
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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

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

OKC HOLDINGS CORPORATION
(Incorporated in the Cayman Islands with limited liability)

LEAP Holdings Group Limited
前進控股集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1499)

**COMPOSITE DOCUMENT RELATING TO
MANDATORY UNCONDITIONAL CASH OFFER BY**



**FOR AND ON BEHALF OF
OKC HOLDINGS CORPORATION
TO ACQUIRE ALL THE ISSUED SHARES OF
LEAP HOLDINGS GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED
TO BE ACQUIRED BY
OKC HOLDINGS CORPORATION
AND PARTIES ACTING IN CONCERT WITH IT)**

**Financial Adviser to
OKC HOLDINGS CORPORATION**

VEDA | CAPITAL
智略資本

Independent Financial Adviser to the Independent Board Committee



Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this Composite Document.

A letter from Get Nice Securities containing, among other things, the principal terms of the Offer are set out on pages 9 to 24 of this Composite Document. A letter from the Board is set out on pages 25 to 30 of this Composite Document. A letter from the Independent Board Committee containing its advice to the Independent Shareholders is set out on pages 31 to 32 of this Composite Document. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Offer is set out on pages 33 to 59 of this Composite Document.

The procedures for acceptance and settlement of the Offer and other related information are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Acceptances of the Offer should be received by the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong by no later than 4:00 p.m. on Wednesday, 10 April 2019 or such later time and/or date as the Offeror may determine and announce, with the consent of the Executive, in accordance with the Takeovers Code.

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

20 March 2019

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EXPECTED TIMETABLE

The expected timetable set out below is indicative only and may be subject to change. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate.

All time and date references contained in this Composite Document refer to Hong Kong times and dates.

Event	Times & Dates 2019
Despatch date of this Composite Document and the accompanying Form of Acceptance (<i>Note 1</i>)	20 March
Offer opens for acceptance (<i>Note 1</i>)	20 March
Latest time and date for acceptance of the Offer (<i>Note 2</i>)	by 4:00 p.m. on 10 April
Closing date (<i>Note 2</i>)	10 April
Announcement of the results of the Offer (or its revision or extension, if any) on the website of the Stock Exchange (<i>Note 2</i>)	by 7:00 p.m. on 10 April
Latest date for posting of remittances in respect of valid acceptances received under the Offer (<i>Notes 2 and 3</i>)	23 April

Notes:

1. The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date, unless the Offeror revises the Offer in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the paragraph headed “6. RIGHT OF WITHDRAWAL” in Appendix I to this Composite Document.
2. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least 21 days following the date on which this Composite Document is posted. The latest time and date for acceptance of the Offer is 4:00 p.m. on 10 April 2019 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror has the right under the Takeovers Code to extend the Offer until such date as it may determine in accordance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). An announcement will be jointly issued by the Company and the Offeror on the website of the Stock Exchange by 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been revised or extended or has expired. In the event that the Offeror decides to revise the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days following the date on which the revised offer document(s) are posted and shall not close earlier than the Closing Date.

EXPECTED TIMETABLE

Beneficial owners of Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (as set out in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.

If there is a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal in force on the Closing Date and (i) not cancelled in time for trading on the Stock Exchange to resume in the afternoon, the time and date of the close of the Offer will be postponed to 4:00 p.m. on the next Business Day which does not have either of those warnings in force in Hong Kong or such other day as the Executive may approve; or (ii) cancelled in time for trading on the Stock Exchange to resume in the afternoon, the time and date of the close of the Offer will remain on the same day, i.e. 4:00 p.m. on the Closing Date.

3. Remittances in respect of the cash consideration (after deducting the seller’s Hong Kong ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to the Independent Shareholders accepting the Offer by ordinary post at their own risk as soon as possible, but in any event within seven (7) Business Days following the date of receipt by the Registrar of the duly completed and signed Form of Acceptance and of all relevant documents required to render such acceptance complete and valid in accordance with the Takeovers Code.

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

Unless otherwise expressly stated, all times and dates in this Composite Document and the Form of Acceptance shall refer to Hong Kong times and dates.

IMPORTANT NOTICES

NOTICE TO OVERSEAS SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Such overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other fares from the accepting Shareholder(s) due in such jurisdiction.

For further details, please refer to the paragraph headed “8. OVERSEAS SHAREHOLDERS” in Appendix I to this Composite Document.

DEFINITIONS

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

“Acquisition”	the acquisition of the 3,182,790,001 Sale Shares, representing approximately 60.49% of the existing issued share capital of the Company, by the Offeror at the Consideration pursuant to the terms of the Sale and Purchase Agreement
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“acting in concert with the Offeror”	has the meaning ascribed to it under the Takeovers Code including the shareholders, beneficial owners (intermediate and ultimate) and legal registered owners of the Offeror
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Balance”	being the remaining balance of the Consideration (i.e. HK\$408,890,536), which will be settled within one (1) year from the date of Completion in one (1) or more installment(s) as the Offeror in its sole discretion elects
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Closing Date”	10 April 2019, being the closing date of the Offer or any subsequent closing date as may be announced by the Offeror and approved by the Executive, in accordance with the Takeovers Code
“Company”	LEAP Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1499)
“Completion”	completion of the Acquisition under the Sale and Purchase Agreement

DEFINITIONS

“Composite Document”	the composite offer and response document jointly issued by the Offeror and the Company to the Independent Shareholders in accordance with the Takeovers Code, containing, among other things, details of the Offer, the Form of Acceptance, as may be revised or supplemented as appropriate
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	HK\$483,890,536, being the consideration for the Sale Shares
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Encumbrances”	includes any option, right to acquire, right of pre-emption, mortgage, charge, pledge, lien, hypothecation, title retention, right of set off, claim, counterclaim, trust arrangement or other security, any equity or restriction (including any restriction imposed under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) or other adverse rights and interests of all kinds and descriptions
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Form of Acceptance”	the form of acceptance and transfer of the Offer Shares accompanying this Composite Document
“Get Nice Securities”	Get Nice Securities Limited, a licensed corporation permitted to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities as defined under the SFO
“Group”	the Company and its subsidiaries (from time to time)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company comprising all the independent non-executive Directors, formed to advise the Independent Shareholders in respect of the Offer
“Independent Financial Adviser” or “Winsome”	Winsome 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, has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Offer
“Independent Shareholder(s)”	Shareholder(s) other than the Offeror, the Vendor, their respective shareholders and parties acting in concert with any of them
“Joint Announcement”	the announcement dated 23 January 2019 jointly published by the Company and the Offeror in relation to, among other things, the Offer
“Last Trading Day”	morning trading session on 10 January 2019, being the last day on which the Shares were traded on the Stock Exchange prior to the temporary halt in trading of the Shares pending the release of the Joint Announcement
“Latest Practicable Date”	15 March 2019, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Wong”	Mr. Anthony Wong, the sole shareholder and ultimate beneficial owner of the Vendor

DEFINITIONS

“Offer”	the unconditional mandatory cash offer made by Get Nice Securities for and on behalf of the Offeror for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) in accordance with Rule 26.1 of the Takeovers Code
“Offer Period”	the period commencing from 3 January 2019 and ending on the date of the close of the Offer in accordance with the Takeovers Code
“Offer Price”	the price at which the Offer is made, being HK\$0.1585 per Offer Share
“Offer Share(s)”	all issued Shares, other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it (excluding the Vendor)
“Offeror”	OKC Holdings Corporation, a company incorporated in the Cayman Islands with limited liability, being the purchaser of the Sale Shares under the Sale and Purchase Agreement and the offeror in respect of the Offer
“Overseas Shareholder(s)”	Independent Shareholder(s) whose address(es) as shown on the register of members of the Company is/(are) outside Hong Kong
“PRC”	the People’s Republic of China which, for the purposes of the Composite Document, excludes Hong Kong, Macau and Taiwan
“Registrar”	Union Registrars Limited, the Company’s branch share registrar and transfer office in Hong Kong
“Relevant Period”	the period commencing six months immediately prior to 3 January 2019 (being the date of commencement of the Offer Period) up to and including the Latest Practicable Date
“Sale and Purchase Agreement”	the sale and purchase agreement dated 10 January 2019 entered into between the Vendor, Mr. Wong and the Offeror in respect of the sale and purchase of the Sale Shares as subsequently amended by an amendment agreement dated 14 January 2019

DEFINITIONS

“Sale Shares”	a total of 3,182,790,001 Shares, representing approximately 60.49% of the entire issued share capital of the Company as at the Latest Practicable Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) with par value of HK\$0.005 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
“Veda Capital”	Veda Capital Limited, a licensed corporation permitted to carry out Type 6 (advising on corporate finance) regulated activity as defined under the SFO, which is appointed as the financial adviser to the Offeror in respect of the Offer
“Vendor”	Right Star Investment Development Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly and beneficially owned by Mr. Wong, being the seller of the Sale Shares under the Sale and Purchase Agreement
“%”	per cent.

LETTER FROM GET NICE SECURITIES



Get Nice Securities Limited
10/F, Cosco Tower
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong

20 March 2019

To the Independent Shareholders

Dear Sir/Madam,

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

INTRODUCTION

Reference is made to the Joint Announcement.

Immediately prior to the Completion, the Vendor owned a total of 3,182,790,001 Shares, representing approximately 60.49% of the entire issued share capital of the Company and the Offeror and parties acting in concert with the Offeror (excluding the Vendor) did not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities of the Company.

Immediately after Completion and as at the date of the Joint Announcement, the Offeror and parties acting in concert with the Offeror are interested in a total of 3,182,790,001 Shares, representing approximately 60.49% of the entire issued share capital of the Company and the Vendor and Mr. Wong do not hold nor are interested in any Shares. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares, other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with the Offeror.

LETTER FROM GET NICE SECURITIES

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

The Independent Shareholders are strongly advised to carefully consider the information contained in the “LETTER FROM THE BOARD”, the “LETTER FROM THE INDEPENDENT BOARD COMMITTEE” and the “LETTER FROM THE INDEPENDENT FINANCIAL ADVISER” as set out in this Composite Document before reaching a decision as to whether or not to accept the Offer.

THE OFFER

Get Nice Securities, on behalf of the Offeror, hereby makes the mandatory unconditional cash Offer to acquire all issued Shares in the share capital of the Company (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code.

Principal terms of the Offer

The Offer

For each Offer Share HK\$0.1585 in cash

The Offer Price of HK\$0.1585 per Offer Share is determined on the basis of the maximum Consideration payable by the Offeror per Sale Share under the Sale and Purchase Agreement (which includes the maximum amount of the interest to be accrued on the Balance).

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

As at the Latest Practicable Date, the Company has 5,262,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares or other types of equity interest and has not entered into any agreement for the issue of such options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) convertible into Shares. Further details of the terms of the Offer and the procedures for acceptance are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

LETTER FROM GET NICE SECURITIES

Comparisons of value

The Offer Price of HK\$0.1585 per Offer Share represents:

- (i) a discount of approximately 59.36% to the closing price of HK\$0.3900 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 60.18% to the average closing price of approximately HK\$0.3980 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a discount of approximately 56.93% to the average closing price of approximately HK\$0.3680 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 64.45% to the average closing price of approximately HK\$0.4458 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 68.30% to the closing price of HK\$0.5000 per Share as quoted on the Stock Exchange on the 2 January 2019 being the trading day preceding to the commencement of the Offer Period.
- (vi) a discount of approximately 2.77% to the closing price of HK\$0.1630 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (vii) a premium of approximately 136.57% over the unaudited consolidated net asset value of the Group attributable to the Shareholders of approximately HK\$0.067 per Share as at 30 September 2018, calculated based on the Group's unaudited consolidated total equity value of approximately HK\$351.32 million as at 30 September 2018 and 5,262,000,000 Shares in issue as at the Latest Practicable Date.

