International Inc (“UFII”, an indirect wholly-owned subsidiary of the Company) and LDC Properties Inc merged with and into UFII witnessed and recorded by the State of Delaware on 26 July 2004. According to the said Certificate of Ownership and Merger, prior to the merger, LDC Properties Inc was a wholly owned subsidiary of UFII.
2. Pursuant to a Guilford County Real Property Search Record, the owner of the land parcel of the subject property is UFII.
3. Based upon a review of the Certificate of Ownership and Merger and the Guilford County Real Property Search Record, which are related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
4. Pursuant to a tenancy agreement, the property with a rentable area of approximately 342,988 sq.ft. is leased to a third-party company for industrial purpose for a term of 6 years with the expiry date on 31 December 2027, and the total passing annual rental as at the valuation date was USD1,461,129 exclusive of taxes, insurance and management fee.
5. The property is zoned HI, High Industrial District. This zoning allows most industrial uses.

6. Our valuation has been made on the following basis and analysis:

In undertaking our valuation, we have considered the actual rents in the existing tenancy agreements and also compared with various relevant lease comparables of industrial properties in the region, which have similar characteristics of the property such as layout, size, characteristics, and condition, for the calculation of market rent.

The unit rent of these industrial lease comparables on rentable area basis ranges between USD3.75 per square foot to USD6.00 per sq.ft. per year.

Based on our research on industrial market in the surrounding area of the property, the stabilized market yield ranged from 6.1% to 7.5% as at the valuation date. Considering the location, risks and characteristics of the property, we have applied a market yield of 7% for the property as the capitalization rate in the valuation.

7. For the purpose of this report, the property is classified into the group as “Group II – held for investment by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
3.	2622 Uwharrie Road, High Point, NC 27263, the United States	<p>The property is an industrial showroom property located along the western side of Uwharrie Road in High Point, North Carolina, that consists of one building and contains 147,768 sq.ft of gross building area.</p> <p>The improvement was constructed in 1964 and featured approximately 90% finished area consisting of a showroom, a commercial kitchen/bistro and approximately 10% warehouse/dock areas. The building features 15-ft. clear heights, 3 dock doors and a small loading area.</p> <p>The site is identified on the Guilford County tax map as 7709-12-0733 and has a total gross site area of 14.14 acres, or 615,938 sq.ft of land. The site is located in light industrial zoning district.</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was occupied by the Group for showroom and industrial purpose.	6,650,000

*Notes:*

1. Pursuant to a North Carolina Special Warranty Deed, the land parcel of the subject property has been granted to UFII witnessed and recorded by the State of North Carolina County of Randolph on 31 July 2001. Based upon a review of the North Carolina Special Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned for LI, Light Industrial District. This zoning allows most industrial uses and a minimal number of commercial uses.
3. Our valuation has been made on the following basis and analysis:

We have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD45.14 to USD122.37 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD45 per sq.ft..
4. For the purpose of this report, the property is classified into the group as “Group I – held and occupied by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
4.	101 S. Hamilton St, High Point, NC 27260, the United States	The property is a four-storey furniture showroom located along the eastern side of S Hamilton Street in High Point, North Carolina, that consists of two buildings totaling 112,737 sq.ft. of gross building area.  The improvements were constructed between 1936 and 1986 and featured showroom space, a commercial kitchen, a conference room, 14'-40'-ft. clear heights, 1 dock door and 1 drive-in door.  The site is identified on the Guilford County tax map as 7800-35-2177 and has a total gross site area of 1.48 acres, or 64,468 sq.ft. of land.  The property is held under fee simple interest.	As at the valuation date, the property was occupied by the Group for showroom and industrial purposes.	5,070,000

*Notes:*

1. Pursuant to a North Carolina Special Warranty Deed, the land parcel of the subject property has been granted to Hamilton Square LLC ("Hamilton" an indirect wholly-owned subsidiary of the Company) witnessed and recorded by the State of North Carolina County of Guilford on 26 June 2013. Based upon a review of the North Carolina Special Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned for CB, Central Business District. This zoning is intended to accommodate a well balanced mix of uses (for example office, retail, service, high density residential and market showroom development).
3. Our valuation has been made on the following basis and analysis:  
  
we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD45.14 to USD86.38 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD45 per sq.ft..
4. For the purpose of this report, the property is classified into the group as "Group I – held and occupied by the Group" according to the purpose for which it is held.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
5.	126 S Centennial St, High Point, NC 27260, the United States	The property is an existing industrial showroom located along the western side of South Centennial Street in High Point, North Carolina, that consists of one building and contains 37,303 sq.ft. of gross building area.  The improvement was constructed in 1947 and renovated in 2003. The building is a four-storey of fully furnished showroom with 12-ft. ceiling heights.  The site is identified on the Guilford County tax map as 7800-35-5129 and has a total gross site area of 2.73 acres, or 118,918 sq.ft. of land.  The property is held under fee simple interest.	As at the valuation date, the property was occupied by the Group for showroom and industrial purposes.	1,870,000

*Notes:*

1. Pursuant to a North Carolina Special Warranty Deed, the land parcel of the subject property has been granted to Hamilton witnessed and recorded by the state of North Carolina County of Randolph on 16 December 2014. Based upon a review of the North Carolina Special Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned for CB, Central Business District. This zoning is intended to accommodate a well balanced mix of uses (for example office, retail, service, high density residential and market showroom development).
3. Our valuation has been made on the following basis and analysis:  
  
we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD46.81 to USD122.37 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD50 per sq.ft..
4. For the purpose of this report, the property is classified into the group as “Group I – held and occupied by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
6.	802 Visionary Street SW & 830 Complex Place, Lenoir, NC 28645, the United States	<p>The property is located at the southwestern side of Visionary Street SW and both sides of Complex Place SW in Lenoir, North Carolina. The locality of the property is of industrial use, commercial use, residential use and rural land. The area is dominated with some industrial developments and commercial developments.</p> <p>The property comprises five single-storey industrial manufacturing buildings with a total gross floor area of approximately 763,856 sq.ft., which were completed in 1970 and 1987.</p> <p>The buildings mainly include production facilities, warehouse, and a small office finish area and feature approximately 5% office finish, 20-foot to 26-foot clear heights, 43 dock doors, 6 drive-in doors.</p> <p>The site is identified on the Caldwell County tax map as 06170-1-2 and has a total gross site area of 66.06-acres, or 2,877,574 sq.ft..</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	6,100,000

*Notes:*

1. Pursuant to a North Carolina Special Warranty Deed, the land parcel of the subject property has been granted to Hamilton witnessed and recorded by the State of North Carolina County of Forsyth on 10 November 2018. Based upon a review of the North Carolina Special Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned as I-2, or Heavy Industrial District. This zoning allows most industrial uses.

3. Our valuation has been made on the following basis and analysis:

we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD5.00 to USD26.59 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD8 per sq.ft..

4. For the purpose of this report, the property is classified into the group as “Group I – held and occupied by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>USD</i>
7.	221 Craftmaster Road, Hiddenite, NC 28636, the United States	<p>The property is located at the western side of Craftmaster Road and the southern side of Sharpe Lane in Hiddenite, North Carolina. The locality of the property is of industrial use, commercial use and rural land. The area is dominated with some industrial developments and commercial developments.</p> <p>The property comprises a single-storey industrial manufacturing building with a total gross floor area of approximately 213,324 sq.ft. which was completed in 1976.</p> <p>The building mainly include production facilities, warehouse, and a small office finish area and features approximately 5% office finish, 16-foot clear heights, 16 dock doors, 2 drive-in doors.</p> <p>The site is identified on the Alexander County tax map as 0013914 and has a total gross site area of 16.55-acres, or 720,831 sq.ft..</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	3,200,000

*Notes:*

1. Pursuant to a Special Warranty Deed, the land parcel of the subject property has been granted to Craftmaster Furniture Inc (“CM”, an indirect wholly-owned subsidiary of the Company) witnessed and recorded by the State of North Carolina County of Randolph on 1 May 2006. Based upon a review of the Special Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned as I-2, or Heavy Industrial District. This zoning allows most industrial uses.
3. Our valuation has been made on the following basis and analysis:

we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD5.00 to USD26.59 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD15 per sq.ft..
4. For the purpose of this report, the property is classified into the group as “Group I – held and occupied by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
8.	850 Sharpe Lane, Hiddenite, NC, 28636, the United States	<p>The property is located at the southern side of Sharpe Lane in Hiddenite, North Carolina. The locality of the property is of industrial, residential and agricultural uses. The area is dominated with some industrial developments, residential properties, and rural land.</p> <p>The property comprises a single-storey industrial warehouse building with a total gross floor area of approximately 152,280 sq.ft. which was completed in 1984.</p> <p>The building features approximately 10% office finish, 16-ft. clear heights, 26 dock doors, mainly includes warehouse and a small portion of office finish.</p> <p>The property occupies two parcels of land, the site is identified on the Alexander County tax map as 0013051 and 0023525 respectively and has a total gross site area of 26.34-acres, or 1,147,370 sq.ft..</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	1,500,000

*Notes:*

1. Pursuant to a Special Warranty Deed, the land parcel of the subject property has been granted to CM witnessed and recorded by the State of North Carolina County of Randolph on 1 May 2006. Based upon a review of the Special Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned as I, or Industrial District. This zoning allows most industrial uses and a minimal number of commercial uses.
3. Our valuation has been made on the following basis and analysis:

we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD5.00 to USD26.59 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD9.85 per sq.ft..
4. For the purpose of this report, the property is classified into the group as “Group I – held and occupied by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
9.	3457 NC Highway 90 East Taylorsville, NC 28681, the United States	<p>The property is located at the northwestern side of NC Highway 90 East in Taylorsville, North Carolina. The locality of the property is of industrial, commercial and agricultural uses. The area is dominated with some industrial developments, retail developments, and rural land.</p> <p>The property comprises a single-storey industrial manufacturing building with a total gross floor area of approximately 203,945 sq.ft., which was completed in 1957 with renovations in 1970.</p> <p>The building mainly includes production facilities, warehouse, and a small portion of office finish and features approximately 1.2% office finish, 25-ft. clear heights, 10 dock doors, 1 drive-in door, approximately 50% central, roof mounted air conditioning in the warehouse and office spaces.</p> <p>The site is identified on the Alexander County tax map as 0012840 and has a total gross site area of 23.7-acres, or 1,032,372 sq.ft..</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	3,050,000

*Notes:*

1. Pursuant to a Quitclaim Deed, the land parcel of the subject property has been granted to CM witnessed and recorded by the State of Alabama County of Madison on 29 May 2013. Based upon a review of the Quitclaim Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned as I, or Industrial District. This zoning allows most industrial uses and a minimal number of commercial uses.
3. Our valuation has been made on the following basis and analysis:

we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD5.00 to USD26.59 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD15 per sq.ft..
4. For the purpose of this report, the property is classified into the group as “Group I – held and occupied by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
10.	3847-D Johnson Street, High Point, NC 27265, the United States	The property is located at the western side of Johnson Street in High Point, North Carolina. The locality of the property is of residential uses. The area is dominated with mainly residential developments and some retail/commercial developments.  The property comprises a two-storey residential townhouse building and features 3 bedrooms and bathrooms, with a total gross floor area of approximately 1,700 sq.ft., on a site area of approximately 0.03-acres, or 1,307 sq.ft. which was completed in 1982.  The property is held under fee simple interest.	As at the valuation date, the property was occupied by the Group for residential purpose.	210,000