Highest and lowest Share prices

The highest and the lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding the Last Trading Day and up to and including the Latest Practicable Date were HK\$0.800 per Share (on 9 July 2018) and HK\$0.160 per Share (on 8 March 2018 and 11 March 2018) respectively.

LETTER FROM GET NICE SECURITIES

Value of the Offer

Assuming the Offer is accepted in full and that there is no change in the issued share capital of the Company and excluding the 3,182,790,001 Shares already owned by the Offeror and parties acting in concert with the Offeror as at the Latest Practicable Date, the number of Shares subject to the Offer is 2,079,209,999 Shares.

Based on the Offer Price of HK\$0.1585 per Offer Share for 2,079,209,999 Offer Shares, the Offer is valued at approximately HK\$329,554,784.84.

The Offeror has not received any indication or irrevocable commitment from any Independent Shareholder that he/she/it will accept or reject the Offer as at the Latest Practicable Date

Confirmation of financial resources of the Offeror

The Offeror intends to finance the consideration payable under the Offer by the Offeror's internal financial resources.

Veda Capital, the financial adviser to the Offeror, is satisfied that sufficient resources are, and will remain, available to the Offeror to satisfy the amount of funds required for full acceptance of the Offer.

Effect of accepting the Offer

By validly accepting the Offer, the Independent Shareholders will be deemed to have given warranty that their Offer Shares to be sold to the Offeror are free from all liens, charges and encumbrances, and together with all rights attaching to them including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offer is made, being the date of this Composite Document.

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

Independent Shareholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in respect of the Offer which are included in this Composite Document.

LETTER FROM GET NICE SECURITIES

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event, within seven (7) Business Days of the date on which the duly completed acceptances of the Offer and the relevant documents of title in respect of such acceptances are received by the Registrar to render such acceptance complete and valid.

Stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholders accepting the Offer. The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Taxation advice

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

Overseas Shareholders

The Offeror intends to make the Offer available to all the Independent Shareholders, including those who are not resident in Hong Kong. The availability of the Offer to any Overseas Shareholders may be subject to, or limited by, the applicable laws and regulations of their relevant jurisdictions of residence. Overseas Shareholders should observe any applicable legal and regulatory requirements and, where necessary, consult their own professional advisers. It is the responsibilities of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such jurisdictions).

LETTER FROM GET NICE SECURITIES

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

Acceptance and Settlement

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

INFORMATION OF THE GROUP

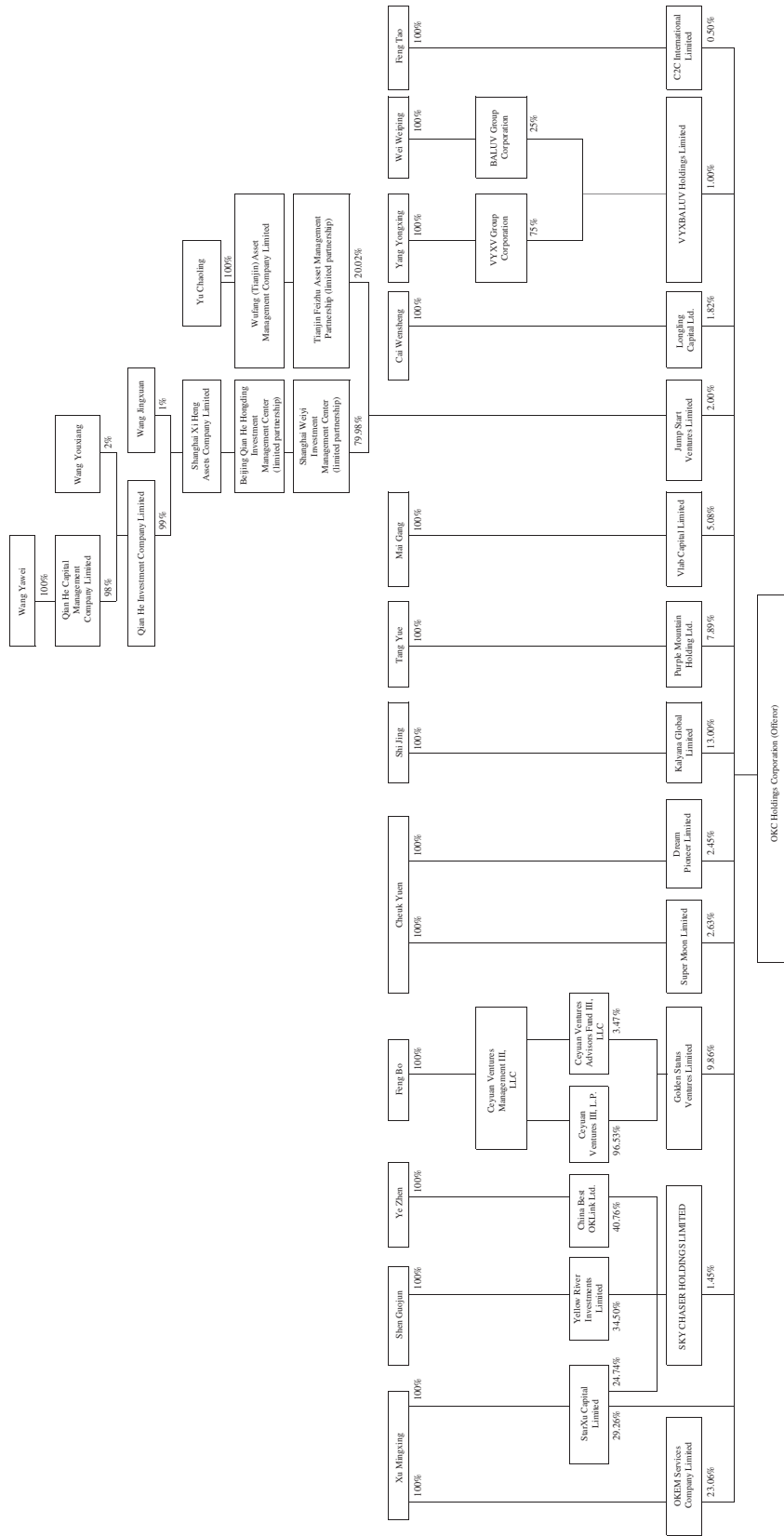
Details of the information on the Group are set out in the paragraph headed “Information on the Group” in the “LETTER FROM THE BOARD” in this Composite Document.

INFORMATION OF THE OFFEROR

The Offeror is a company incorporated in the Cayman Islands with limited liability in 2015 and principally engaged in investment holding. The Offeror does not have any experience in the Group’s business.

LETTER FROM GET NICE SECURITIES

Set out below is the shareholding chart of the Offeror:



Note: The information pertaining to the shareholders of the Offeror as contained in this Composite Document is provided by the shareholders of the Offeror to the Offeror

LETTER FROM GET NICE SECURITIES

Mr. Xu Mingxing controls the Offeror through (i) his wholly-owned company named StarXu Capital Limited (“**StarXu Capital**”) with direct interest in the Offeror of approximately 29.26%; (ii) StarXu Capital with the interest of approximately 24.74% in SKY CHASER HOLDINGS LIMITED (“**SKY CHASER**”), whereas SKY CHASER directly holds approximately 1.45% interest in the Offeror (accordingly, Mr. Xu holds 0.36% indirect interest of the Offeror through SKY CHASER); and (iii) his wholly-owned company named OKEM Services Company Limited (“**OKEM Services**”) with direct interest in the Offeror of approximately 23.06%. Thus, Mr. Xu Mingxing holds an aggregate interest of approximately 52.68% in the Offeror.

StarXu Capital and OKEM Services

StarXu Capital and OKEM Services, both incorporated in British Virgin Islands, are wholly-owned by Mr. Xu Mingxing.

Mr. Xu Mingxing’s biography is set out in the section headed “BOARD COMPOSITION OF THE COMPANY”.

SKY CHASER

SKY CHASER, a company incorporated in British Virgin Islands in 2018, is owned as to (i) approximately 40.76% by China Best OKLink Ltd., a company incorporated in British Virgin Islands in 2017, which is wholly-owned by Mr. Ye Zhen; (ii) approximately 34.50% by Yellow River Investments Limited, a company incorporated in Cayman Islands in 2004, which is wholly-owned by Mr. Shen Guojun, and (iii) approximately 24.74% by StarXu Capital, which is wholly-owned by Mr. Xu Mingxing.

Golden Status Ventures Limited

Golden Status Ventures Limited (“**Golden Status**”), a company incorporated in British Virgin Islands, is owned as to (i) approximately 96.53% by Ceyuan Ventures III, L.P., whose general partner is Ceyuan Ventures Management III, LLC (“**Ceyuan Ventures**”) which is wholly-owned by Mr. Feng Bo; and (ii) approximately 3.47% by Ceyuan Ventures Advisors Fund III, LLC. Ceyuan Ventures Advisors Fund III, LLC together with Ceyuan Ventures III, L.P. (collectively, the “**Ceyuan Fund III**”), both being shareholders of Golden Status, are both managed by Mr. Feng Bo. Ceyuan Ventures III, L.P. is an exempted limited partnership incorporated in Cayman Islands. Ceyuan Ventures Management III, LLC and Ceyuan Ventures Advisors Fund III, LLC are exempted companies incorporated in Cayman Islands. Ceyuan Fund III established Golden Status for investment of projects in relation to digital asset trading platforms. Ceyuan Fund III was established in June 2011 and mainly invests in high technology projects in China.

LETTER FROM GET NICE SECURITIES

Mr. Feng Bo has served on board of directors of the Offeror since 2015. He is currently a founding partner and managing partner of Ceyuan Ventures, a venture capital company, which he co-founded in 2004. Prior to that, he was a partner of Chengwei Ventures, a venture capital fund, from 1999 to 2004. Mr. Feng also served as the chief representative of ChinaVest, a merchant bank, from 1997 to 1999 and vice president of Robertson, Stephens & Company, an investment banking firm, from 1994 to 1997. Mr. Feng previously served on the board of directors of LightInTheBox Holding Co., Ltd. (NYSE: LITB) from October 2008 to July 2015, and has also previously served on the board of directors of Beijing Venustech Inc. and Xunlei Limited (prior to its initial public offering).

Super Moon Limited and Dream Pioneer Limited

Super Moon Limited and Dream Pioneer Limited, both companies incorporated in British Virgin Islands, are wholly-owned by Ms. Cheuk Yuen.

Ms. Cheuk Yuen is the vice chairman of the China Arts Foundation Beijing (“CAF”) since 2009. CAF is a non-profit organisation that provides a platform to satisfy both local and international demand by supporting art performances and cultural events that involve Sino international relations and exchanges.

Kalyana Global Limited (“Kalyana Global”)

Kalyana Global, a company incorporated in British Virgin Islands, is wholly-owned by Ms. Shi Jing.

Ms. Shi Jing is born in Anhui Province in 1986. She studied at Zhejiang University from September 2005 to June 2009 and obtained her undergraduate degree in finance. From August 2009 to June 2011, she studied at Stanford University in the United States and obtained a master’s degree in financial mathematics. During her studying, Ms. Shi started her business career. Ms. Shi is an entrepreneur with over 10 years of experience in investment and corporate management. Ms. Shi is the founder of Vogel Holding Group Limited (“Vogel”) in the year 2006. Vogel owns many investment projects, mainly focusing on the stock of listed companies and fund fields.

LETTER FROM GET NICE SECURITIES

Purple Mountain Holding Ltd. (“Purple Mountain”)

Purple Mountain, a company incorporated in British Virgin Islands, is wholly-owned by Mr. Tang Yue.

Mr. Tang Yue is the founder of X Financial, a leading provider of online financial service in China, wherein he serves as the Chairman and CEO since March 2014. Mr. Tang is a renowned internet entrepreneur and investor in China. Mr. Tang was the co-founder of eLong, Inc. (NASDAQ: LONG), a leading online travel service company in China, at which he served as the Chairman and CEO from 1999 to 2006. After that, Mr. Tang co-founded Blue Ridge China with Blue Ridge Capital, a leading US hedge fund. Mr. Tang then worked as the managing partner of Blue Ridge China, a private equity fund that invested in companies in China from 2006 to 2014. Mr. Tang is a founding member of the China Entrepreneur Club, a founding member of the Paradise International Foundation, a member of The Nature Conservancy China Board, and a founding member of the Beijing SmileAngel Children’s Hospital.

Vlab Capital Limited

Vlab Capital Limited, a company incorporated in British Virgin Islands, is wholly-owned by Mr. Mai Gang.

Mr. Mai Gang is a serial entrepreneur and a pioneer in China’s venture investment field. He started his venture capital career back to mid-90’s and co-founded Shanghai Pudong Ventures, one of China’s first venture capital firms. He was also the venture partner of DFJ Dragon fund in Silicon Valley in the early 2000s. Mr. Mai started his entrepreneur career by founding his first venture eFriendsNet in 2003, which was the earliest and became the largest social network at the time in China. Subsequently Mr. Mai founded VenturesLab in 2005, China’s first internet business incubator. Mr. Mai was named top angel investor in China for numerous times by different renowned organisations including China Ventures, CYzone, The Founder, Zero2IPO, iResearch, ZhongGuanCun Angel Alliance, etc. He co-founded China Young Angel Investor Association (CYAIA) in 2013 and served as the current honorary chairman. Mr. Mai is also the executive member of venture capital committee of Asset Management Association of China (AMAC).

LETTER FROM GET NICE SECURITIES

Jump Start Ventures Limited

Jump Start Ventures Limited, a company incorporated in British Virgin Islands, is owned as to (i) approximately 79.98% by Shanghai Weiyi Investment Management Center (limited partnership)(上海未易投資管理中心(有限合夥)) (“**Shanghai Weiyi**”), whose general partner is Beijing Qian He Hongding Investment Center (limited partnership)(北京千合弘鼎投資中心(有限合夥)) (“**Beijing Qian He**”); Shanghai Xi Heng Assets Company Limited (上海晞恒資產有限公司) (“**Shanghai Xi Heng**”) in turn is Beijing Qian He’s general partner; and (ii) approximately 20.02% by Tianjin Feizhu Asset Management Partnership (limited partnership)(天津飛豬資產管理合夥企業(有限合夥)) (“**Tianjin Feizhu**”), whose general partner is Wufang (Tianjin) Asset Management Company Limited (五方(天津)資產管理有限公司 (“**Wufang**”). Shanghai Weiyi, Tianjin Feizhu and Beijing Qian He are limited partnerships incorporated in China. Shanghai Xi Heng, is owned as to approximately 99% by Qian He Investment Company Limited (千合投資有限公司 (“**Qian He Investment**”)) and approximately 1% by Mr. Wang Jingxuan. Qian He Investment is owned as to approximately 98% by Qian He Capital Management Company Limited (千合資本管理有限公司 (“**Qian He Capital**”)) and approximately 2% by Mr. Wang Youxiang. Qian He Capital is a limited company incorporated in China wholly-owned by Mr. Wang Yawei. Wufang is a limited company incorporated in China and wholly-owned by Mr. Yu Chaoling.

Shanghai Weiyi was established in May 2015. It is a private equity fund, which invests in medical, finance and internet businesses and is registered under the Asset Management Association of China.

Beijing Qian He was established in November 2015. It is a private equity fund manager registered under the Asset Management Association of China.

Shanghai Xi Heng was established in July 2015. It is registered in China and the business nature was in assets management and investment management.

Qian He Investment was established in 2013. It is registered in China and the business nature was in assets management.

Qian He Capital was established in China. It is registered in 2012 and the business nature was in investment management.

Tianjin Feizhu was established in May 2015. It is a private equity fund, which invests in internet and e-commerce businesses.

Wufang was established in 2015. It is registered in China and the business nature was in management consulting.

LETTER FROM GET NICE SECURITIES

Longling Capital Ltd

Longling Capital Ltd. is a company incorporated in British Virgin Islands and established in 2009. Its primary business is investment management and is wholly-owned by Mr. Cai Wensheng.

VYXBALUV HOLDINGS LIMITED

VYXBALUV Holdings Limited is a company incorporated in British Virgin Islands and established in 2018. Its primary business is investment management and is owned as to (i) approximately 75% by VYXV Group Corporation, an investment company incorporated in British Virgin Islands and established in 2018, which is wholly-owned by Mr. Yang Yongxing; and (ii) approximately 25% by BALUV Group Corporation, an investment company incorporated in British Virgin Islands and established in 2018, which is wholly-owned by Mr. Wei Weiping.

C2C International Limited

C2C International Limited is a company incorporated in British Virgin Islands and established in 2000. Its primary business is investment management and is wholly-owned by Mr. Feng Tao.

Change of shareholdings since incorporation of the Offeror

The Offeror is incorporated in the Cayman Islands in 2015, with StarXu Capital, Vlab Capital and Sunlong Capital Limited (“**Sunlong Capital**”) being its original shareholders.

In 2016, Mark Globe Holdings Corporation (“**Mark Globe**”) purchased part of Vlab Capital’s shares of the Offeror and became a new shareholder. Golden Status, Super Moon Limited and Dream Pioneer Limited also became shareholders of the Offeror through subscription of new shares issued by the Offeror.

In 2017, Longling Capital Ltd. (“**Longling Capital**”), Purple Mountain, Jump Start Ventures Limited, C2C International Limited, Winess Services Co. Ltd. (“**Winess Services**”) became shareholders of the Offeror through subscription of new shares issued by the Offeror. The Offeror repurchased all the shares held by Mark Globe in 2017 and Mark Globe then ceased to be a shareholder of the Offeror. The Offeror also repurchased part of the shares held by Sunlong Capital, and the rest of the shares of the Offeror held by Sunlong Capital were transferred to Longling Capital, Winess Services, Giant Investment (HK) Limited (“**Giant Investment**”) and Purple Mountain respectively. Giant Investment also subscribed for some new shares of the Offeror.

LETTER FROM GET NICE SECURITIES

In 2018, Giant Investment transferred all the shares of the Offeror held by it to Kalyana Global and ceased to be a shareholder of the Offeror. Kalyana Global then transferred part of its shares of the Offeror to VYXBALUV Holdings Limited. OKEM Services became a shareholder of the Offeror through subscription of new shares issued by the Offeror. StarXu Capital transferred part of the shares of the Offeror held by it to Winess Services. Winess Services then transferred all the shares of the Offeror held by it to SKY CHASER and ceased to be a shareholder of the Offeror.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Immediately after Completion, the Offeror became the Controlling Shareholder.

Following the close of the Offer, the Offeror intends to continue the existing principal businesses of the Group. The Offeror will conduct a review on the existing principal businesses and the financial position of the Group for the purpose of formulating business plans and strategies for the future business development of the Group in the best interest of the Group and its Shareholders. The Offeror may look into business opportunities including but not limited to those related to the existing principal businesses of the Group; and information technologies and financial technologies in Hong Kong and overseas, which is in line with the business prospect of the Group as set out in the interim report of the Group for the period ended 30 September 2018 and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group.

As at the Latest Practicable Date, no business plan has been developed as it is dependent on the Offeror's examination of the Group's existing capabilities and resources and the then market situation once the investment opportunities arise.

The Offeror had not identified any investment or business opportunities nor had the Offeror entered into any related agreement, arrangements, understandings or negotiation relating to the Offeror's intention set out in the preceding paragraph, and there is no plan on any injection or disposal of any assets or businesses into/of the Group as at the Latest Practicable Date.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to (i) discontinue the employment of any employees of the Group; or (ii) redeploy the fixed assets of the Group other than those in its ordinary and usual course of business.

COMPULSORY ACQUISITION

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

LETTER FROM GET NICE SECURITIES

BOARD COMPOSITION OF THE COMPANY

As at the Latest Practicable Date, the executive Directors are Mr. Ren Yunan, Mr. Cheng Yuk, Mr. Luo Ting and Mr. Zhu Junkan; and the independent non-executive Directors are Mr. Chan King Chung, Mr. Li Zhouxin, Mr. Lee Man Chiu and Mr. Jiang Guoliang.

The Offeror intends to nominate Mr. Xu Mingxing and Mr. Pu Xiaojiang as new executive Directors to the Board for appointment with effect from the date no earlier than the despatch date of this Composite Document and the Form of Acceptance. All existing Directors (including independent non-executive Directors) will remain in the Board.

The personal biographical information of each proposed executive Director is set out below:

Mr. Xu Mingxing (“**Mr. Xu**”), aged 34, graduated from the University of Science and Technology Beijing in 2006 with a Bachelor’s degree in Applied Physics.

Mr. Xu has a decade of experience in the blockchain technology, information technology and corporate management.

Mr. Xu became the director and chief executive officer of the Offeror since February 2015 and became the director and chairman of Shanghai Xingpan Science and Technology Company Limited (“**Shanghai Xingpan**”) (NEEQ: 833166), formerly known as Shanghai United Testing Co., Ltd. since August 2017. The business scope of Shanghai Xingpan includes, technology development, technology transfer, technical services, technology promotion, operational Internet cultural information services, business management consulting, computer system services, business management consulting, computer system services, sales of computer and auxiliary equipment in network technology industry.

From June 2007 to August 2012, Mr. Xu was employed by DocIn Shiji (Beijing) Technology Limited (豆丁世紀(北京)網絡技術有限公司, known as “**DocIn.com**”). DocIn.com is a company engaging in the operation of Chinese online reading platform with a diverse content online library, including Chinese articles, publications and industry research reports, providing Internet information services, as well as technology services, development, consulting, transfer and advertising. His last position was chief technology officer.

Mr. Pu Xiaojiang (“**Mr. Pu**”), aged 55, graduated from the Journalism School of Fudan University with a Bachelor’s degree of Arts in 1987. He also obtained his Executive MBA from China Europe International Business School in 2003.

Mr. Pu has experiences in brand management, media, marketing and financial services industries. He is the vice president of Bluefocus International Limited since April 2016, a subsidiary in Hong Kong of Bluefocus Intelligent Communications Group Co., Ltd. (北京藍色光標數據科技股份有限公司)(formerly known as Bluefocus Communication Group Co., Ltd. (北京藍色光標品牌管理顧問股份有限公司)) which is listed on the Shenzhen Stock Exchange with the stock code of “300058” (“**Bluefocus**”). Bluefocus is a data technology company, the business scope includes marketing services, digital advertising and international business, which provides services in marketing communication and smart technology based on data technology.

LETTER FROM GET NICE SECURITIES

Before that, from August 2013 to March 2016, Mr. Pu was the vice president of Rifa Securities Limited (formerly known as “iSTAR International Securities Co. Limited”), a subsidiary of China Finance Online Co. Limited (NASDAQ: JRJC). Rifa Securities Limited is a licensed corporation permitted to carry out Type 1 (dealing in securities) regulated activity as defined under the SFO. China Finance Online Co. Limited is a web-based financial services company in China, which provides financial information services and offer fundamental and technical tools for sales, earnings, debt management, and growth potentials.