*Notes:*

1. Pursuant to a Special Warranty Deed, the land parcel of the subject property has been granted to CM witnessed and recorded by the State of North Carolina County of Randolph on 1 May 2006. Based upon a review of the Special Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned as RM-5, or Residential District. This zoning allows attached residential use.
3. Our valuation has been made on the following basis and analysis:  
  
we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The price of these comparable properties ranges from USD96.15 to USD135.30 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD123.53 per sq.ft..
4. For the purpose of this report, the property is classified into the group as “Group I – held and occupied by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
11.	2575 Penny Road, High Point, NC 27265, the United States	<p>The property is located at the western side of Penny Road in High Point, North Carolina. The locality of the property is a well-developed industrial and commercial area dominated with some industrial developments and commercial or retail developments.</p> <p>The property comprises a single-storey industrial manufacturing building with a total gross floor area of approximately 361,412 sq.ft. which was completed in 2006.</p> <p>The building mainly includes production facilities, warehouse, and office and features approximately 21.4% office finish, 36-ft clear heights, 38 dock doors, 3 drive-in doors.</p> <p>The property occupies two parcels of land, the site is identified on the Guilford County tax map as 7813-36-5658 and 7813-36-1243 and has a total gross site area of 44.71-acres, or 1,947,568 sq.ft..</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	36,100,000

*Notes:*

1. Pursuant to two Special Warranty Deeds, the land parcels of the subject property have been granted to Legacy Classic Furniture Inc. ("Legacy", an indirect wholly-owned subsidiary of the Company) witnessed and recorded by the State of North Carolina County of Alamance and County of Guilford on 14 July 2006 and 1 April 2007. Based upon a review of two Special Warranty Deeds, which are related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned as LI, or Light Industrial District. This zoning allows most industrial uses and a minimal number of commercial uses.
3. Our valuation has been made on the following basis and analysis:

we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD80.62 to USD162.01 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD100 per sq.ft..
4. For the purpose of this report, the property is classified into the group as "Group I – held and occupied by the Group" according to the purpose for which it is held.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
12.	3485 Texs Fish Camp Rd, Connelly Springs, NC 28612, the United States	<p>The property is located at the eastern side of Texs Fish Camp Road and the southern side of Huffman Avenue in Connelly Springs, North Carolina. The locality of the property is of industrial use, residential use and rural land. The area is dominated with some industrial developments and residential developments.</p> <p>The property is an existing industrial manufacturing warehouse property which consists of five buildings with a total gross building area 512,484 sq.ft..</p> <p>The improvements were constructed from 1975 to 2000 and feature approximately 2% office finish, 20-ft. clear heights, 34 dock doors, and 4 drive-in doors.</p> <p>The site is identified on the Burke County tax map as 2772-55-8654 and has a total gross site area of 55.715 acres, or 2,426,960 sq.ft of land.</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	5,120,000

*Notes:*

1. Pursuant to a North Carolina Special Warranty Deed, the land parcel of the subject property has been granted to Baker Knapp & Tubb Inc. ("BIG", an indirect wholly-owned subsidiary of the Company) witnessed and recorded by the State of Virginia County of Henry on 15 June 1998. Based upon a review of the North Carolina Special Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned for IND, Industrial District. This zoning allows most industrial uses and a minimal number of commercial uses.
3. Our valuation has been made on the following basis and analysis:

we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD5.00 to USD26.59 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD10 per sq.ft..
4. For the purpose of this report, the property is classified into the group as "Group I – held and occupied by the Group" according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
13.	319 N Hamilton Street, High Point North Carolina 27260, the United States	<p>The property is located at the western side of North Hamilton Street in High Point, North Carolina.</p> <p>The property is an existing furniture showroom which consists of a single building and contains a total gross building area of 33,000 sq.ft..</p> <p>The improvement was constructed in 1950 and fully renovated which features 18-ft. clear heights and 1 drive in door.</p> <p>The site is identified on the Guilford County tax map as 7800-16-9355 and has a total gross site area of 0.83 acres, or 36,154 sq.ft. of land.</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was occupied by the Group for showroom and commercial purposes.	2,150,000

*Notes:*

1. Pursuant to a North Carolina General Warranty Deed, the land parcel of the subject property has been granted to BIG witnessed and recorded by the State of North Carolina County of Guilford on 26 July 1993. Based upon a review of the North Carolina General Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned for CB, Central Business District. This zoning is intended to accommodate a well balanced mix of uses (for example office, retail, service, high density residential and market showroom development).
3. Our valuation has been made on the following basis and analysis:

we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD46.81 to USD122.37 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property; Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD65 per sq.ft..
4. For the purpose of this report, the property is classified into the group as “Group I – held and occupied by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
14.	913 Harrisburg Drive, Lenoir, NC 28645, the United States	<p>The property is located at the northwestern side of Harrisburg Drive in Lenoir, North Carolina. The locality of the property is of industrial and commercial uses. The area is dominated with some industrial developments and retail developments.</p> <p>The property comprises a single-storey industrial manufacturing building with a total gross floor area of approximately 62,500 sq.ft. and a single-storey office building with a total gross floor area of 1,800 sq.ft., which were completed in 1964 and 1976 respectively.</p> <p>The buildings mainly include production facilities, warehouse, office and staff quarters and feature approximately 3% office finish, 14-ft. clear heights, 4 dock doors, and 3 drive-in doors.</p> <p>The site is identified on the Caldwell County tax map as 06-131-1-9, 06-131-1-8, 06-131-1-2, and 06-132-1-2. The property occupies four parcels of land with a total gross site area of 15.42-acres, or 671,780 sq.ft.</p> <p>The property is held under fee simple interest.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	965,000

*Notes:*

1. Pursuant to a North Carolina General Warranty Deed, the land parcels of the subject property have been granted to Grand Manor Furniture Inc. (“GM”, an indirect wholly-owned subsidiary of the Company) witnessed and recorded by the state of North Carolina County of Caldwell on 17 September 1996. Based upon a review of the North Carolina General Warranty Deed, which is related to the property title and encumbrances or restrictions on the property, we are of the view that there are no easements, encroachments, restrictions or encumbrances on the property that would adversely affect its value.
2. The property is zoned as I-2, or Heavy Industrial District. This zoning allows for a variety of industrial uses and a small number of commercial uses conditionally.
3. Our valuation has been made on the following basis and analysis:

we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD10.63 to USD26.59 per sq.ft.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD15 per sq.ft..
4. For the purpose of this report, the property is classified into the group as “Group I – held and occupied by the Group” according to the purpose for which it is held.

## VALUATION CERTIFICATE

## Part C – Property interest held by the Group in Indonesia

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
15.	Jalan Pasar 1, in the Village of Sidomulyo, District of Sibiru – biru, Regency of Deli Serdang, Province of North Sumatera – Indonesia	<p>The property is located on Jalan Pasar 1, Village of Sidomulyo, District of Sibiru – biru, Regency of Deli Serdang, Province of North Sumatera. The locality of the property is a residential/ industrial area served with public facilities and no public transportation.</p> <p>The property comprises a total of 16 industrial and ancillary buildings with a total gross floor area of approximately 11,107 sq.m erected thereon a land parcel which were completed in 1996, 2018, 2021 and 2023.</p> <p>The buildings mainly include showroom, packing and drying building, warehouse, factory, workshop, and other buildings for ancillary use.</p> <p>The property occupies a single land parcel with a site area of approximately 20,997 sq.m.</p> <p>The property is held under a Hak Guna Bangunan/HGB (Right to Build) land title certificate under the land ownership law of Indonesia. This land title of HGB of the property has been granted for 30 years' period from the issuance date of 11 July 1996 and will expire on 24 September 2025 for industrial use.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	1,510,000  (Equivalent to IDR24,563,600,000)

*Notes:*

- Pursuant to a copy of Hak Guna Bangunan/HGB (Right to Build) land title certificate No.1/Sidomulyo, the registered owner of the property is PT Artcraft Industry Indonesia (“PTA”, an indirect wholly-owned by the Company).
- The site of the property is zoned for residential use. This zoning allows residential use and industrial use with Building Construction Permit.
- The property has been granted/covered two Building Construction Permits (Izin Mendiirikan Bangunan/IMB) Nos. 503.647/2268/DPUDS dated 29 August 1996 and 503.647/2200.a/DPUDS dated 2 December 1998, the buildings are permitted for the use of warehouse purpose.

4. We have been provided with a legal due diligence report regarding the property interest by the Company's Indonesia legal advisor, which contains, inter alia, the following:
  - a. There is no land mortgage encumbered in the subject land and as confirmed by the Company, the subject land of Company has not been encumbered to any third parties such as banks, financial institutions, and any other party. Further, according to the information and document provided by the Company, the Company confirmed that there is no loan agreement entered into with any third parties; and
  - b. The Company is entitled to use and commercially utilize the property, including but not limited to occupy, use, earn income from, and dispose of the property.
  - c. HGB may be granted for a maximum of 30 years and can be extended for 20 years. After the period of the extension lapses, the HGB is renewable for another 30 years. Based on the above regulations, we note that these HGB can be extended or renewed in accordance with their current status.
  - d. We note that the rights to own the land certificate will not potentially be revoked, so that the land owner may always prolong or extend the land rights attached to them to the relevant land office. From our experience, we have not seen or found that the Government of Indonesia through the relevant land office has revoked or rejected any extension of land proposed by a landowner without strong legal basis.
5. For the purpose of this report, the property is classified into the group as "Group I – held and occupied by the Group" according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
16.	Jalan Limau Mungkur No. 1 Dusun V, in the Village of Bangun Rejo, District of Tanjung Morawa, Regency of Deli Serdang, Province of North Sumatera – Indonesia	The property is located at Jalan Limau Mungkur No. 1 Dusun V, Village of Bangun Rejo, District of Tanjung Morawa, Regency of Deli Serdang, Province of North Sumatera. The locality of the property is a residential/ industrial area served with public facilities and no public transportation.  The property comprises a total of 11 industrial buildings and ancillary buildings with a total gross floor area of approximately 9,832 sq.m erected thereon a land parcel, which were completed in 2000.  The buildings mainly include wet wood warehouse, production building, office, workshop and other buildings for ancillary use.  The property occupies a single land parcel with a site area of approximately 36,442 sq.m.  The property is held under a Hak Guna Bangunan/HGB (Right to Build) land title certificate under the land ownership law of Indonesia. This land title of HGB of the property has been granted for 30 years' period from the issuance date of 6 April 2011 expiring on 30 August 2030 for an industrial use.	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	2,200,000  (Equivalent to IDR35,931,200,000)

*Notes:*

1. Pursuant to a copy of Hak Guna Bangunan/HGB (Right to Build) land title No.233/Bangun Rejo, the registered owner of the property is PT Lacquercraft Industry Indonesia ("PTL", an indirect wholly-owned by the Company).
2. The site of the property is zoned for residential use. This zoning allows residential use and industrial use with Building Construction Permit.
3. The property has been granted/covered two Building Construction Permits (Izin Mendiirikan Bangunan/IMB) Nos. 503.647/2268/DPUDS dated 29 August 1996 and 503.647/2200.a/DPUDS dated 2 December 1998, the buildings are permitted for the use of warehouse purpose.

4. We have been provided with a legal due diligence report regarding the property interest by the Company's Indonesia legal advisor, which contains, inter alia, the following:
  - a. Based on the legal advisor's review to the Indonesia Land Certificate Checking and Land Registration Certificate Service System, based on two letters nos. SKPT 62309/2024 and SKPT 55709/2024 issued by the Deli Serdang Regency Land Office of the Ministry of the Agrarian Affairs and Spatial Planning (BPN), the legal advisor noted that the subject land is not:
    - I. encumbered by mortgage;
    - II. subject to land freeze;
    - III. subject to seizure; and
    - IV. disputed (over the parcel of land).
  - b. There is no land mortgage encumbered in the subject land and as confirmed by the Company, the Land of Company has not been encumbered to any third parties such as banks, financial institutions, and any other party. Further, according to the information and document provided by the Company, the Company confirmed that there is no loan agreement entered into with any third parties; and
  - c. The Company is entitled to use and commercially utilize the property, including but not limited to occupy, use, earn income from, and dispose of the property.
  - d. HGB may be granted for a maximum of 30 years and can be extended for 20 years. After the period of the extension lapses, the HGB is renewable for another 30 years. Based on the above regulations, we note that these HGB can be extended or renewed in accordance with their current status.
  - e. We note that the rights to own the land certificate will not potentially be revoked, so that the land owner may always prolong or extend the land rights attached to them to the relevant land office. From our experience, we have not seen or found that the Government of Indonesia through the relevant land office has revoked or rejected any extension of land proposed by a landowner without strong legal basis.
5. For the purpose of this report, the property is classified into the group as "Group I – held and occupied by the Group" according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
17.	Jalan Limau Mungkur No. 1 Dusun V, in the Village of Bangun Rejo, District of Tanjung Morawa, Regency of Deli Serdang, Province of North Sumatera – Indonesia	<p>The property is located at Jalan Limau Mungkur No. 1 Dusun V, Village of Bangun Rejo, District of Tanjung Morawa, Regency of Deli Serdang, Province of North Sumatera. The locality of the property is a residential/ industrial area served with public facilities and no public transportation.</p> <p>The property comprises a total of 7 industrial and ancillary buildings with a total gross floor area of approximately 11,782 sq.m (various ancillary buildings and structures) erected thereon which were completed in 1995, 2000 and 2011.</p> <p>The buildings mainly include dry warehouse, dormitory &amp; office, canteen, guard house and other buildings for ancillary use.</p> <p>The structures mainly include driveways, boundary wall, and shed.</p> <p>The property occupies a single land parcel with a total site area of approximately 27,512 sq.m.</p> <p>The property is held under a Hak Guna Bangunan/HGB (Right to Build) land title certificate under the land ownership law of Indonesia. This land title of HGB of the property has been granted for 20 years period from the issuance date of 27 January 2011 and will expire on 26 January 2031 for an industrial use.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	2,400,000  (Equivalent to IDR38,475,600,000)

*Notes:*

1. Pursuant to a copy of Hak Guna Bangunan/HGB (Right to Build) land title No.232/Bangun Rejo, the registered owner of the property is PTL.
2. The site of the property is zoned for residential use. This zoning allows residential use and industrial use with Building Construction Permit.



3. The property has been granted/covered a Building Construction Permit (Izin Mendirikan Bangunan/IMB) No. 503.647/7391/Bg dated 4 October 2011, the buildings are permitted for warehouse use.
4. We have been provided with a legal due diligence report regarding the property interest by the Company's Indonesia legal advisor, which contains, inter alia, the following:
  - a. Based on the legal advisor's review to the Indonesia Land Certificate Checking and Land Registration Certificate Service System, based on two letters nos. SKPT 62309/2024 and SKPT 55709/2024 issued by the Deli Serdang Regency Land Office of the Ministry of the Agrarian Affairs and Spatial Planning (BPN), the legal advisor noted that the subject land is not:
    - I. encumbered by mortgage;
    - II. subject to land freeze;
    - III. subject to seizure; and
    - IV. disputed (over the parcel of land).
  - b. There is no land mortgage encumbered in the subject land and as confirmed by the Company, the Land of Company has not been encumbered to any third parties such as banks, financial institutions, and any other party. Further, according to the information and document provided by the Company, the Company confirmed that there is no loan agreement entered into with any third parties; and
  - c. The Company is entitled to use and commercially utilize the property, including but not limited to occupy, use, earn income from, and dispose of the property.
  - d. HGB may be granted for a maximum of 30 years and can be extended for 20 years. After the period of the extension lapses, the HGB is renewable for another 30 years. Based on the above regulations, we note that these HGB can be extended or renewed in accordance with their current status.
  - e. We note that the rights to own the land certificate will not potentially be revoked, so that the land owner may always prolong or extend the land rights attached to them to the relevant land office. From our experience, we have not seen or found that the Government of Indonesia through the relevant land office has revoked or rejected any extension of land proposed by a landowner without strong legal basis.
5. For the purpose of this report, the property is classified into the group as "Group I – held and occupied by the Group" according to the purpose for which it is held.

## VALUATION CERTIFICATE

## Part D – Property interest held by the Group in Vietnam

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>USD</i>
18.	Land No. 251, Map No. 5, Street No. 6, Tam Phuoc Industrial Park, Bien Hoa City, Dong Nai Province, Vietnam	<p>The property is a corner site situated inside the Tam Phuoc Industrial Park of Dong Nai Province, the property is conveniently accessed via internal streets of the industrial park, namely Street No. 5 to the southwest, Street No. 6 to the southeast, Street No. 7 to the northeast, and Street No. 8 to the northwest. The locality of the property is a well-developed industrial area dominated with some large-scale factory complexes.</p> <p>The Property mainly comprises two single-storey factories, six two-storey factories, a newly built single-storey automated warehouse, a single-storey warehouse, two multi-storey dormitory buildings, a three-storey office building and various ancillary buildings and structures such as a canteen, guard houses, parking space, a power station, vacuum houses, and two self-built structures namely, hardware warehouse and sample and poly house. These constructions were completed in six different stages spanning from 2004 to 2022 and are in average condition.</p> <p>Developed on a regular-shaped industrial land parcel of approximately 158,448.1 sq.m, the improvements on the premises provide a total gross floor area of approximately 152,607.9 sq.m.</p> <p>The property is held under leasehold interests. The land use rights of the property have been granted for a term of 50 years expiring on 6th October 2053 for industrial use.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	No commercial value (See note 8 below)

*Notes:*

1. Pursuant to a copy of the Land Use Rights Certificate No. 00098.QSDD (AD427671) dated 25 November 2005 and the Building Ownership Certificate No. 001-39 dated 02 July 2009, the registered user of the property is Timber Industries Company Limited (“Timber”, an indirect wholly-owned subsidiary of the Company).
2. The Investment Registration Certificate No. 7645514691, initially issued on 02 January 2004 with its eighth amendment on 02 March 2023, indicates Jolly State International Limited (“JSI”, an indirect wholly-owned subsidiary of the Company) as the investor of Timber.
3. The site of the property is zoned as Industrial land use. This zoning allows industrial use.
4. According to the environmental impact documents, it appears that the owner failed to meet the local laws’ requirements stated in the Environmental Impact Assessment Report.
5. According to copy of the Land Use Rights Certificate No. 00098.QSDD (AD427671) dated 25 November 2005 issued by the Department of Natural Resource and Environment of Dong Nai Province, the salient points of this certificate are summarized below:
  - *The land user: Timber Industries Company Limited.*
  - *Location: Land No. 251, Map No. 5, Tam Phuoc Ward, Bien Hoa City, Dong Nai Province, Vietnam.*
  - *Total land area: 158,448.1 sq.m*
  - *Land use purpose: Industrial land.*
  - *Land use form: Leasehold land with annual land rental payment.*
  - *Land tenure: Expiring on 06 October 2053.*
6. According to copy of the Building Ownership Certificate No. 001-39 dated 02 July 2009 issued by the Dong Nai Industrial Parks Management Board and approved by the Department of Construction of Dong Nai Province, as well as the Construction Permit No. 14/GPXD dated 25 January 2022 and Acceptance Certificate of Completed Building No. 2297/TB-KCNDN dated 28 October 2022 issued by the Dong Nai Industrial Parks Management Board:

The certified and permitted buildings of the property are as follows:

No.	Buildings	Footprint (sq.m.)	Gross floor area (sq.m.)	No. of Storeys	Year of completion
1	Factory A	25,705.00	25,705.00	1	2004
2	Factory B	8,320.00	16,640.00	2	2004
3	Warehouse C	10,296.00	10,296.00	1	2022
4	Office building	1,044.00	3,024.00	3	2005
5	Dormitory building A	433.62	1,328.00	3	2004
6	Canteen	1,176.00	1,176.00	1	2004
7	Car parking space	186.00	186.00	1	2005
8	Motorbike parking space	720.00	720.00	1	2005
9	Guard house 1	72.00	72.00	1	2004
10	Guard house 2	9.00	9.00	1	2005
11	Power station	180.00	180.00	1	2004
12	Vacuum house	310.00	310.00	1	2004
13	Instrument and forklift house	488.00	488.00	1	2005
14	Factory D	5,257.86	10,170.00	2	2005
15	Factory E	9,088.00	9,088.00	1	2005

No.	Buildings	Footprint (sq.m.)	Gross floor area (sq.m.)	No. of Storeys	Year of completion
16	Factory F	8,320.00	16,804.00	2	2005
17	Factory H	7,769.30	15,874.00	2	2006
18	Factory G	7,860.00	16,494.00	2	2006
19	Dormitory building B	556.00	1,604.00	4	2006
20	Warehouse K	5,518.50	5,518.50	1	2008
21	Factory I	8,320.00	16,640.00	2	2008
22	Vacuum house of factory G	281.40	281.40	1	2008
	<b>Total</b>	101,910.68	152,607.90		

7. We have been provided with a legal due diligence report regarding the property interest by the Company's Vietnam legal advisor, which contains, inter alia, the following:
- a. The land use rights of the property are secured.
  - b. Timber can legally perform its land user rights such as mortgaging, using the property to contribute capital.
  - c. Timber as a lessor in form of annual payment cannot transfer, lease or sublease the property to other parties.
8. In the valuation of this property, we have relied on the aforesaid legal due diligence report and attributed no commercial value to the property as the property cannot be transferred. However, for reference purpose, we are of the opinion that the market value of the property would be USD38,400,000 (Equivalent to VND969,500,000,000) as at the valuation date assuming that it can be freely transferred.
9. Our valuation has been made on the following basis and analysis:
- we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD327 to USD388 per sq.m.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD252 per sq.m..
10. For the purpose of this report, the property is classified into the group as "Group I – held and occupied by the Group" according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
19.	Land No. 10, Map No. 67, Street No. 7, Tam Phuoc Industrial Park, Bien Hoa City, Dong Nai Province, Vietnam	The property is a corner site situated inside the Tam Phuoc Industrial Park of Dong Nai Province, the property is conveniently accessed via internal streets of the industrial park, namely Street No. 4 to the southeast, and Street No. 7 to the northeast.  The locality of the property is a well-developed industrial area dominated with some large-scale factory complexes.  The Property mainly comprises a single-storey factory, a canteen, a guard houses, water tank and ancillary structures such as parking space, boundary wall. These constructions were completed in 2008 and are in average condition.  Developed on a regular-shaped industrial land parcel of approximately 32,034.0 sq.m, the improvements on the premises provide a total certified gross floor area of approximately 10,066.36 sq.m.  The property is held under leasehold interests. The land use rights of the property have been granted for a term of 50 years expiring on 6th October 2052 for industrial use.	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	No commercial value (See note 7 below)

*Notes:*

1. Pursuant to a copy of the Land Use Rights and Building Ownership Certificate No. CT07058 (BD174827) dated 25 January 2011, the registered user of the property is Timber.
2. The Investment Registration Certificate No. 7645514691, initially issued on 02 January 2004 with its eighth amendment on 02 March 2023, indicates JSI as the investor of Timber.
3. The site of the property is zoned as Industrial land use. This zoning allows industrial use.
4. According to the environmental impact documents, it indicates that Timber failed to meet the local laws' requirements stated in the Environmental Impact Assessment Report.