Save for the abovementioned proposed appointment of Directors, the Offeror has no intention to change the board composition of the Company.

Following the close of the Offer, all existing Directors will remain on the Board, and will continue to be responsible for (a) the overall management of the existing principle businesses of the Group; and (b) seeking new opportunities in relation to the Group’s existing principle businesses. In addition, the new Directors to be appointed will also be responsible for managing and seeking new business opportunities in relation to the Group’s existing principle businesses, as well as for the information technologies and financial technologies sectors in Hong Kong and overseas. The managerial experience of the new Directors will be complimentary and beneficial to the existing Board and the Group’s existing principle businesses.

Any changes to the composition of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further disclosure, including but not limited to the details required by Rule 13.51(2) of the Listing Rules, will be made in the announcement of appointment of Directors accordingly.

MAINTAINING THE LISTING STATUS OF THE COMPANY

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

- **a false market exists or may exist in the trading of the Shares; or**
- **that there are insufficient Shares in public hands to maintain an orderly market; it will consider exercising its discretion to suspend dealings in the Shares.**

The Offeror intends the Company to remain listed on the Stock Exchange. The directors of the Offeror and the new directors to be appointed to the Board of the Company will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

The Offeror does not intend to exercise or apply any right which may be available to it to compulsorily acquire any Shares outstanding after the close of the Offer.

LETTER FROM GET NICE SECURITIES

GENERAL

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

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

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offer set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to carefully read the “LETTER FROM THE BOARD”, the recommendation of the “LETTER FROM THE INDEPENDENT BOARD COMMITTEE”, the advice of the “LETTER FROM THE INDEPENDENT FINANCIAL ADVISER” and other information about the Group, which are set out in this Composite Document before deciding whether or not to accept the Offer.

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

LETTER FROM THE BOARD

LEAP Holdings Group Limited

前進控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1499)

Executive Directors:

Mr. Ren Yunan

Mr. Cheng Yuk

Mr. Luo Ting

Mr. Zhu Junkan

Registered Office:

Clifton House

75 Fort Street

PO Box 1350

Grand Cayman

KY1-1108

Cayman Islands

Independent non-executive directors:

Mr. Chan King Chung

Mr. Li Zhouxin

Mr. Lee Man Chiu

Mr. Jiang Guoliang

Principal Place of Business in Hong Kong:

Unit 902-903, 9th Floor, Sino Plaza

255-257 Gloucester Road

Causeway Bay, Hong Kong

20 March 2019

To the Independent Shareholders

Dear Sir or Madam,

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

INTRODUCTION

Reference is made to the Joint Announcement.

On 23 January 2019, the Offeror and the Company jointly announced that, among other things, on 10 January 2019, the Offeror (as purchaser), the Vendor (as vendor) and Mr. Wong (as warrantor) entered into the Sale and Purchase Agreement (as subsequently amended by an amendment agreement dated 14 January 2019) pursuant to which the Offeror has agreed to purchase and the Vendor has agreed to sell the 3,182,790,001 Sale Shares for the Consideration of HK\$483,890,536 (being approximately HK\$0.1520 per Sale Share). The Sale Shares represented approximately 60.49% of the entire issued share capital of the Company as at the Latest Practicable Date.

LETTER FROM THE BOARD

Immediately after Completion which took place on 14 January 2019 and as at the Latest Practicable Date, the Offeror and parties acting in concert with the Offeror were interested in a total of 3,182,790,001 Shares, representing approximately 60.49% of the entire issued share capital of the Company and the Vendor and Mr. Wong did not hold nor are interested in any Shares. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares, other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with the Offeror.

Pursuant to Rules 2.1 and 2.8 of the Takeovers Code, the Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Chan King Chung, Mr. Li Zhouxin, Mr. Lee Man Chiu and Mr. Jiang Guoliang, has been established by the Company to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

The above-named independent non-executive Directors have no direct or indirect interest in the Offer. It is considered appropriate for them to be members of the Independent Board Committee in this regard.

Furthermore, on 25 January 2019, Winsome has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer. The appointment of Winsome as the Independent Financial Adviser has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

The purpose of this Composite Document is to provide you with, among other things, information relating to the Group, the Offeror and the Offer as well as setting out the letter from the Independent Board Committee containing its recommendation to the Independent Shareholders in respect of the terms of the Offer and as to acceptance of the Offer, and the letter from the Independent Financial Adviser containing its advice and recommendation to the Independent Board Committee in respect of the terms of the Offer and as to acceptance of the Offer.

LETTER FROM THE BOARD

THE OFFER

As at the Latest Practicable Date, there were 5,262,000,000 Shares in issue and the Company did not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares or other types of equity interest and had not entered into any agreement for the issue of such options, derivatives, warrants or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) convertible into Shares.

Principal terms of the Offer

As mentioned in the “LETTER FROM GET NICE SECURITIES” on pages 9 to 24 of this Composite Document, Get Nice Securities is making the Offer for and on behalf of the Offeror to all the Independent Shareholders for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it) in accordance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.1585 in cash

The Offer Price of HK\$0.1585 per Offer Share is determined on the basis of the maximum Consideration payable by the Offeror per Sale Share under the Sale and Purchase Agreement (which includes the maximum amount of the interest to be accrued on the Balance).

Further details of the Offer, including terms and procedures for acceptance of the Offer, are contained in the “LETTER FROM GET NICE SECURITIES” as set out on pages 9 to 24 of, and Appendix I to, this Composite Document and the accompanying Form of Acceptance.

INFORMATION ON THE GROUP

The Group is principally engaged in the provision of foundation works and ancillary services; and construction wastes handling services. During the year ended 31 March 2018, the Group has also made investments in securities business and the money lending business to broaden the Group’s investment strategy.

LETTER FROM THE BOARD

The following table is a summary of the audited consolidated financial information of the Group for the year ended 31 March 2018 and the year ended 31 March 2017 as extracted from the Company's annual report for the year ended 31 March 2018 and interim report of the Company for the six months ended 30 September 2018:

	For the six months ended 30 September 2018	For the year ended 31 March 2018	For the year ended 31 March 2017
	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Audited)	<i>HK\$'000</i> (Audited)
Revenue	106,849	298,625	353,038
(Loss)/Profit before income tax	(17,758)	31,747	14,033
(Loss)/Profit and total comprehensive (expense)/ income for the period/year attributable to owners of the Company	<u>(17,770)</u>	<u>25,368</u>	<u>8,359</u>
	As at 30 September 2018	As at 31 March 2018	As at 31 March 2017
	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Audited)	<i>HK\$'000</i> (Audited)
Net asset value	<u>351,321</u>	<u>370,428</u>	<u>345,060</u>

Further details of the information of the Group are set out in Appendix II to this Composite Document.

LETTER FROM THE BOARD

INFORMATION ON THE OFFEROR

Your attention is drawn to the section headed “INFORMATION OF THE OFFEROR” in the “LETTER FROM GET NICE SECURITIES” as set out on pages 9 to 24 of this Composite Document.

THE OFFEROR’S INTENTION IN RELATION TO THE GROUP

Your attention is drawn to the sections headed “INFORMATION OF THE OFFEROR” and “INTENTION OF THE OFFEROR IN RELATION TO THE GROUP” in the “LETTER FROM GET NICE SECURITIES” as set out on pages 9 to 24 of this Composite Document. The Board is pleased to learn that the Offeror intends to continue the principal businesses of the Group and that the Offeror has no intention to discontinue the employment of any employees of the Group or redeploy the fixed assets of the Group other than those in its ordinary and usual course of business.

MAINTAINING THE LISTING STATUS OF THE COMPANY

It is stated in the “LETTER FROM GET NICE SECURITIES” on pages 9 to 24 of this Composite Document that the Offeror intends the Company to remain listed on the Stock Exchange. The directors of the Offeror and the new directors to be appointed to the Board of the Company will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

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

- a false market exists or may exist in the trading of the Shares; or
- that there are insufficient Shares in public hands to maintain an orderly market; it will consider exercising its discretion to suspend dealings in the Shares.

Therefore, upon the completion of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be halted until sufficient public float exists for the Shares.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

LETTER FROM THE BOARD

RECOMMENDATION

Your attention is drawn to (i) the “LETTER FROM THE INDEPENDENT BOARD COMMITTEE” on pages 31 to 32 of this Composite Document, which sets out its recommendation to the Independent Shareholders as to whether the terms of the Offer are, or are not, fair and reasonable so far as the Independent Shareholders are concerned, and as to acceptance thereof; and (ii) the “LETTER FROM THE INDEPENDENT FINANCIAL ADVISER” on pages 33 to 59 of this Composite Document, which sets out their advice and recommendation to the Independent Board Committee as to whether the terms of the Offer are, or are not, fair and reasonable so far as the Independent Shareholders are concerned, and as to acceptance thereof, and the principal factors considered by them in arriving at their advice and recommendation.

ADDITIONAL INFORMATION

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

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

Yours faithfully,
By order of the Board
LEAP Holdings Group Limited
Shi Shaoming
Joint Company Secretary

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

LEAP Holdings Group Limited

前進控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1499)

To the Independent Shareholders

Dear Sir or Madam,

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

INTRODUCTION

We refer to the composite document dated 20 March 2019 issued jointly by the Offeror and the Company (“**Composite Document**”) of which this letter forms part. Capitalised terms used in this letter have the same meanings as defined in the Composite Document unless the context requires otherwise.

We have been appointed by the Board to form the Independent Board Committee to consider the terms of the Offer and to make a recommendation to you as to whether, in our opinion, the terms of the Offer are, or are not, fair and reasonable so far as the Independent Shareholders are concerned, and as to acceptance thereof.

Winsome Capital Limited has been appointed as the independent financial adviser with our approval to advise us in respect of the terms of the Offer and as to acceptance thereof. Details of its advice and the principal factors considered by them in arriving at its advice and recommendation are set out in the “LETTER FROM THE INDEPENDENT FINANCIAL ADVISER” on pages 33 to 59 of the Composite Document.

We also wish to draw your attention to the “LETTER FROM THE BOARD”, the “LETTER FROM GET NICE SECURITIES” and the additional information set out in the Appendices to the Composite Document.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

RECOMMENDATION

Having considered the terms of the Offer and the letter of advice and recommendation from the Independent Financial Adviser, we consider that the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned, and therefore we recommend the Independent Shareholders to accept the Offer.

Independent Shareholders are recommended to read the full text of the “LETTER FROM THE INDEPENDENT FINANCIAL ADVISER” set out in the Composite Document. Notwithstanding our recommendation, the Independent Shareholders should consider carefully the terms and conditions of the Offer.

Yours faithfully,

For and on behalf of the

Independent Board Committee

Chan King Chung

*Independent
non-executive
Director*

Li Zhouxin

*Independent
non-executive
Director*

Lee Man Chiu

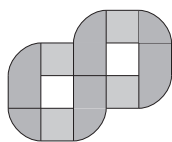
*Independent
non-executive
Director*

Jiang Guoliang

*Independent
non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the text of a letter received from Winsome Capital Limited, the Independent Financial Adviser to the Independent Board Committee in respect of the Offer for the purpose of inclusion in this Composite Document.



滙盛
WINSOME

Winsome Capital Limited
22/F, The Toy House
100 Canton Road
Tsim Sha Tsui
Hong Kong

20 March 2019

*To: The Independent Board Committee and the Independent Shareholders
of LEAP Holdings Group Limited*

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFER BY
GET NICE SECURITIES LIMITED ON BEHALF OF
OKC HOLDINGS CORPORATION TO ACQUIRE
ALL THE ISSUED SHARES OF LEAP HOLDINGS
GROUP LIMITED (OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY OKC HOLDINGS CORPORATION
AND PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer, details of which are set out in the Composite Document jointly issued by the Company and the Offeror dated 20 March 2019, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Composite Document unless otherwise specified herein.

On 10 January 2019, the Vendor, the Guarantors and the Offeror entered into Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase the Sale Shares, being 3,182,790,001 Shares in aggregate, representing approximately 60.49% of the entire issued share capital of the Company as at the date of Joint Announcement, for a consideration of HK\$483,890,536, equivalent to HK\$0.152 per Sale Share.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Immediately prior to Completion, the Vendor owned a total of 3,182,790,001 Shares, representing approximately 60.49% of the entire issued share capital of the Company and the Offeror and parties acting in concert (excluding the Vendor) with it did not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities of the Company.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares other than those already owned or agreed to be acquired by the Offeror and its parties acting in concert.

THE INDEPENDENT BOARD COMMITTEE

Pursuant to Rule 2.1 and Rule 2.8 of the Takeovers Code, the Independent Board Committee comprising all the independent non-executive Directors, namely, Mr. Chan King Chung, Mr. Li Zhouxin, Mr. Lee Man Chiu and Mr. Jiang Guoliang, has been established to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer. We, Winsome Capital Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee in accordance with Rule 2.1 of the Takeovers Code.

We are not connected with the Company, the Offeror, the Vendor, or any of their respective substantial shareholders, directors or chief executives, or any of their respective associates, or any party acting, or presumed to be acting, in concert with any of them and accordingly, are considered suitable to give independent advice to the Independent Board Committee in respect of the Offer. Apart from the normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company, the Offeror, the Vendor, or any of their respective substantial shareholders, directors or chief executives, or any of their respective associates, or any party acting, or presumed to be acting, in concert with any of them.

BASIS OF OUR OPINION

In formulating our opinion and recommendations to the Independent Board Committee, we have reviewed, amongst others, the Joint Announcement, the annual reports of the Company for the years ended 31 March 2018 (the “**2017-18 Annual Report**”), the interim report of the Company for the six months ended 30 September 2018 (the “**2018 Interim Report**”), and the information contained in the Composite Document. We have also discussed with and reviewed the information provided by the management of the Group (the “**Management**”) regarding the business and outlook of the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have relied on the information and facts provided, and the opinions expressed, by the Directors and the Management, which we have assumed to be true, accurate, complete and not misleading in all material aspects as at the Latest Practicable Date and the Shareholders will be notified of any material changes to such representations as soon as possible in accordance with Rule 9.1 of the Takeovers Code. We have sought and received confirmation from the Directors and the Management that no material facts have been omitted from the information provided and opinions expressed by them to us. We consider that the information which we have received is sufficient for us to reach our opinion and recommendations as set out in this letter and to justify our reliance on such information. We have no reason to doubt the truth, accuracy or completeness of the information provided to us or to believe that any material information has been omitted or withheld. We have not, however, conducted any independent investigation into the business and affairs of the Group nor have we carried out any independent verification of the information provided.

We have not considered the tax and regulatory implications on the Independent Shareholders of their acceptances or non-acceptances of the Offer since these are particular to their own individual circumstances. In particular, the Independent Shareholders who are residents outside Hong Kong or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions with regard to the Offer and, if in any doubt, should consult their own professional advisers.

PRINCIPAL TERMS OF THE OFFER

Get Nice Securities, on behalf of the Offeror, is making the Offer on the following terms in accordance with Rule 26.1 of the Takeovers Code:

For each Offer Share HK\$0.1585 in cash

The Consideration is HK\$483,890,536, being approximately HK\$0.1520 per Sale Share, and is being settled as follows:

- (1) HK\$75,000,000 was paid on the date of the Sale and Purchase Agreement as deposit and part payment of the Consideration (the “**First Installment**”); and
- (2) HK\$408,890,536, being the remaining balance of the Consideration (the “**Balance**”), will be settled within one (1) year from the date of Completion in one (1) or more installment(s) as the Offeror in its sole discretion elects.

The parties to the Sale and Purchase Agreement further agree that any outstanding portion of the Balance shall bear a simple interest rate of 5% per annum (inclusive of the date of payment of such outstanding portion of the Balance) and any or all accrued interests shall be payable in arrears on the date when the final installment of the Balance is paid.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Board was advised by the Vendor and Mr. Wong that, having considered (i) the Consideration per Sale Share represents a premium of approximately 23.08% to the consideration per Share of approximately HK\$0.1235 paid by the Vendor when it acquired the Shares on 15 September 2017 as announced in the announcement of the Company dated 19 September 2017; (ii) it is uncertain if there may be another potential purchaser who proposes to acquire all of the Sale Shares; and (iii) the total assets of the Offeror as at 30 June 2018 exceed the Consideration, the post-completion payment arrangement of the Balance was acceptable to them.

The Offer Price of HK\$0.1585 per Offer Share is determined on the basis of the maximum Consideration payable by the Offeror per Sale Share under the Sale and Purchase Agreement (which includes the maximum amount of the interest to be accrued on the Balance).

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

For further details of the Offer (including the terms and procedures for acceptance of the Offer), please refer to the “Letter from Get Nice Securities” as set out on pages 9 to 24 of the Composite Document, Appendix I to the Composite Document and the accompanying Form of Acceptance.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the terms of the Offer, we have considered the following principal factors and reasons:

1. Business, financial performance and prospects of the Group

A. Business of the Group

The Group is principally engaged in the provision of foundation works and ancillary services; and construction wastes handling services. During the year ended 31 March 2018, the Group has also made investments in securities business and the money lending business to broaden the Group’s investment strategy, which aims to maximize the return of the Group’s cash. The Group will also seek investing opportunities related to information technologies and financial technologies in Hong Kong and overseas.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

B. Financial information of the Group

Set forth below are (i) the audited consolidated financial information of the Group for the two years ended 31 March 2017 and 31 March 2018 (“FY2017” and “FY2018”, respectively) as extracted from the 2017-18 Annual Report, respectively; and (ii) the unaudited consolidated financial information of the Group of the six months ended 30 September 2017 and 30 September 2018 (“1H2017” and “1H2018”, respectively) as extracted from the 2018 Interim Report:

Table 1: Financial information of the Group

	1H2018	1H2017	FY18	FY17
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
	(unaudited)	(unaudited)	(audited)	(audited)
Revenue	106,849	147,907	298,625	353,038
Foundation works and ancillary services	62,766	49,127	152,447	264,470
Construction wastes handling	43,848	35,666	99,637	62,168
Investment in securities	(186)	60,252	41,346	24,187
Money lending	421	2,862	5,195	2,213
Gross profit	3,738	68,066	70,682	40,292
Administrative and other operating expenses	(18,855)	(12,849)	(38,758)	(29,543)
Finance costs	(3,455)	(1,118)	(2,917)	(1,037)
Profit/(loss) before income tax	(17,758)	55,340	31,747	14,033
Profit/(loss) attributable to the ordinary equity holders of the Company	(17,770)	44,758	25,368	8,359
	As at	As at	As at	As at
	30 September	30 September	31 March	31 March
	2018	2017	2018	2017
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
	(unaudited)	(unaudited)	(audited)	(audited)
Total assets	548,467	464,730	573,070	415,814
Total liabilities	197,146	74,912	202,642	70,754
Net assets	351,321	389,818	370,428	345,060

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In FY2018, the Group recorded total revenue of approximately HK\$298.6 million, representing a decrease of approximately 15.4% as compared to approximately HK\$353.0 million in FY2017. The revenue from foundation works and ancillary services in FY2018 was approximately HK\$152.4 million, approximately HK\$112.0 million less than that of FY2017. The revenue from construction wastes handling services was HK\$99.6 million, increased by about HK\$37.5 million compared to HK\$62.2 million in FY2017, which was mainly due to the increase in revenue from on-going projects during the year. The decline in the total revenue was mainly due to keen competition in the market of foundation works and ancillary services resulting in the contract sum of the newly awarded project during the year being less than corresponding period in 2017 but offset by the increase in the revenue from the investments in securities and money lending business. The contract value of the new contracts awarded in FY2018 was HK\$211.3 million, decreased by approximately HK\$113.4 million compared to HK\$324.7 million in FY2017.

The Group's gross profit increased by approximately 75.4% from approximately HK\$40.3 million in FY2017 to approximately HK\$70.7 million in FY2018, and the gross profit margin increased by approximately 12.3 percentage points from approximately 11.4% in FY2017 to approximately 23.7% in FY2018. The increase was mainly due to the significant increase in the revenue from the investments in securities which had a higher gross profit margin.

In FY2018, the Group recorded profit attributable to owners of the Company of approximately HK\$25.4 million, representing an increase of approximately 203.5% as compared to approximately HK\$8.4 million in FY2017. Such increase was primarily attributable to the increase in gross profit for the year caused by the increase in revenues from securities investment segment as discussed but offset by the increase in administrative and other operating expenses.

The total assets of the Group increased by approximately HK\$157.3 million from approximately HK\$415.8 million as at 31 March 2017 to approximately HK\$573.1 million as at 31 March 2018. The total assets of the Group as at 31 March 2018 mainly comprised (i) bank balances and cash of approximately HK\$330.6 million (31 March 2017: approximately HK\$52.1 million), the increase was mainly due to (a) a HK\$135 million unsecured loan obtained from Strong Lion Investments Limited, a company incorporated in the British Virgin Islands and is controlled by the directors of certain subsidiaries of the Group, which the purpose was mainly to fund the working capital of the Group; (b) a total of HK\$39.2 million from the disposal of subsidiaries; and (c) the proceeds from the sale of investment in securities of approximately HK\$81.4 million; (ii) trade and other receivables of HK\$169.2 million (31 March 2017: approximately HK\$152.8 million); and (iii) gross amounts due from customers for contract work of HK\$35.9 million (31 March 2017: approximately HK\$43.9 million).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The total liabilities of the Group increased by HK\$131.9 million from approximately HK\$70.8 million as at 31 March 2017 to approximately HK\$202.6 million as at 31 March 2018. The total liabilities of the Group as at 31 March 2018 mainly comprised a loan from a related party, Strong Lion Investments Limited, a company incorporated in the British Virgin Islands and is controlled by the directors of certain subsidiaries of the Company, of HK\$136.7 million (31 March 2017: nil); and (ii) trade and other payables of HK\$43.9 million as at 31 March 2018 (31 March 2017: HK\$29.3 million).

The equity attributable to owners of the Company increased by HK\$25.4 million from approximately HK\$345.1 million as at 31 March 2017 to approximately HK\$370.4 million as at 31 March 2018.

In 1H2018, the Group recorded total revenue of approximately HK\$106.8 million, representing a decrease of approximately HK\$41.1 million as compared to approximately HK\$147.9 million in 1H2017. Such decrease was mainly attributable to the decrease in its revenues from securities investment segment which was caused by the downturn of the market. The revenue from foundation works and ancillary services, construction wastes handling services was HK\$62.8 million and HK\$43.8 million, increased approximately HK\$13.6 million and HK\$8.2 million compared with that of 1H2017, respectively, while the revenue from securities investment decreased by approximately HK\$60.4 million.