5. According to copy of the Land Use Rights and Building Ownership Certificate No.CT07058 (BD174827) dated 25 January 2011 issued by the Department of Natural Resource and Environment of Dong Nai Province, the salient points of this certificate are summarized below:

- *The land user: Timber Industries Company Limited.*
- *Location: Land No.10, Map No.67, Tam Phuoc Ward, Bien Hoa City, Dong Nai Province, Vietnam.*
- *Total land area: 32,034.0 sq.m*
- *Land use purpose: Industrial land.*
- *Land use form: Leasehold land with annual land rental payment.*
- *Land tenure: Expiring on 06 October 2052.*
- *The certified buildings of the property are as follows:*

No.	Buildings	Footprint (sq.m)	Gross floor area (sq.m)	No. of Storeys	Year of completion
1	Material Preparation Factory	9,253.56	9,253.56	1	2008
2	Canteen	666.08	666.08	1	2008
3	Guard house	34.40	34.40	1	2008
4	Water tank	112.32	112.32	1	2008
	<b>Total</b>	10,066.36	10,066.36		

6. We have been provided with a legal due diligence report regarding the property interest by the Company's Vietnam legal advisor, which contains, inter alia, the following:
- a. The land use rights of the property are secured.
  - b. Timber can legally perform its land user rights such as mortgaging, using the property to contribute capital.
  - c. Timber as a lessor in form of annual payment cannot transfer, lease or sublease the property to other parties.
7. In the valuation of this property, we have relied on the aforesaid legal due diligence report and attributed no commercial value to the property as the property cannot be transferred. However, for reference purpose, we are of the opinion that the market value of the property would be USD2,200,000 (Equivalent to VND55,900,000,000) as at the valuation date assuming that it can be freely transferred.
8. Our valuation has been made on the following basis and analysis:
- we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD327 to USD388 per sq.m.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD219 per sq.m..
9. For the purpose of this report, the property is classified into the group as "Group I – held and occupied by the Group" according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
20.	Land No. 1659, Map No. 15, Street No. 19, Vietnam-Singapore Industrial Park II-A (VSIP II-A), Vinh Tan Ward, Tan Uyen City, Binh Duong Province, Vietnam	<p>The property is a corner site situated inside the VSIP II-A of Binh Duong Province, the property is conveniently accessed via Street No. 21 to the northwest, Street No. 19 to the south and Hoa Binh Street to the west.</p> <p>The locality of the property is a well-developed industrial area dominated with some large-scale factory and warehouse complexes.</p> <p>During the inspection, the entire land area is currently vacant and available for development.</p> <p>The site is an irregular-shaped industrial land measuring approximately 45,570.4 sq.m.</p> <p>The property is held under leasehold interests. The land use rights of the property have been granted for a term of 38 years expiring on 19th March 2058 for industrial use.</p> <p>Additionally, the site is held under a leasehold land tenure with upfront land lease rental payment.</p>	As at the valuation date, the property was vacant.	6,900,000  (Equivalent to VND174,400,000,000)

*Notes:*

1. Pursuant to a copy of the Land Use Rights Certificate No. CT07782 (B0 579794) dated 21 July 2014, the registered land user of the property is Samson Industries Company Limited, (“SIC”, an indirect wholly-owned subsidiary of the Company).
2. The Investment Registration Certificate No. 9928753755, initially issued on 18 May 2020 with its sixth amendment on 06 July 2021, indicates Vincent (HK) Group Limited (“VHK”, an indirect wholly-owned subsidiary of the Company) as the investor of SIC.
3. The site of the property is zoned as Industrial land use. This zoning allows industrial use.
4. According to copy of the Land Use Rights Certificate No. CT07782 (B0 579794) dated 21 July 2014 issued by the Department of Natural Resource and Environment of Binh Duong Province, the salient points of this certificate are summarized below:
  - *The land user: Samson Industries Company Limited.*

- *Location: Land No. 1659, Map No. 15, VSIP II-A, Vinh Tan Ward, Tan Uyen City, Binh Duong Province, Vietnam.*
  - *Total land area: 45,570.4 sq.m*
  - *Land use purpose: Industrial land.*
  - *Land use form: Leasehold land with upfront land rental payment.*
  - *Land tenure: Expiring on 19 March 2058.*
5. Our valuation has been made on the following basis and analysis:
- we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD140 to USD220 per sq.m.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD152 per sq.m..
6. We have been provided with a legal due diligence report regarding the property interest by the Company's Vietnam legal advisor, which contains, inter alia, the following:
- a. The land use rights of the property are secured.
  - b. SIC can legally perform its land user rights such as transferring, mortgaging, using the property to contribute capital.
7. For the purpose of this report, the property is classified into the group as "Group III – held for future development by the Group" according to the purpose for which it is held.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
21.	Land No. 1533 and 801, Map No. 15 and 20, Street No. 19, Vietnam-Singapore Industrial Park II-A (VSIP II-A), Vinh Tan Ward, Tan Uyen City, Binh Duong Province, Vietnam.	<p>The property is situated inside the VSIP II-A of Binh Duong Province, the property is conveniently accessed via Street No. 20 to the north, and Street No. 19 to the south. The locality of the property is a well-developed industrial area dominated with some large-scale factory and warehouse complexes.</p> <p>During the inspection, the entire land area is currently vacant and available for development.</p> <p>The site is a regular-shaped industrial land measuring approximately 80,001.0 sq.m.</p> <p>The property is held under leasehold interests. The land use rights of the property have been granted for a term of 38 years expiring on 19 March 2058 for industrial use.</p> <p>Additionally, the site is held under a leasehold land tenure with upfront land lease rental payment.</p>	As at the valuation date, the property was vacant.	11,400,000  (Equivalent to VND287,900,000,000)

*Notes:*

1. Pursuant to a copy of the Land Use Rights Certificate No. CT07782 (BK 033570) dated 23 October 2012, the registered land user of the property is SIC.
2. The Investment Registration Certificate No. 9928753755, initially issued on 18 May 2020 with its sixth amendment on 06 July 2021, indicates VHK as the investor of SIC.
3. The site of the property is zoned as Industrial land use. This zoning allows industrial use.
4. According to copy of the Land Use Rights Certificate No. CT07782 (BK 033570) dated 23 October 2012 issued by the Department of Natural Resource and Environment of Binh Duong Province, the salient points of this certificate are summarized below:
  - *The land user: Samson Industries Company Limited.*
  - *Location: Land No. 1533 and 801, Map No. 15 and 20, VSIP II-A, Vinh Tan Ward, Tan Uyen City, Binh Duong Province, Vietnam.*
  - *Total land area: 80,001.0 sq.m*

- *Land use purpose: Industrial land.*
  - *Land use form: Leasehold land with upfront land rental payment.*
  - *Land tenure: Expiring on 19 March 2058.*
5. Our valuation has been made on the following basis and analysis:
- we have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD140 to USD220 per sq.m.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD143 per sq.m..
6. We have been provided with a legal due diligence report regarding the property interest by the Company's Vietnam legal advisor, which contains, inter alia, the following:
- a. The land use rights of the property is secured.
  - b. SIC can legally perform its land user rights such as transferring, mortgaging, using the property to contribute capital.
7. For the purpose of this report, the property is classified into the group as "Group III – held for future development by the Group" according to the purpose for which it is held.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date <i>USD</i>
22.	Lot C-14-CN and Lot C-15-CN, Bau Bang Expansion Industrial Park, Lai Uyen Town, Bau Bang District, Binh Duong Province, Vietnam	<p>The property is a corner site situated inside the Bau Bang Expansion Industrial Park of Binh Duong Province, the property is conveniently accessed via Bau Bang – Ho Chi Minh Street to the east, N17 Street to the south, N19 Street to the north, and D14 Street to the west.</p> <p>The locality of the property is a newly developed industrial area dominated with some large-scale factory complexes and vacant sites zoned for industrial purpose.</p> <p>During the inspection, the entire land area is currently vacant and available for development.</p> <p>The site is a regular-shaped industrial land measuring approximately 609,595.0 sq.m.</p> <p>The property is held under leasehold interests. The land use rights of the property have been granted for a term of 47 years expiring on 26th April 2066 for industrial use.</p> <p>Additionally, the site is held under a leasehold land tenure with upfront land lease rental payment.</p>	As at the valuation date, the property was vacant.	No commercial value (See note 5 below)

*Notes:*

1. Pursuant to a copy of the Land Lease Contract No. 02/08/2018/HDNT dated 08 August 2018, the registered land user of the property is Lacquer Craft Furniture Vietnam Company Limited (“LCVN” which is an indirect wholly-owned subsidiary of the Company).
2. The Investment Registration Certificate No. 9934267006, initially issued on 11 April 2019, indicates Wealthy Bright (HK) Limited (“WBHK”, an indirect wholly-owned subsidiary of the Company) as the investor of LCVN.
3. The site of the property is zoned as Industrial land use. This zoning allows industrial use.

4. We have been provided with a legal due diligence report regarding the property interest by the Company's Vietnam legal advisor, which contains, inter alia, the following:
  - a. The property has not been granted the Land Use Rights Certificate. The land use rights of the property are not secured.
  - b. LCVN is at risk to exercise its rights related to the property, such as transferring or mortgaging the land, due to the lack of Land Use Rights Certificate.
5. In the valuation of this property, we have relied on the aforesaid legal due diligence report and attributed no commercial value to the property due to the lack of title document. However, for reference purpose, we are of the opinion that the market value of the property would be USD57,700,000 (Equivalent to VND1,456,700,000,000) as at the valuation date assuming all relevant title certificates have been obtained and the property could be freely transferred.
6. Our valuation has been made on the following basis and analysis:

We have identified and analyzed recent market sales evidences of similar properties to compare with the property under assessment. The unit price of these comparable properties ranges from USD129 to USD168 per sq.m.. Appropriate adjustments and analysis are considered to the differences in several aspects including time and physical characteristics between the comparable properties and the property to arrive at the market value of the property. Based on the analysis of the comparable properties, the adjusted average unit rate for the market value of the property is approximately USD95 per sq.m..
7. For the purpose of this report, the property is classified into the group as "Group III – held for future development by the Group" according to the purpose for which it is held.

## VALUATION CERTIFICATE

## Part E – Property interest held by the Group in Bangladesh

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at the valuation date USD
23.	The building erected on Plot#1-13, 24-36 & 01-A, Sector 02, Karnaphuli EPZ, Chittagong, Bangladesh	<p>The property is located on the eastern side of M.A. Aziz Road within the Karnaphuli Economic Processing Zone (“KEPZ”) of Chittagong City, Bangladesh. The locality of the property is an industrial area within the Karnaphuli Export Processing Zone which has the necessary facilities like water supply, power, sewage network and gas etc.</p> <p>The property comprises 5 industrial and ancillary buildings which include two warehouses, a factory building, a painting warehouse and a worker canteen with a total gross floor area of approximately 42,938.22 sq.m that were completed in 2010.</p> <p>The property is erected on 27 parcels of leased land with a total site area of approximately 56,749.27 sq.m.. The site is accessible by the internal road of KEPZ.</p> <p>The property is held under leasehold interests. The land use rights of the site of the property have been granted for 30 terms expiring on 22 April 2038 and is renewable for a further period of 30 years by mutual agreement with Bangladesh Export Processing Zone Authority (“BEPZA”) for industrial use.</p>	As at the valuation date, the property was occupied by the Group for industrial and ancillary purposes.	530,000  (Equivalent to BDT62,327,000)

*Notes:*

- Pursuant to a land lease agreement, Trendex Furniture Industry Co. Ltd (hereinafter “**Trendex**”) which is an indirect wholly-owned subsidiary of the Group and BEPZA has entered into the land lease agreement on 22 April 2008. The site has been leased for 30 years which is further renewable for a period of 30 years. The land rent for the leased land is USD2.20 per sq.m. per annum payable quarterly in advance, where the land rent may be revised by BEPZA. The land includes 27 plots situated in police station Patenga, District of Chittagong which includes plots no. 01-13, 24-36 and 01-A, Sector – 02 of Karnaphuli Export Processing Zone area with a total site area of approximately 56,749.27 sq.m., where the land leased shall not be transferred, charged, leased, subleased or otherwise in any manner dealt with or disposed of without written consent of BEPZA.

2. The land use of the site where the property erected thereon is Industrial, which allows industrial use.
3. We have been provided with a legal due diligence report regarding the property interest by the Company's Bangladesh legal advisor, which contains, inter alia, the following:
  - a. the land lease agreement (see note 1 above) is a valid, binding, and effective agreement between Trendex and BEPZA;
  - b. the lease is ongoing, has not been terminated, and that no notice of termination has been given by BEPZA, nor any notice of termination is intended to be issued for termination of the Land Lease Agreement. Trendex is not in breach of any terms and conditions or covenants of the Land Lease Agreement, which may give rise to any termination event;
  - c. a lessee of a plot with the KEPZ has legal rights to use the land and construct buildings thereon;
  - d. as stated in Structural Steel Building Assessment Report dated 22 July 2022, prepared by Defend Technology Limited, Chattogram, Bangladesh, which states that the building has been 'passed by local authority'. Considering that the building has been erected in 2010 within KEPZ, we assume that the required approval of BEPZA has been taken, or shall be deemed to have been taken, in the absence of any written approval.
  - e. no mortgage or charge on the Land or any buildings thereon has been filed with the Registrar of Joint Stock Companies And Firms which is an organization of the government of Bangladesh;
  - f. the Land and buildings thereon are not currently encumbered with any bank, financial institution or other person; and
  - g. Trendex is entitled to possess, occupy, use, earn income from and dispose of the leasehold interest in the Land and all its immovable and movable assets on the subject land.
4. For the purpose of this report, the property is classified into the group as "Group I – held for sale by the Group" according to the purpose for which it is held.

## 1. RESPONSIBILITY STATEMENT

This Scheme Document includes particulars given in compliance with the Takeovers Code for the purpose of providing information in relation to the Proposal, the Scheme, the Offeror and the Group.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document (other than the information relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that, to the best of their knowledge, opinions expressed in this Scheme Document (other than the opinions expressed by the directors of the Offeror in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document misleading.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this Scheme Document (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Scheme Document (other than the opinions expressed by the Directors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Scheme Document, the omission of which would make any statement in this Scheme Document misleading.

## 2. SHARE CAPITAL

As at the Latest Practicable Date:

- (a) the authorised share capital of the Company is US\$300,000,000 divided into 6,000,000,000 Shares of US\$0.05 each;
- (b) the issued and paid-up share capital of the Company comprised 3,025,814,773 Shares;
- (c) all of the Shares ranked pari passu in all respects including as to rights to capital, dividends and voting;
- (d) no new Shares had been issued by the Company since 31 December 2023 (being the end of the last financial year of the Company); and
- (e) there are no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into the Shares.

### 3. MARKET PRICES

The table below sets out the closing price of the Shares on the Stock Exchange on (a) the last Business Day of each of the calendar months during the Relevant Period, (b) the Last Undisturbed Day, (c) the Last Trading Day, and (d) the Latest Practicable Date:

	<b>Closing price for each Share (HK\$)</b>
31 January 2024	<b>0.200</b>
29 February 2024	<b>0.184</b>
28 March 2024	<b>0.144</b>
30 April 2024	<b>0.140</b>
31 May 2024	<b>0.167</b>
28 June 2024	<b>0.235</b>
8 July 2024 (being the Last Undisturbed Day)	<b>0.270</b>
9 July 2024 (being the Last Trading Day)	<b>0.320</b>
31 July 2024	<b>0.455</b>
30 August 2024	<b>0.465</b>
30 September 2024 (also being the Latest Practicable Date)	<b>0.465</b>

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.470 on 3 September 2024, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.121 on 17 April 2024, 18 April 2024 and 19 April 2024.

### 4. DISCLOSURE OF INTERESTS

#### (a) Interests and short positions in the Shares and underlying Shares of the Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which the Directors and chief executives of the Company were deemed or taken to have under such provisions of the SFO), or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers under the Listing Rules (the “**Model Code**”) or required to be disclosed under the Takeovers Code were as follows:

#### Interests in the Shares

Name of Directors	Capacity	Number of issued Shares held (Long positions)	Percentage of the issued share capital of the Company
Mr. Kuo	Interest in a controlled corporation ( <i>Note</i> )	2,146,346,773	70.93%



Name of Directors	Capacity	Number of issued Shares held (Long positions)	Percentage of the issued share capital of the Company
Ms. Liu	Interest in a controlled corporation ( <i>Note</i> )	2,146,346,773	70.93%
Mr. Aminozakeri	Beneficial owner	10,000,000	0.33%
Mr. Lin	Beneficial owner	213,000	0.01%

*Note:* The 2,146,346,773 Shares were held by Advent Group Limited. Advent Group Limited is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo, and as to 50% by Ms. Liu. Mr. Kuo and Ms. Liu are husband and wife. Therefore, Mr. Kuo and Ms. Liu are deemed to be interested in the shares of the Company which are owned by Advent Group Limited.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or their associate(s) had an interest or short position in the Shares or underlying Shares which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of SFO (including interests and short positions in which the Directors and chief executives of the Company were deemed or taken to have under such provisions of the SFO), or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code or required to be disclosed under the Takeovers Code.

**(b) Interests and short positions in the Shares and underlying Shares of the substantial Shareholders**

As at the Latest Practicable Date, Shareholders (other than the interest disclosed above in respect of the Directors or the chief executives of the Company) who had interests and short positions in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Name of Directors	Capacity	Number of issued Shares held (Long positions)	Percentage of the issued share capital of the Company
Magnificent Capital Holding Limited	Interest in a controlled corporation ( <i>Note</i> )	2,146,346,773	70.93%
Advent Group Limited	Beneficial owner	2,146,346,773	70.93%

*Note:* Advent Group Limited is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo, and as to 50% by Ms. Liu Yi-Mei. Mr. Kuo and Ms. Liu are husband and wife. Therefore, Mr. Kuo and Ms. Liu are deemed to be interested in the shares of the Company which are owned by Advent Group Limited. Mr. Kuo and Ms. Liu are also the directors of Advent Group Limited and Magnificent Capital Holding Limited.

Save as disclosed above, as at the Latest Practicable Date, there was no person (other than the interest disclosed above in respect of the Directors or the chief executives of the Company) who (a) had an interest or short position in the Shares and underlying Shares which (i) would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO; or (ii) were required, pursuant to Section 336 of the SFO, to be entered in the register referred therein; or (b) were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying the right to vote in all circumstances at general meetings of the Company or any options in respect of such capital.

As at the Latest Practicable Date:

- (a) no subsidiary of the Company, pension fund of the Company or of any subsidiary of the Company, or any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of “acting in concert” or who is an associate of the Company by virtue of class (2) of the definition of associate under the Takeovers Code (but excluding any exempt principal traders and exempt fund managers) owned or controlled any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
- (b) no Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company;
- (c) none of the Company and the Directors had borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (d) Save as disclosed in the section headed “Disclosure of Interests” in this Appendix above, none of the Offeror or the Offeror Concert Parties owned, controlled or had direction over any voting rights and rights over Shares or any convertible securities, warrants, options or derivatives in respect of any Shares; and
- (e) neither the Offeror nor the Offeror Concert Parties had borrowed or lent any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.

**5. DEALINGS IN THE SHARES**

During the Relevant Period:

- (a) none of the Offeror or the Offeror Concert Parties had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
- (b) no Director had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares; and
- (c) no person who had an arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Offeror and/or any Offeror Concert Parties and/or other associates of the Offeror and no such person had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.

From the commencement of the Offer Period and up to and including the Latest Practicable Date:

- (a) no subsidiary of the Company, pension fund of the Company or of any subsidiary of the Company or any person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of acting in concert or who is an associate of the Company by virtue of class (2) of the definition of associate under the Takeovers Code (but excluding any exempt principal traders and exempt fund managers) had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
- (b) no fund managers connected with the Company (other than exempt fund managers) had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares;
- (c) no person who had an arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company, or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code and no such person had dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares.

**6. INTERESTS AND DEALINGS IN THE OFFEROR'S SHARES**

Save that the Offeror is ultimately and beneficially owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu, none of the Directors or the Company was interested in any shares, convertible securities, warrants, options or derivatives in respect of the shares in the Offeror and neither the Directors nor the Company had dealt for value in any shares, convertible securities, warrants, options or derivatives of the Offeror during the Relevant Period.