The Group recorded gross profit of approximately HK\$3.7 million in 1H2018 as compared to gross profit of approximately HK\$68.1 million in 1H2017. The decrease in gross profit was mainly attributable to the significant decrease in revenue from securities investment segment which had a higher gross profit margin. In 1H2018, the Group recorded loss attributable to owners of the Company of approximately HK\$17.8 million as compared to profit of approximately HK\$44.8 million in 1H2017. Such change was mainly attributable to the significant decrease in the revenue from the investments in securities.

The total assets of the Group decreased by approximately HK\$24.6 million from approximately HK\$573.1 million as at 31 March 2018 to approximately HK\$548.5 million as at 30 September 2018. The total assets of the Group as at 30 September 2018 mainly comprised (i) cash and cash equivalents of approximately HK\$390.9 million (31 March 2018: approximately HK\$330.6 million); (ii) contract assets of HK\$77.5 million (31 March 2018: HK\$35.9 million); and (iii) trade and other receivables of HK\$45.6 million (31 March 2018: HK\$169.2 million), the decrease in such balance was mainly due to the collection of loan receivables of HK\$80 million.

The total liabilities of the Group decreased by approximately HK\$5.5 million from approximately HK\$202.6 million as at 31 March 2018 to approximately HK\$197.1 million as at 30 September 2018 as a result of the decrease in accrued current tax payable which was caused by the loss position of the Group in 1H2018.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The equity attributable to owners of the Company decreased from approximately HK\$370.4 million as at 31 March 2018 to HK\$351.3 million as at 30 September 2018, as a result of the net loss of HK\$17.8 million incurred in 1H2018.

C. Business prospects of the Group

Hong Kong's construction market faces both opportunities and challenges under an expanding economy. According to Hong Kong's 2018-19 budget, the public expenditure on infrastructure is estimated at HK\$85.6 billion which is approximately 15% of the total annual expenditure. With numerous infrastructures and building projects from the public and private sectors, there should be good opportunities to secure construction contract works. However, the competition remains very keen in the future due to the growing number of market players. In addition, the construction costs continue to rise due to labour shortages, increasingly stringent regulatory controls and rising construction material and operating costs. The market conditions are less favorable to construction industry, and the Group's outlook remains uncertain towards the construction industry, however, the management teams will proactively look for opportunities to create maximum returns to the shareholders.

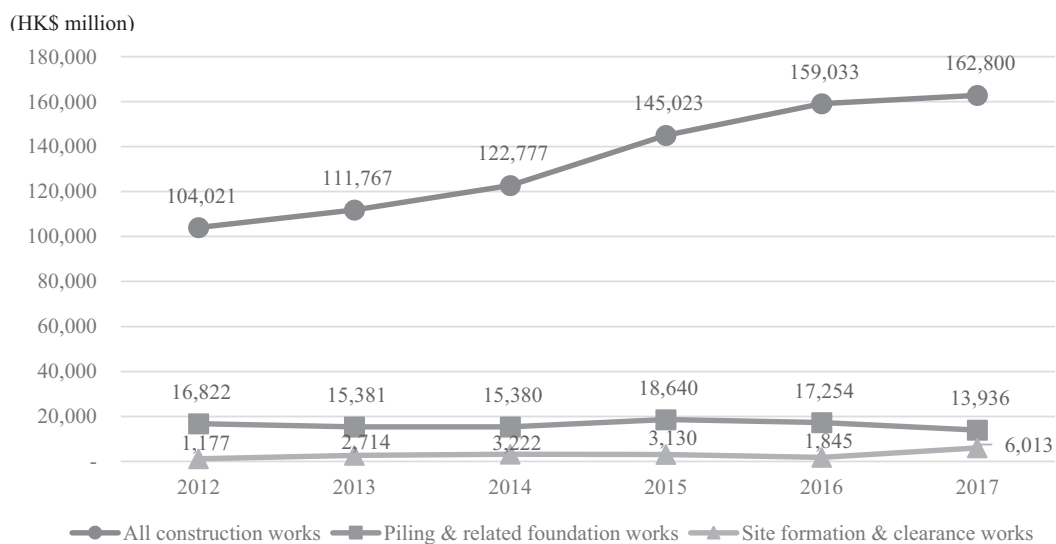
The local business sentiment has become more cautious in recent months owing to the increased headwinds in the economic environment, especially the trade conflicts between U.S. and Mainland China. The trade conflicts between U.S. and Mainland China have weighed on global economic sentiment, with possible repercussion on trade and investment activities. The Hong Kong economy grew by 2.9% in the third quarter of 2018, moderating from the 3.5% growth in the second quarter of 2018. We expect the impact on Hong Kong's economy caused by the U.S.-Mainland China trade conflicts begin to surface in the near future, as forecasted by Hong Kong SAR government in its third quarter economic report 2018 on 16 November 2018. The Group will continue to response to the changing market environment and review its investment strategy regularly

With a view to generate additional income and enhance the capital use of the Group, the Group will also seek investment opportunities related to information technologies and financial technologies in Hong Kong and overseas.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have conducted research on the construction industry (including site formation works) in Hong Kong through public domain. Set out below is the diagram showing the gross value of all construction works, site formation and clearance works, as well as piling and related foundation works in nominal terms performed by main contractors from 2012 to 2017:

Chart 1: Gross value of all construction works, site formation and clearance works, as well as piling and related foundation works



Source: Census and Statistics Department

Note: Construction works comprised (i) site formation & clearance; (ii) piling & related foundation works; (iii) erection of architectural superstructure; and (iv) civil engineering construction.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As illustrated in Chart 1 above, the gross value of all construction works in Hong Kong demonstrated an increasing trend from 2012 to 2017 and surged from approximately HK\$104,021 million in 2012 to approximately HK\$162,800 million in 2017, representing a compound annual growth rate (the “CAGR”) of approximately 9.4%. During the same period of time, the gross value of site formation and clearance works increased from approximately HK\$1,177 million to approximately HK\$6,013 million, representing a CAGR of approximately 38.6% while the gross value of piling and related foundation works decreased slightly from approximately HK\$16,822 million to approximately HK\$13,936 million. The expansion of the site formation and clearance industry was largely in line with that of the overall increase in all construction works, and the piling and related foundation works remained relatively stable. Nevertheless, due to the slowdown in growth of Government works with the launch of fewer largescale infrastructure projects in year 2018-2019, as stated in the 2017-2018 Hong Kong Government Budget and the 2018-2019 Hong Kong Government Budget (2018-2019: HK\$28.1 billion; 2017-2018: HK\$76.9 billion), the gross value of site formation works in Hong Kong experienced a drop of approximately 27.6% to approximately HK\$2,382 million for the first half of 2018, as compared to the corresponding period in the previous year.

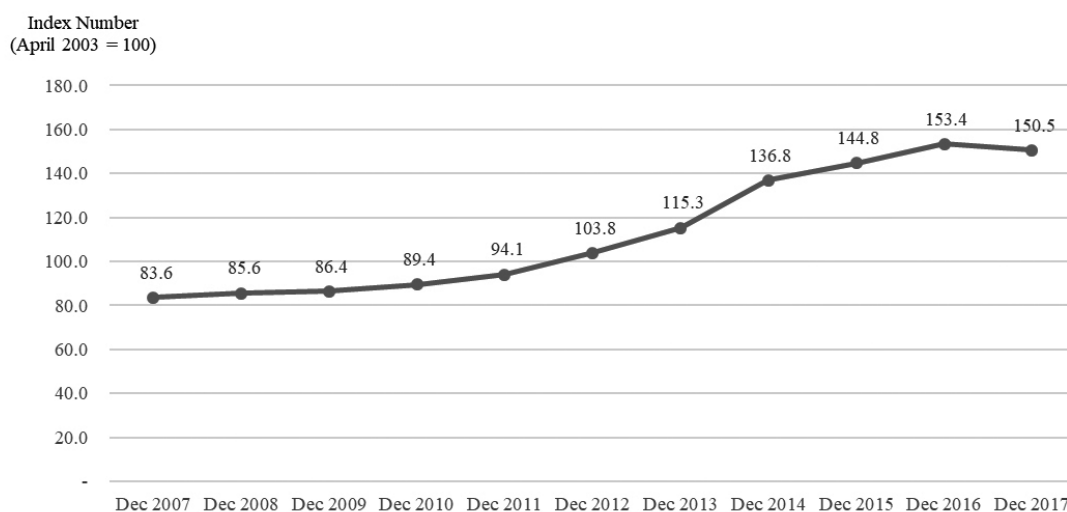
Amid the slowdown in growth of governmental construction works, infrastructure and land resources are among the top priorities on the government’s agenda in the 2018-2019 Budget of the Hong Kong government. The government has put forward an array of initiatives to stimulate the growth of the construction industry by not only injecting approximately HK\$85.6 billion to infrastructure projects but also devoting resources to produce approximately 100,000 units of public housing for the next five years which opens up numerous new business opportunities for the Group. The strong support from the government will possibly bring beneficial impacts to the sustainable growth of the construction industry in Hong Kong and also, the Group.

Moreover, the increase in number of competitors will lead to a fiercer competition in the industry. According to the Buildings Department of Hong Kong, there were 195 contractors registered as Specialist Contractors (Sub-register of Site Formation Works Category) as at the Latest Practicable Date, as compared to 179 registered contractors in May 2016. On the other hand, the number of registered subcontractors for earthwork under the Subcontractors Registration Scheme managed by the Construction Industry Council (a statutory body corporate established under the Construction Industry Council Ordinance (Chapter 587 of the Laws of Hong Kong) also increased from 391 in May 2016 to 421 as at the Latest Practicable Date. The increasing number of market players will result in a more competitive tendering process, which may increase the difficulty for the Company to be awarded new projects and thus adversely affect the performance of the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In addition to the atmosphere of the construction industry and the keen competition among industry players, the continuing escalation of labour costs is considered to be another critical factor for the prospect of the Group. Based on our research from public domains, set out below is the diagram showing the index number of composite labour wage for building contracts of public sector from December 2007 to December 2017:

Chart 2: Index number of composite labour wages for building contracts of public sector



Source: Census and Statistics Department

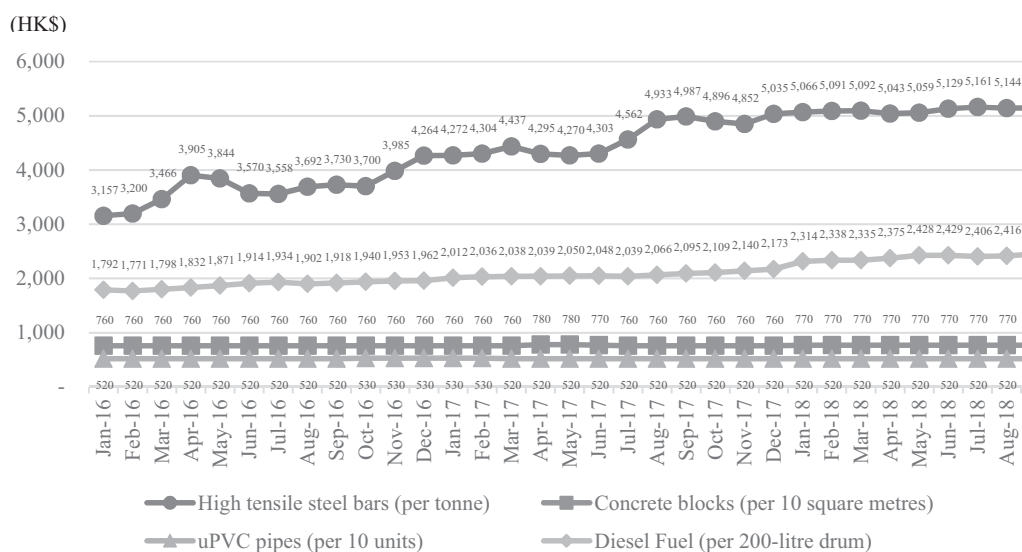
Note: April 2003 is adopted as the based period (i.e. April 2003 = 100)

As set out in Chart 2 above, the index number of composite labour wages for building contracts of public sector increased from 83.6 in December 2007 to 150.5 in December 2017, representing a CAGR of approximately 6.1%. Having considered the fact that the Group's staff cost for FY2018 of approximately HK\$68.1 million represented over one third of the Group's total revenue, the continual escalation in labour cost would bring detrimental impacts to the financial performance of the Group in future.