**7. ARRANGEMENTS IN CONNECTION WITH THE PROPOSAL****Arrangements affecting Directors**

As at the Latest Practicable Date:

- (a) no benefit would be given to any Directors as compensation for loss of office or otherwise in connection with the Proposal;
- (b) there was no agreement, arrangement or understanding (including any compensation arrangement) between any Director and any other person having any connection with or dependence upon the Proposal;
- (c) as Mr. Kuo, Ms. Liu and Mr. Aminozakeri, each being a Director, an Offeror Concert Party and holding Shares, each of such Directors will abstain from voting on the Scheme at the Court Meeting;
- (d) Mr. Lin, being a Director and a Shareholder subject to the Scheme, will vote in favour of the Scheme at the Court Meeting; and
- (e) there was no material contract entered into by the Offeror in which any Director had a material personal interest.

**Arrangements with the Offeror in connection with the Proposal**

As at the Latest Practicable Date:

- (a) there was no agreement, arrangement or understanding between the Offeror and any other person in relation to the transfer, charge or pledge of the Shares to be acquired pursuant to the Proposal, and the Offeror had no intention to transfer, charge or pledge any Shares acquired pursuant to the Proposal to any other person;
- (b) none of the Offeror and the Offeror Concert Parties had received an irrevocable commitment to vote for or against the Scheme;

- (c) there was no arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares or the shares of the Offeror or any Offeror Concert Parties between the Offeror or any of the Offeror Concert Parties and any other person which may be material to the Proposal (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (d) there was no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror or any Offeror Concert Parties on the one hand and any of the Directors, recent Directors, Shareholders or recent Shareholders on the other hand having any connection with or dependence upon the Proposal;
- (e) there was no agreement or arrangement to which the Offeror or any of the Offeror Concert Parties was a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a Condition to the Proposal; and
- (f) there was no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (a) any Shareholder; and (b) the Offeror or the Offeror Concert Parties.

#### **Arrangements with the Company in connection with the Proposal**

As at the Latest Practicable Date:

- (a) there was no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code that existed between any person and the Company or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of acting in concert under the Takeovers Code or who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of associate under the Takeovers Code; and
- (b) there was no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (a) any Shareholder; and (b) the Company or the Company's subsidiaries or associated companies.

#### **8. MATERIAL LITIGATION**

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

## 9. SERVICE CONTRACTS

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

Name of Director	Date of service contract	Term and expiry date of service contract	Amount of fixed remuneration payable (excluding arrangements for pension payments)	Amount of any variable remuneration payable under the service contract
Mr. LIN Hung Kang	21 March 2024	Initial term of three years commencing on 21 March 2024 and ending on 20 March 2027	HK\$240,000 per annum	N/A

## 10. MATERIAL CONTRACTS

There were no material contracts entered into by any member of the Group within two years before the commencement of the Offer Period up to and including the Latest Practicable Date, other than contracts entered into in the ordinary course of business carried on or intended to be carried on by any member of the Group.

## 11. EXPERTS AND CONSENTS

The following are the qualifications of the experts which have given advice which is contained in this Scheme Document:

Name	Qualification
DBS Asia Capital Limited	a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

<b>Name</b>	<b>Qualification</b>
Quam Capital Limited	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	property valuer
Beijing Dacheng Law Offices, LLP (Shanghai)	legal adviser as to PRC law
Hanafiah Ponggawa & Partners	legal adviser as to Indonesia law
Branch Office of Nishimura & Asahi (Vietnam) Law Firm in Ho Chi Minh City	legal adviser as to Vietnam law
MNA Barristers & Advocates	legal adviser as to Bangladesh law

Each of the experts mentioned above has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion therein of the text of its opinions, reports and/or letters (as the case may be) and/or the references to its name and/or opinions, reports and/or letters (as the case may be) in the form and context in which it appears.

## 12. MISCELLANEOUS

(a) The principal members of the Offeror Concert Parties are as follows:

<b>Name</b>	<b>Director(s)</b>	<b>Registered office/ Correspondence address</b>
Mr. Kuo	N/A	Unit 1007, 10th Floor, Haleson Building, 1 Jubilee Street, Central, Hong Kong
Ms. Liu	N/A	Unit 1007, 10th Floor, Haleson Building, 1 Jubilee Street, Central, Hong Kong

<b>Name</b>	<b>Director(s)</b>	<b>Registered office/ Correspondence address</b>
Green Bliss Limited	Mr. Kuo and Ms. Liu	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands
Advent Group Limited	Mr. Kuo and Ms. Liu	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands
Magnificent Capital Holding Limited	Mr. Kuo and Ms. Liu	P.O. Box 438, Road Town, Tortola, British Virgin Islands
Mr. Aminozakeri	N/A	Unit 1007, 10th Floor, Haleson Building, 1 Jubilee Street, Central, Hong Kong

- (b) The registered office of the Company is situated at Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, KY1-1205, Cayman Islands.
- (c) The principal place of business of the Company in Hong Kong is situated at Unit 1007, 10th Floor, Haleson Building, 1 Jubilee Street, Central, Hong Kong.
- (d) The principal share registrar and transfer agent of the Company is Royal Bank of Canada Trust Company (Cayman) Limited, whose registered office is at 4th Floor, Royal Bank House, 24 Shedden Road, George Town, Grand Cayman KY1-1110, Cayman Islands.
- (e) The Share Registrar is Computershare Hong Kong Investor Services Limited, whose registered office is at Shops 1712-16, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (f) The registered office of the Offeror is situated at Unit 1007, 10th Floor, Haleson Building, 1 Jubilee Street, Central, Hong Kong and the correspondence address of the Offeror is Unit 1007, 10th Floor, Haleson Building, 1 Jubilee Street, Central, Hong Kong.
- (g) The registered office of DBS Asia Capital Limited is situated at 73/F, The Center, 99 Queen's Road Central, Central, Hong Kong.
- (h) The registered office of Quam Capital Limited is situated at 5/F and 24/F (Rooms 2401 and 2412), Wing On Centre, 111 Connaught Road Central, Hong Kong.



**13. DOCUMENTS ON DISPLAY**

Copies of the following documents will be available for inspection on the website of the Company at [www.samsonholding.com](http://www.samsonholding.com) and the website of the SFC at [www.sfc.hk](http://www.sfc.hk) from the date of this Scheme Document up to and including the Effective Date or the date of which the Scheme lapses or is withdrawn, whichever is the earlier:

- (a) the articles of association of the Offeror;
- (b) the memorandum and articles of association of the Company;
- (c) the annual reports of the Company for each of the financial years ended 31 December 2021, 2022 and 2023, and the interim reports of the Company for the six months ended 30 June 2023 and 2024;
- (d) the letter from the Board, the text of which is set out in the section headed “Letter from the Board” of this Scheme Document;
- (e) the letter from the Independent Board Committee, the text of which is set out in the section headed “Letter from the Independent Board Committee” of this Scheme Document;
- (f) the letter from the Independent Financial Adviser, the text of which is set out in the section headed “Letter from the Independent Financial Adviser” of this Scheme Document;
- (g) the property valuation report from Jones Lang LaSalle Corporate Appraisal and Advisory Limited in respect of the property interests of the Group, the text of which is set out in Appendix II of this Scheme Document;
- (h) the service contract referred to in the section headed “9. Service Contracts” in this Appendix III of this Scheme Document;
- (i) the written consents referred to in the section headed “11. Experts and Consents” in this Appendix III of this Scheme Document; and
- (j) this Scheme Document.

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION

Cause No. FSD 216 of 2024 (IKJ)

IN THE MATTER OF SECTIONS 15 AND 86 OF THE COMPANIES ACT  
(2023 REVISION) AND

AND IN THE MATTER OF THE GRAND COURT RULES 1995 ORDER 102

AND IN THE MATTER OF SAMSON HOLDING LTD.

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SCHEME OF ARRANGEMENT

Between

Samson Holding Ltd.

and

THE SCHEME SHAREHOLDERS  
(as hereinafter defined)

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(A) In this Scheme of Arrangement, unless inconsistent with the subject or context, the following expressions shall have the meanings respectively set opposite them:

<b>“acting in concert”</b>	has the same meaning ascribed to it under the Takeovers Code, and “parties acting in concert” shall be construed accordingly
<b>“Advent Group Limited”</b>	Advent Group Limited, a company incorporated in the British Virgin Islands with limited liability, which is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu.
<b>“Board”</b>	the board of Directors

<b>“Business Day”</b>	a day on which the Stock Exchange is open for the transaction of business
<b>“Companies Act”</b>	the Companies Act (As Revised) of the Cayman Islands
<b>“Company”</b>	Samson Holding Ltd. (順誠控股有限公司*), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 00531)
<b>“Condition(s)”</b>	the condition(s) to the Proposal and the Scheme, as set out in the paragraph headed “3. Conditions to the Proposal and the Scheme” in the in the explanatory memorandum of the Scheme Document
<b>“Court Meeting”</b>	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at 11:00 a.m. (Hong Kong time) on Monday, 21 October 2024 at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong, at which this Scheme (with or without modification) will be voted upon, notice of which is set out in Appendix V of this Scheme Document, or any adjournment thereof
<b>“DBSAC”</b>	DBS Asia Capital Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in relation to the Proposal
<b>“Director(s)”</b>	the director(s) of the Company
<b>“Disinterested Scheme Shareholders”</b>	all the Shareholders other than the Offeror and any person acting in concert with it
<b>“Effective Date”</b>	the date on which the Scheme becomes effective in accordance with the Companies Act
<b>“Executive”</b>	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof

<b>“Grand Court”</b>	the Grand Court of the Cayman Islands
<b>“HK\$”</b>	Hong Kong dollar(s), the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Independent Board Committee”</b>	the independent committee of the Board which comprises Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Hung Kang LIN, being all of the independent non-executive Directors, established by the Board to make recommendation to the Disinterested Scheme Shareholders in relation to the Proposal and the Scheme
<b>“Independent Financial Adviser”</b>	Quam Capital Limited, being the independent financial adviser to the Independent Board Committee in relation to the Proposal and the Scheme
<b>“Latest Practicable Date”</b>	30 September 2024, being the latest practicable date for ascertaining certain information contained in this Scheme Document
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
<b>“Long Stop Date”</b>	31 January 2025, or such later date as the Offeror and the Company may agree in writing or, to the extent applicable, as the Grand Court on application of the Offeror or the Company may direct and in all cases, as permitted by the Executive
<b>“Mr. Aminozakeri”</b>	Mr. Mohamad AMINOZZAKERI, an executive Director
<b>“Mr. Kuo”</b>	Mr. Shan Huei KUO, the chairman of the Company and an executive Director
<b>“Ms. Liu”</b>	Ms. Yi-Mei LIU, the deputy chairman of the Company and an executive Director

<b>“Offeror”</b>	Glory Mount (HK) Limited (富山(香港)有限公司), a company incorporated in Hong Kong with limited liability, which is ultimately beneficially owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu
<b>“Offeror Concert Party(ies)”</b>	parties acting in concert or presumed to be acting in concert with the Offeror, including but not limited to (a) Mr. Kuo, Ms. Liu, Green Bliss Limited, Advent Group Limited and Magnificent Capital Holding Limited; and (b) Mr. Aminozakeri
<b>“Offer Price”</b>	the consideration of HK\$0.480 for each Scheme Share cancelled and extinguished pursuant to the Scheme, payable in cash by the Offeror to the Scheme Shareholders pursuant to this Scheme
<b>“Proposal”</b>	the proposal for the privatisation of the Company by the Offeror by way of the Scheme on the terms and subject to the Conditions
<b>“Scheme”</b>	a scheme of arrangement to be proposed under Section 86 of the Companies Act between the Company and the Scheme Shareholders (subject to the Conditions) involving the cancellation and extinguishment of all the Scheme Shares and the simultaneous restoration of the number of issued Shares in the share capital of the Company to the amount immediately before the cancellation and extinguishment of the Scheme Shares, with or subject to any modifications, additions or conditions as may be approved or imposed by the Grand Court
<b>“Scheme Document”</b>	the composite scheme document, including each of the letters, statements, appendices and notices in it jointly issued by the Company and the Offeror
<b>“Scheme Record Date”</b>	Tuesday, 5 November 2024, or such other date as shall have been announced to the Shareholders, being the record date for the purpose determining the entitlements of the Scheme Shareholders under the Scheme

<b>“Scheme Share(s)”</b>	the Share(s) in issue on the Scheme Record Date other than those directly or indirectly held by the Offeror and the Offeror Concert Parties (excluding Mr. Aminozakeri)
<b>“Scheme Shareholder(s)”</b>	the registered holder(s) of the Scheme Share(s) as at the Scheme Record Date
<b>“SFC”</b>	Securities and Futures Commission of Hong Kong
<b>“SFO”</b>	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) as amended from time to time
<b>“Share(s)”</b>	ordinary share(s) of a par value of US\$0.05 each in the share capital of the Company
<b>“Share Registrar”</b>	Computershare Hong Kong Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong
<b>“Shareholder(s)”</b>	registered holder(s) of the Share(s)
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Takeovers Code”</b>	The Code on Takeovers and Mergers issued by the SFC as amended from time to time

\* *For identification purpose only*

- (B) In this Scheme, unless the context otherwise requires or otherwise expressly provides: (a) references to Parts, Clauses and Sub-Clauses are references to parts, clauses and sub-clauses respectively of this Scheme; (b) references to a “person” include references to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency; (c) references to a statute, statutory provision, enactment or subordinate legislation include the same as subsequently modified, amended or re-enacted from time to time; (d) references to an agreement, deed or document shall be deemed also to refer to such agreement, deed or document as amended, supplemented, restated, verified, replaced and/or novated (in whole or in part) from time to time and to any agreement, deed or document executed pursuant thereto; (e) the singular includes the plural and vice-versa and words importing one gender shall include all genders; (f) headings to Parts, Clauses and Sub-Clauses are for ease of reference only and shall not affect the interpretation of this Scheme; and (g) all references to time are references to Hong Kong time.

- (C) The Company was incorporated as an exempted company on 11 July 2015 with limited liability under the laws of the Cayman Islands with registration number 151574. The Company's registered office is at Vistra (Cayman) Limited, PO Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.
- (D) As at the Latest Practicable Date, the authorised share capital of the Company is US\$300,000,000 divided into 6,000,000,000 Shares of US\$0.05 each, of which 3,025,814,773 Shares are in issue and fully paid, with the remainder being unissued. Since 17 November 2005, the issued shares of the Company have been listed on the Main Board of the Stock Exchange with Stock Code 531.
- (E) The Offeror has proposed the privatisation of the Company by way of this Scheme.
- (F) The primary purpose of this Scheme is to privatise the Company by cancelling and extinguishing all of the Scheme Shares in consideration for the Offer Price, so that thereafter the Offeror and Advent Group Limited will hold (in aggregate) the entire issued share capital of the Company. Simultaneously with the cancellation of all the Scheme Shares, the issued share capital of the Company will be restored to its former number by the issuance to the Offeror, credited as fully paid, of the same number of new Shares as the number of the Scheme Shares cancelled. The reserve created in the books of accounts of the Company as a result of the cancellation of the Scheme Shares will be applied to pay up in full at par the new Shares so issued, credited as fully paid, to the Offeror.
- (G) As at the Latest Practicable Date:
- (i) the Company has 3,025,814,773 Shares in issue;
  - (ii) the Offeror does not legally or beneficially own any Shares, and the Offeror Concert Parties beneficially own 2,156,346,773 Shares in aggregate, representing approximately 71.26% of the total number of Shares in issue, among which Advent Group Limited and Mr Aminozakeri, respectively, beneficially own 2,146,346,773 Shares and 10,000,000 Shares, representing approximately 70.93% and 0.33% of the total number of Shares in issue, respectively.
  - (iii) the remaining 869,468,000 Shares, together with the 10,000,000 Shares beneficially owned by Mr Aminozakeri, totalling 879,468,000 Shares, representing approximately 29.07% of the total issued Shares, constituted the Scheme Shares.
- (H) The Offeror and the Offeror Concert Parties will procure that any Shares in respect of which they are legally or beneficially interested will not be represented or voted at the Court Meeting convened at the direction of the Grand Court for the purpose of considering and, if thought fit, approving the Scheme.

- (I) The Offeror has undertaken to the Grand Court to be bound by the Scheme and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed and done by it for the purpose of giving effect to the Scheme.

## **SCHEME OF ARRANGEMENT**

### **PART I**

#### **CANCELLATION OF THE SCHEME SHARES**

1. On the Effective Date:
  - (a) the issued share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares in accordance with sections 14 to 16 of the Companies Act (with the equivalent number of New Shares being issued as fully paid to the Offeror) and the Scheme Shareholders shall cease to have any rights with respect to the Scheme Shares, except the right to receive the Offer Price;
  - (b) simultaneously with the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company shall be increased to its former number by the allotment and issue to the Offeror at par of such aggregate number of Shares as is equal to the number of Scheme Shares cancelled and extinguished; and
  - (c) the Company shall apply the reserve created in its books of accounts as a result of the cancellation and extinguishment of the Scheme Shares by paying up in full at par the new Shares allotted and issued, credited as fully paid, to the Offeror.

### **PART II**

#### **CONSIDERATION FOR CANCELLATION OF THE SCHEME SHARES**

2. In consideration of the cancellation of the Scheme Shares, the Offeror shall pay or cause to be paid the Offer Price to each Scheme Shareholder, on the pro rata basis as follows:

**1 Scheme Share: HK\$0.480**



**PART III****PAYMENT**

3. (a) As soon as possible but in any event within seven Business Days following the Effective Date, the Offeror shall post or cause to be posted cheques to the Scheme Shareholders in respect of such sums payable to such Scheme Shareholders pursuant to paragraph 2 under the section headed “Part II – Consideration for Cancellation of the Scheme Shares” of the Scheme.
- (b) All such cheques shall be sent by ordinary post in postage pre-paid envelopes addressed to such Scheme Shareholders at their respective registered addresses as appearing in the register of members of the Company as at the Scheme Record Date, or in the case of joint holders, at the address appearing in the register of members of the Company as at the Scheme Record Date of the joint holder whose name then stands first in the register of members of the Company in respect of the relevant joint holding.
- (c) All cheques shall be made payable to the order of the person or persons to whom, in accordance with the provisions of paragraph 3(b) under this section headed “Part III – Payment” of the Scheme, the envelope containing the same is addressed and the encashment of any such cheque shall be a good discharge to the Offeror for the moneys represented thereby.
- (d) All such cheques shall be posted at the risk of the addressees and none of the Offeror, the Company, DBSAC, the Independent Financial Adviser, the Share Registrar, nor their respective directors, officers, employees, agents, advisers, associates, affiliates, or any other persons involved in the Proposal will be responsible for any loss or delay in transmission.
- (e) On or after the day being six calendar months after the posting of the cheques pursuant to paragraph 3(b) under this section headed “Part III – Payment” of the Scheme, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed or has been returned uncashed, and shall place all monies represented thereby in a deposit account in the name of the Offeror with a licensed bank in Hong Kong selected by the Offeror. The Offeror (or its nominee) shall hold such monies represented by such uncashed cheques until the expiry of six years from the Effective Date and shall, prior to such date, make payments therefrom of the sums payable pursuant to paragraph 2 under the section headed “Part II – Consideration for Cancellation of the Scheme Shares” of the Scheme to persons who satisfy the Offeror (or its nominee) that they are respectively entitled thereto and the cheques of which they are payees have not been cashed. Any payments made by the Offeror (or its nominee) shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to the Scheme, and are subject to, if applicable, the deduction required by law and expenses incurred.

The Offeror shall exercise its absolute discretion in determining whether or not it is satisfied that any person is so entitled, and a certificate of the Offeror to the effect that any particular person is so entitled or not so entitled, as the case may be, shall be conclusive and binding upon all persons claiming an interest in the relevant monies.

- (f) On the expiry of six years from the Effective Date, the Offeror (and, if applicable, its nominee) shall be released from any further obligation to make any payments under the Scheme and the Offeror shall be absolutely entitled to the balance (if any) of the sums then standing to the credit of the deposit account referred to in paragraph 3(e) under this section headed “Part III – Payment” of the Scheme, including accrued interest subject to, if applicable, any deduction required by law and expenses incurred.
  - (g) Paragraph 3(f) under this section headed “Part III – Payment” of the Scheme shall take effect subject to any prohibition or condition imposed by law.
4. From and including the Effective Date:
- (a) all certificates for the Scheme Shares shall cease to have effect as documents or evidence of title for such Scheme Shares and every holder thereof shall be bound, at the request of the Offeror, to deliver up such certificates to the Offeror, or to any person appointed by the Offeror, to receive the same for cancellation;
  - (b) all instruments of transfer validly subsisting as at the Scheme Record Date in respect of the transfer of any number of the Scheme Shares shall cease to be valid for all purposes as instruments of transfer; and
  - (c) all mandates or other instructions to the Company in force as at the Scheme Record Date in relation to any of the Scheme Shares shall cease to be valid as effective mandates or instructions.
5. Subject to the Conditions having been fulfilled or waived, as applicable, the Scheme shall become effective as soon as a copy of the order of the Grand Court sanctioning the Scheme under section 86 of the Companies Act has been delivered to the Registrar of Companies in the Cayman Islands for registration pursuant to section 86(3) of the Companies Act.
6. Unless the Scheme shall have become effective on or before the Long Stop Date, the Scheme shall lapse.
7. The Company and the Offeror may jointly consent for and on behalf of all parties concerned to any modification of or addition to the Scheme or to any condition which the Grand Court may see fit to approve or impose.