Apart from the continuous rise in labour cost, the material cost also experienced an increase in recent years. Set out below is the chart showing the average wholesale prices of four common building materials used by the Group during its usual and ordinary course of business, namely high tensile steel bars, concrete blocks, uPVC pipes and diesel fuel.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Chart 3: Average wholesale prices of selected building materials



Source: Census and Statistics Department

As shown in the above chart, the average wholesale prices of high tensile steel bars and diesel fuel showed an upward trend which increased from HK\$3,157 per tonne and HK\$1,792 per 200-litre drum respectively in January 2016 to HK\$5,147 per tonne and HK\$2,454 per 200-litre drum respectively in September 2018, representing an increase of approximately 63.0% and approximately 36.9% respectively. On the other hand, the average wholesale prices of concrete blocks and uPVC pipes remained stable during the relevant period. The rise in material costs would inevitably increase the Group's expenses on building materials and would, in turn, affect the profitability of the Company in a negative way.

Notwithstanding the strong support from the government on the construction industry, after taking into consideration the keen competition among the construction industry players and the continual escalation in labour cost and material cost, we are of the opinion that there remains uncertain in the future performance of the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Regarding the prospect of the money lending business of the Group, the Management advised that the money lending business is not a core business line of the Group, citing the fact that the revenue generated from money lending sector accounted for approximately 1.8% of the total revenue in FY2018, and the Group would only conduct such business on a case-by-case basis. In terms of the prospect of the securities investment, the revenue generated from investment in securities accounted for approximately 13.8% of the total revenue in FY2018, however, the Group intends to put less focus on this business line in 2019 because the Management is uncertain as to whether such business may help maximize the return of the Group's cash under prevailing equity markets' conditions. In 2018, the international equity markets have underperformed following a very strong 2017, and events such as trade conflicts between U.S. and Mainland China, schedule of rate hikes made by the U.S. Federal Reserve have weighed on the outlook of global equity markets. As the market sentiment remains uncertain in 2019, the Company is of the opinion that it is reasonable for the Group to put less focus on this business line.

As the global economy moves towards the digital era, information technology has been an integral aspect of business success achieved by some companies, with e-commerce and other digital functions, such as financial technologies, providing a broader platform to sell and market to a larger customer base. While financial technology is perceived to be relatively new in Hong Kong, as compared to its extensive use in the PRC, we agree with the Group's view that, seizing the opportunity to pursue new business opportunities in the financial technology sector in Hong Kong at this time may help generate additional income and enhance the capital use of the Group, which is in line with the business prospect of the Group as set out in the interim report of the Group for the period ended 30 September 2018.

The Group had not identified any investment or business opportunities nor had the Group entered into any related agreement, arrangements, understandings or negotiation relating to the Group's intention set out in the preceding paragraph, and there is no plan on any injection or disposal of any assets or businesses into/of the Group as at the Latest Practicable Date.

2. Principal terms of the Offer

Get Nice Securities, on behalf of the Offeror, is making the Offer on the following terms in accordance with Rule 26.1 of the Takeovers Code:

For each Offer Share HK\$0.1585 in cash

The Offer Price of HK\$0.1585 per Offer Share is determined on the basis of the maximum Consideration payable by the Offeror per Sale Share under the Sale and Purchase Agreement (which includes the maximum amount of the interest to be accrued on the Balance).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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

The Offer Price of HK\$0.1585 per Offer Share represents:

- (i) a discount of approximately 59.36% to the closing price of HK\$0.3900 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 60.18% to the average closing price of approximately HK\$0.3980 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to and including the Last Trading Day;
- (iii) a discount of approximately 56.93% to the average closing price of approximately HK\$0.3680 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days prior to and including the Last Trading Day;
- (iv) a discount of approximately 64.45% to the average closing price of approximately HK\$0.4458 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days prior to and including the Last Trading Day;
- (v) a discount of approximately 68.30% to the closing price of HK\$0.50 per Share as quoted on the Stock Exchange on the 2 January 2019 being the trading day preceding to the commencement of the Offer Period;
- (vi) a discount of approximately 2.76% to the closing price of HK\$0.163 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (vii) a premium of approximately 136.57% over the unaudited consolidated net asset value of the Group attributable to the Shareholders of approximately HK\$0.067 per Share as at 30 September 2018, calculated based on the Group's unaudited consolidated total equity value of approximately HK\$351.3 million as at 30 September 2018 and 5,262,000,000 Shares in issue as at the Latest Practicable Date.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

A. *Historical price performance of the Shares*

Set out below is the chart showing the daily closing price of the Shares as quoted on the Stock Exchange during the period commencing from 4 January 2018, being the twelve-month period prior to 3 January 2019, the day of which the announcement of a possible general offer was published, up to and including the Latest Practicable Date (the “**Review Period**”):

Chart 4: Share price performance during the Review Period



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

Note: Trading in the Shares was suspended from 3:29 p.m. on 2 January 2019 to 3 January 2019, pending the publication of the announcement of a possible general offer, and was suspended from the afternoon session on 10 January to 23 January 2019 pending the publication of the Joint Announcement

From 4 January 2018 to the Last Trading Day, the closing prices of the Shares ranged from HK\$0.26 to HK\$1.11 per Share, representing a premium of approximately 64.0% and 600.3% respectively over the Share Offer Price of HK\$0.1585. However, as noted in the chart above, despite fluctuations in the closing prices of the Shares, the closing price of the Shares has been in an overall decreasing trend in the Review Period with the highest closing price of the Shares recorded on 15 January 2018 whilst the lowest closing price of the Shares recorded on 8 March 2019 and 11 March 2019. As such, the closing price of the Shares has dropped approximately 76.03% in the said period. We have enquired with the Company for the reason of the decrease in the closing prices of the Shares during the abovementioned period and the Directors are not aware of any reasons for such price decrease. However, it should be noted that the Company has issued a profit warning announcement on 9 November 2018 informing shareholders and investors of an expected unaudited loss to be recorded by the Group for the six months ended 30 September 2018 as compared with the prior year.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Since Last Trading Day and up to the Latest Practicable Date (the “**Post-announcement Period**”), we noted that the closing prices of the Shares had decreased and ranged from HK\$0.390 to HK\$0.163 per Share, representing a premium of approximately 146.06% to and a premium of approximately 2.84% over the Share Offer Price respectively. As at the Latest Practicable Date, the Share Offer Price represents a discount of approximately 2.76% to the closing price of HK\$0.163 per Share.

Independent Shareholders should note that the information set out above is not an indicator of the future performance of the Shares and that the price of the Shares may increase or decrease from its closing price after the Latest Practicable Date.

B. Historical trading volume of the Shares

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

Table 2: Trading volume of the Shares during the Review Period

Month/period	Total trading volume (No. of Shares)	No. of trading days (No. of Shares)	Average daily trading volume	Percentage of the average daily trading volume to the total number of issued Shares (Note 2)	Percentage of the average daily trading volume to the number of issued Shares held by public Shareholders (Note 3)
January 2018	379,920,900	20	18,996,045	0.36%	0.91%
February 2018	59,240,000	18	3,291,111	0.06%	0.16%
March 2018	146,570,000	21	6,979,524	0.13%	0.34%
April 2018	134,726,700	19	7,090,879	0.13%	0.34%
May 2018	114,806,700	21	5,466,986	0.10%	0.26%
June 2018	179,816,700	20	8,990,835	0.17%	0.43%
July 2018	64,430,100	21	3,068,100	0.06%	0.15%
August 2018	109,490,000	23	4,760,435	0.09%	0.23%
September 2018	64,880,000	19	3,414,737	0.06%	0.16%
October 2018	24,650,000	21	1,173,810	0.02%	0.06%
November 2018	29,000,000	22	1,318,182	0.03%	0.06%
December 2018	8,560,000	19	450,526	0.01%	0.02%
January 2019	408,190,000	12	34,015,833	0.65%	1.64%
– From 2 January 2019 to 10 January 2019	13,250,000	6	2,208,333	0.04%	0.11%
– From 24 January 2019 to 31 January 2019	394,940,000	6	65,823,333	1.25%	3.17%
February 2019	240,340,000	17	14,137,647	0.27%	0.68%
March 2019					
– From 1 March 2019 to 15 March 2019	205,511,000	11	18,682,818	0.36%	0.90%

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

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

1. Trading in the Shares was suspended from 3:29 p.m. on 2 January 2019 to 3 January 2019, pending the publication of the announcement of a possible general offer, and was suspended from the afternoon session on 10 January to 23 January 2019 pending the publication of the Joint Announcement.
2. The calculation is based on the average daily trading volume of the Shares divided by the total issued share capital of the Company as at the Latest Practicable Date (i.e. 5,262,000,000 Shares).
3. The calculation is based on the average daily trading volume of the Shares divided by the number of Shares held by public Shareholders as at the Latest Practicable Date (i.e. 2,079,209,999 Shares).

As illustrated in Table 2 above, the average trading volume in the Shares had been rather thin during the period from 4 January 2018 until the publication of the Joint Announcement (the “**Pre-announcement Period**”), with the average volume to total number of Shares held by the public Shareholders as at the Latest Practicable Date being less than 1% from 4 January 2018 to 10 January 2019 and with an average of 0.25%.

On 24 January 2019 (being the first trading day after the publication of the Joint Announcement), the trading volume of the Shares increased to approximately 23.1 million Shares and the average trading volume increased from approximately 5.3 million Shares during the Pre-announcement Period to approximately 65.8 million Shares during the period from 24 January 2019 to 31 January 2019. We believe that the increase in trading volume of the Shares during the period from 24 January 2019 to 31 January 2019 was likely to be due to the market reaction to the announcement of the Offer. The average daily trading volume of the Shares then resumed to the relatively thin level of approximately 15.9 million Shares during the period from 1 February 2019 and up to the Latest Practicable Date.

Given the thin historical daily trading volume of the Shares, it is uncertain as to whether there would be sufficient liquidity in the Shares for the Independent Shareholders to dispose of a significant number of Shares in the open market without causing an adverse impact on the market price level of the Shares and accordingly, the market trading price of the Shares may not necessarily reflect the proceeds that the Independent Shareholders can receive by the disposal of their Shares in the open market. The Share Offer, therefore, represents an opportunity and a viable alternate exit for the Independent Shareholders, particularly for those who hold a large volume of Shares, to dispose of their entire holding at the Share Offer Price if they so wish.

C. Comparison with other comparable companies

In assessing the fairness and reasonableness of the Offer Price, we attempted to compare the Offer Price against the market valuation of other comparable companies using the price-to-earnings ratio (“**P/E ratio**”) and the price-to-book ratio (“**P/B ratio**”), which are commonly used valuation multiples.