8. The compromise and arrangement effected by this Scheme shall apply to all Scheme Shares and is binding on all Scheme Shareholders.
9. If any provision (or any part of any provision) of this Scheme is found by the Grand Court to be illegal or unenforceable, it shall be severed from this Scheme and the remaining provisions of this Scheme shall continue in force.
10. All costs, charges and expenses shall be borne and paid in the manner described in the Scheme Document.
11. The terms of this Scheme shall be governed by, and construed in accordance with, the laws of the Cayman Islands and the courts of the Cayman Islands shall have exclusive jurisdiction to hear and determine any proceeding and to settle any dispute which arises out of or in connection with the terms of this Scheme or its implementation (or out of any action taken or omitted to be taken under this Scheme or in connection with the administration of this Scheme) and for such purposes, the parties irrevocably submit to the exclusive jurisdiction of the Courts of the Cayman Islands (provided, however, that nothing in this Clause shall affect the validity of other provisions determining governing law and jurisdiction between the parties whether contained in any contract or otherwise).
12. The terms of this Scheme and the obligations imposed on the Company and the Offeror hereunder shall take effect subject to any prohibition or condition imposed by any applicable law.

**IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION**

Cause No. FSD 216 of 2024 (IKJ)

**IN THE MATTER OF SECTIONS 15 AND 86 OF THE COMPANIES ACT  
(2023 REVISION) AND****AND IN THE MATTER OF THE GRAND COURT RULES 1995 ORDER 102****AND IN THE MATTER OF SAMSON HOLDING LTD.**

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**NOTICE OF COURT MEETING**

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**NOTICE IS HEREBY GIVEN** that, by an order (“**Order**”) dated 20 September 2024 made in the above matter, the Grand Court of the Cayman Islands (“**Grand Court**”) has directed a meeting (“**Court Meeting**”) of the Scheme Shareholders to be convened and held for the purpose of considering and, if thought fit, approving, with or without modifications, a scheme of arrangement (“**Scheme**”) proposed to be made between Samson Holding Ltd. (“**Company**”) and the Scheme Shareholders. Unless otherwise defined in this notice or the context otherwise requires, terms defined in the Scheme Document shall have the same meanings when used in this notice.

The Court Meeting will be held at 11:00 a.m. on Monday, 21 October 2024 (Hong Kong time) at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong at which all Scheme Shareholders are requested to attend either in person, by a fully authorised representative (if a corporation) or by proxy.

A copy of the Scheme and a copy of the explanatory memorandum (“**Explanatory Memorandum**”) explaining the effect of the Scheme are incorporated in the scheme document, of which this notice forms a part (“**Scheme Document**”), has been despatched to the Scheme Shareholders. A copy of the Scheme Document may also be obtained by any Scheme Shareholder from the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong. The Scheme Document is also published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and on the Company’s website at [www.samsonholding.com](http://www.samsonholding.com).

At the Court Meeting, the following resolution will be proposed:

*“THAT the Scheme of Arrangement, a print of which has been submitted to this Court Meeting and, for the purpose of identification, signed by the chairman of this Court Meeting in its original form with such modifications, additions or conditions as may be approved or imposed by the Cayman Islands Grand Court and as may be agreed by the Company, be and is hereby approved.”*

Any Scheme Shareholder may attend and vote in person at the Court Meeting or he/she/it may appoint another person (who must be an individual), whether a member of the Company or not, as his/her/its proxy to attend and vote in his/her/its stead. Any Scheme Shareholder who is the holder of two or more Scheme Shares may appoint more than one proxy to represent him/her/it. If more than one proxy is appointed, the number of Scheme Shares in respect of which each such proxy is so appointed must be specified in the relevant form of proxy. A **PINK** form of proxy for use at the Court Meeting is enclosed with the Scheme Document. Such form is also published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and on the Company’s website at [www.samsonholding.com](http://www.samsonholding.com).

In the case of joint holders of a Scheme Share, any one of such joint holders may vote at the Court Meeting, either in person or by proxy, in respect of such Scheme Share as if he/she was solely entitled thereto. However, if more than one such joint holders be present at the Court Meeting, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

It is requested that the **PINK** form of proxy in respect of the Court Meeting, together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, be deposited at the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible, but in any event no less than 48 hours before the time appointed for the holding of the Court Meeting or any adjournment thereof. The **PINK** form of proxy may alternatively be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion as to whether or not to accept it).

Completion and return of the **PINK** form of proxy will not preclude a Scheme Shareholder from attending and voting in person at the Court Meeting or any adjournment thereof, and in such event, the relevant form of proxy will be revoked by operation of law.

For the purpose of determining the entitlements of Scheme Shareholders to attend and vote at the Court Meeting, the register of members of the Company will be closed from Wednesday, 16 October 2024 to Monday, 21 October 2024 (Hong Kong time) (both days inclusive), and during such period, no transfer of the Shares will be effected. In order to qualify to attend and vote at the Court Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 15 October 2024 (Hong Kong time).

By the Order, the Grand Court has appointed any one of the independent non-executive directors of the Company, or failing him, any other person who is an officer of the Company as at the date of the Court Meeting, to act as the chairman of the Court Meeting and has directed the chairman of the Court Meeting to report the results thereof to the Grand Court within seven days of the Court Meeting. The results of the Court Meeting will be the subject of a public announcement to be published on the Stock Exchange.

The Scheme will be subject to the subsequent sanction of the Grand Court as set out in the Explanatory Memorandum contained in the Scheme Document.

**NOTICE IS FURTHER GIVEN THAT**, if approved at the Court Meeting, the Scheme will be subject to the subsequent approval and sanction of the Grand Court (the "**Sanction Hearing**"), which is listed to be heard at the Law Courts, George Town, Grand Cayman at 9:00 a.m. on Friday, 25 October 2024 (Cayman Islands time) (i.e. equivalent to 10:00 p.m. on Friday, 25 October 2024 (Hong Kong time)), or as soon as practicable thereafter as it may be heard. Any Scheme Shareholder is entitled (but not obliged) to attend the Sanction Hearing, through legal counsel, to support or oppose the sanction of the Scheme.

By Order of the Grand Court  
**SAMSON HOLDING LTD.**  
**Shan Huei KUO**  
*Chairman*

Dated 4 October 2024

*Registered Office:*  
Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
P.O. Box 31119, KY1-1205  
Cayman Islands

*Principal place of business in Hong Kong:*  
Unit 1007, 10th Floor, Haleson Building  
1 Jubilee Street, Central  
Hong Kong

*As at the date of this notice, the Board comprises three executive Directors, namely Mr. Shan Huei KUO (Chairman), Ms. Yi-Mei LIU and Mr. Mohamad AMINOZZAKERI; one non-executive Director, namely Mr. Sheng Hsiung PAN; and four independent non-executive Directors, namely Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Hung Kang LIN.*

*Notes:*

- (1) Voting at the Court Meeting will be taken by way of poll as required under the Listing Rules and the Takeovers Code.
- (2) If a tropical cyclone warning signal No. 8 or above is or is expected to be hoisted or a black rainstorm warning signal or “extreme conditions” caused by super typhoons is or is expected to be in force at any time after 8:00 a.m. (Hong Kong time) on the date of the Court Meeting, the Court Meeting will be adjourned in accordance with the articles of association of the Company and in compliance with the Takeovers Code. If the Court Meeting is adjourned, the Company will post an announcement on the respective websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.samsonholding.com](http://www.samsonholding.com) notifying its members of the date, time and venue of the rescheduled Court Meeting.

**SAMSON HOLDING LTD.****順誠控股有限公司\****(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 00531)****NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (“EGM”) of Samson Holding Ltd. (“**Company**”) will be held at 11:30 a.m. (Hong Kong time) (or as soon as practicable after the conclusion or adjournment of the Court Meeting (as defined in the Scheme Document) on Monday, 21 October 2024 at 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong, for the purpose of considering and, if thought fit, passing the following resolutions. Unless otherwise defined in this notice or the context otherwise requires, terms defined in the Scheme Document shall have the same meanings when used in this notice.

**SPECIAL RESOLUTION**

1. “**THAT** (i) for the purpose of giving effect to the scheme of arrangement between the Company and the Scheme Shareholders (as defined in the Scheme Document) (the “**Scheme**”) as set out in the composite scheme document dated 4 October 2024 (the “**Scheme Document**”) on the Effective Date (as defined in the Scheme Document), the reduction of the share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares (as defined in the Scheme Document); and (ii) the maintenance of the issued share capital of the Company at the amount prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Shares (as defined in the Scheme Document) as is equal to the number of Scheme Shares cancelled as a result of the Scheme, credited as fully paid, for issuance to the Offeror (as defined in the Scheme Document), be and are hereby approved.”

**ORDINARY RESOLUTION**

2. “**THAT** any one director of the Company be and is hereby authorised to do all acts and things and/or execute all such documents as considered by them to be necessary for or desirable in connection with the implementation of the Proposal (as defined in the Scheme Document) and the Scheme, including (without limitation) (i) the making of an application to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange, subject to the Scheme taking effect; (ii) any reduction of the issued share capital of the Company; (iii) the allotment and issue of the Shares to the Offeror referred to above; and (iv) the giving, on behalf of the Company, of consent to any modification of, or addition to, the Scheme or the



reduction of capital, which the Grand Court of the Cayman Islands may see fit to impose and to do all other acts and things and/or execute all such other documents considered by them to be necessary for or desirable in connection with the implementation of the Scheme.”

On behalf of the board of directors of  
**SAMSON HOLDING LTD.**  
**Shan Huei KUO**  
*Chairman*  
*Director*

Hong Kong, 4 October 2024

*Registered Office:*

Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
P.O. Box 31119, KY1-1205  
Cayman Islands

*Principal place of business in Hong Kong:*

Unit 1007, 10th Floor, Haleson Building  
1 Jubilee Street, Central  
Hong Kong

*As at the date of this notice, the Board comprises three executive Directors, namely Mr. Shan Huei KUO (Chairman), Ms. Yi-Mei LIU and Mr. Mohamad AMINOZZAKERI; one non-executive Director, namely Mr. Sheng Hsiung PAN; and four independent non-executive Directors, namely Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Hung Kang LIN.*

\* *For identification purpose only*

*Notes:*

1. Unless otherwise defined in this notice or the context otherwise requires, terms defined in the Scheme Document shall have the same meanings when used in this notice.
2. Voting at the EGM will be taken by poll as required under the Listing Rules and the Takeovers Code.
3. A **WHITE** form of proxy for use at the EGM is enclosed with the Scheme Document.
4. Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
5. In order to be valid, the **WHITE** form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be lodged at the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the **WHITE** form of proxy will not preclude a member from attending and voting in person at the EGM or any adjournment thereof. In the event that a member attends and votes at the EGM after having lodged his form of proxy, his form of proxy shall be revoked by operation of law.
6. In the case of joint holders of a Share, the vote of the most senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the Share.
7. For the purpose of determining the entitlements of Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 16 October 2024 to Monday, 21 October 2024 (both days inclusive) and during such period, no transfer of Shares will be effected. In order to qualify to attend and vote at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. (Hong Kong time) on Tuesday, 15 October 2024.
8. If a tropical cyclone warning signal No. 8 or above is or is expected to be hoisted or a black rainstorm warning signal or "extreme conditions" caused by super typhoons is or is expected to be in force at any time after 8:00 a.m. (Hong Kong time) on the date of the EGM, the EGM will be adjourned in accordance with the articles of association of the Company and in compliance with the Takeovers Code. If the EGM is adjourned, the Company will post an announcement on the respective websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.samsonholding.com](http://www.samsonholding.com) notifying its members of the date, time and venue of the rescheduled EGM.