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The Group is principally engaged in provision of foundation works and ancillary services which contributing over 50% to the Group's revenue for the year ended 31 March 2018. Therefore, we identified companies based on the following criteria: (i) principally engaged in the business in relation to foundation works and ancillary services which contribute at least 50% to the total revenue; (ii) at least 50% of the revenue streams are retrieved from Hong Kong that are similar to the Group; (iii) currently listed on the Stock Exchange; and (iv) with a market capitalization above HK\$500 million (the Group's market capitalization as at 15 March 2019: HK\$1,015.6 million). We have identified an exhaustive list of 7 companies (the "Comparable Companies") which met our above-mentioned selection criteria.

As each of the Comparable Companies has its own unique nature and characteristic in terms of, *inter alia*, business operation and environment, size, profitability and financial position, the comparison of the P/E ratio and the P/B ratio between the Comparable Companies and the Group may not represent an identical comparison. The Independent Shareholders should also note that the business operation and environment, size, profitability and financial position of the Comparable Companies are not equivalent to the Company and we have not conducted any in-depth investigation into the abovementioned business and affairs of the Comparable Companies. Nevertheless, we consider such comparison could be treated as an indication as to the reasonableness and fairness of the Offer Price. We would like to note that the fundamentals of the Comparable Companies may vary from each other, and are different. As such, the comparison is for the Independent Shareholders' reference only. Details of such comparison are set out in the table below:

Table 3: Details of the Comparable Companies

Company name	Principal activities	Market capitalization (HK\$ million) (Note 1)	Profit/(loss) attributable to equity holders (HK\$ million) (Note 2)	Net assets attributable to equity holders (HK\$ million) (Note 3)	P/E ratio (times) (Note 4)	P/B ratio (times) (Note 5)
Vantage International (Holdings) Ltd. (15.HK)	Provision of construction, civil engineering, maintenance and other contract works in public and private sectors in Hong Kong, property investment and development.	1,245.4	408.9	3,977.5	3.05	0.31
Asia Allied Infrastructure Holdings Ltd. (711.HK)	Civil engineering, electrical and mechanical engineering, foundation and building construction work, property development, property investment, professional services including provision of security and property management services.	1,399.5	150.2	2,450.0	9.31	0.57

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Company name	Principal activities	Market capitalization (HK\$ million) (Note 1)	Profit/(loss) attributable to equity holders (HK\$ million) (Note 2)	Net assets attributable to equity holders (HK\$ million) (Note 3)	P/E ratio (times) (Note 4)	P/B ratio (times) (Note 5)
Hanison Construction Holdings Ltd. (896.HK)	Building construction, interior and renovation works, supply and installation of building materials, trading of health products, property investment, property agency and management and property development.	1,483.5	616.3	3,970.0	2.41	0.37
Grand Ming Group Holdings Ltd. (1271.HK)	Building construction, property leasing and property development.	3,470.8	171.8	2,785.7	20.20	1.25
SFK Construction Holdings Ltd. (1447.HK)	Engaged in construction and maintenance projects in Hong Kong and Macau; provision of cleaning services and security management services in Hong Kong	1,228.0	141.9	463.2	8.66	2.65
Able Engineering Holdings Ltd. (1627.HK)	Provision of building construction services and repair, maintenance, alteration and addition works in Hong Kong.	960.0	175.0	1,249.3	5.49	0.77
				Average	8.18	0.99
				Median	7.07	0.67
				Maximum	20.20	2.65
				Minimum	2.41	0.31
The Company		834.0 (Note 6)	25.4	351.3	32.9 (Note 6)	2.37 (Note 6)

Sources: the website of the Stock Exchange (www.hkex.com.hk) and the financial reports of the respective Comparable companies

1. The market capitalization is calculated based on the share price and number of issued shares of the respective companies as of 15 March 2019.
2. Based on the figures of the respective Comparable Companies as published in the latest full financial year prior to the Latest Practicable Date.
3. Based on the figures of the respective Comparable Companies as published in the latest published annual reports, or interim reports, or interim results announcements.
4. The P/E ratios of the Comparable Companies are calculated based on their respective market capitalization divided by the respective latest published profit for the financial year.
5. The P/B ratios of the Comparable Companies are calculated based on their respective market capitalization divided by the consolidated net assets attributable to equity shareholders as disclosed in their respective latest published annual reports or interim results.

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6. Market capitalization of the Company is calculated based on the Share Offer Price multiplied by the total number of issued shares of 5,262,000,000 as of the Latest Practicable Date.

As set out in the Table 3 above, the P/E ratios of the Comparable Companies ranged from approximately 2.41 times to approximately 20.20 times with an average of approximately 8.18 times and median of approximately 7.07 times. The P/E ratio of the Company implied by the Offer Price of approximately 32.9 times is beyond the range and is higher than the average and median of the P/E ratios of the Comparable Companies.

The P/B ratios of the Comparable Companies ranged from approximately 0.31 times to approximately 2.65 times with an average of approximately 0.99 times and a median of approximately 0.67 times. The P/B ratio of the Company implied by the Offer Price of approximately 2.37 times is within the range and higher than the average and the median of the P/B ratios of the Comparable Companies.

D. Conclusion

Having considered the factors set out in the above paragraphs that:

- (i) the Offer Price represents (a) a discount of approximately 2.76% over the closing price of HK\$0.163 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and (b) a premium of approximately 136.57% over the unaudited consolidated net asset value of the Group of approximately HK\$0.067 per Share as at 30 September 2018, calculated based on the Group's unaudited consolidated net assets of approximately HK\$351.3 million as at 30 September 2018 and 5,262,000,000 Shares in issue as at the Latest Practicable Date;
- (ii) the Group recorded a loss attributable to owners of the Company of approximately HK\$17.8 million for the period ended 30 September 2018 as compared with its prior year;
- (iii) the closing prices of the Shares have been in a decreasing trend during the Review Period;
- (iv) the trading volume of Shares was low during the Review Period, and it is uncertain as to whether there would be sufficient liquidity in the Shares for the Independent Shareholders to dispose of a significant number of the Shares in the open market without depressing the Share price;
- (v) there are likely uncertainties in the future performance of the Group as discussed in the paragraph headed "C. Business prospects of the Group" under the section headed "1. Business, financial performance and prospects of the Group";

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(vi) the P/E ratio of the Company implied by the Offer Price of approximately 32.9 times is beyond the range and is higher than the average and median of the P/E ratios of the Comparable Companies; and

(vii) the P/B ratio of the Company implied by the Offer Price of approximately 2.37 times is within the range and higher than the average and median of the P/B ratios of the Comparable Companies,

we are of the view that the Offer Price is fair and reasonable so far as the Independent Shareholders are concerned.

3. Information on the Offeror and the intention of the Offeror in relation to the Group

A. Information on the Offeror

The Offeror is a company incorporated in the Cayman Islands with limited liability in 2015 and principally engaged in investment holding. The Offeror does not have any experience in the Group's business.

Mr. Xu Mingxing controls the Offeror through (i) his wholly-owned company named StarXu Capital Limited ("**StarXu Capital**") with direct interest in the Offeror of approximately 29.26%; (ii) StarXu Capital with the interest of approximately 24.74% in SKY CHASER HOLDINGS LIMITED ("**SKY CHASER**"), whereas SKY CHASER directly holds approximately 1.45% interest in the Offeror (accordingly, Mr. Xu holds 0.36% indirect interest of the Offeror through SKY CHASER); and (iii) his wholly-owned company named OKEM Services Company Limited ("**OKEM Services**") with direct interest in the Offeror of approximately 23.06%. Thus, Mr. Xu Mingxing holds an aggregate interest of approximately 52.68% in the Offeror.

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B. Future Intention of the Offeror and the Board Regarding the Group

Immediately after Completion, the Offeror becomes the Controlling Shareholder.

Following the close of the Offer, the Offeror intends to continue the existing principal businesses of the Group. The Offeror will conduct a review on the existing principal businesses and the financial position of the Group for the purpose of formulating business plans and strategies for the future business development of the Group in the best interest of the Group and its Shareholders. The Offeror may look into business opportunities including but not limited to those related to the existing businesses of the Group; and information technologies and financial technologies in Hong Kong and overseas, which is in line with the business prospect of the Group as set out in the interim report of the Group for the period ended 30 September 2018, and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group.

As at the Latest Practicable Date, no business plan has been developed as it is dependent on the Offeror's examination of the Group's existing capabilities and resources, and the then market situation once the investment opportunities arise.

The Offeror had not identified any investment or business opportunities nor had the Offeror entered into any related agreement, arrangements, understandings or negotiation relating to the Offeror's intention set out in the preceding paragraph, and there is no plan on any injection of any assets or businesses into the Group as at the Latest Practicable Date.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to (i) discontinue the employment of any employees of the Group; or (ii) redeploy the fixed assets of the Group other than those in its ordinary and usual course of business.

Having considered the facts that (i) the Offeror had not laid down any detailed business plan of the Group as at the Latest Practicable Date; and (ii) the prospect for the construction industry in Hong Kong, in which the Group is engaged, will remain challenging (please refer to our analysis as disclosed in the paragraph headed "C. Business prospects of the Group" under the section headed "1. Business, financial performance and prospects of the Group" above for further details), we are of the opinion that there remains uncertain in the future performance of the Group.

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C. Proposed Change of the Board Composition of the Company

As at the date of this joint announcement, the executive Directors are Mr. Ren Yunan, Mr. Cheng Yuk, Mr. Luo Ting and Mr. Zhu Junkan; and the independent non-executive Directors are Mr. Chan King Chung, Mr. Li Zhouxin, Mr. Lee Man Chiu and Mr. Jiang Guoliang.

The Offeror intends to nominate Mr. Xu Mingxing and Mr. Pu Xiaojiang as new executive Directors to the Board for appointment with effect from the date no earlier than the despatch date of this Composite Document and the Form of Acceptance. All existing Directors (including independent non-executive Directors) will remain in the Board.

The personal biographical information of each proposed executive Director is set out below:

Mr. Xu Mingxing (“**Mr. Xu**”), aged 34, graduated from the University of Science and Technology Beijing in 2006 with a Bachelor’s degree in Applied Physics.

Mr. Xu has a decade of experience in the blockchain technology, information technology and corporate management.

Mr. Xu became the director and chief executive officer of the Offeror since February 2015 and became the director and chairman of Shanghai Xingpan Science and Technology Company Limited (“**Shanghai Xingpan**”) (NEEQ: 833166), formerly known as Shanghai United Testing Co., Ltd., since August 2017. The business scope of Shanghai Xingpan includes technology development, technology transfer, technical services, technology promotion, operational internet cultural information services, business management consulting, computer system services, business management consulting, computer system services, sale of computer and ancillary equipment in network technology industry.

From June 2007 to August 2012, Mr. Xu was employed by DocIn Shiji (Beijing) Technology Limited (豆丁世紀(北京)網路技術有限公司, known as “**DocIn.com**”). DocIn.com is a company engaging in the operation of Chinese online reading platform with a diverse content online library, including Chinese articles, publications and industry research reports, providing Internet information services, as well as technology services, development, consulting, transfer and advertising. His last position was chief technology officer.

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Mr. Pu Xiaojiang (“**Mr. Pu**”), aged 55, graduated from the Journalism School of Fudan University with a Bachelor’s degree of Arts in 1987. He also obtained his Executive MBA from China Europe International Business School in 2003.

Mr. Pu has experiences in brand management, media, marketing and financial services industries. He is the vice president of Bluefocus International Limited since April 2016, a subsidiary in Hong Kong of Bluefocus Intelligent Communications Group Co., Ltd. (北京藍色光標數據科技股份有限公司)(formerly known as Bluefocus Communication Group Co., Ltd. (北京藍色光標品牌管理顧問股份有限公司)) which is listed on the Shenzhen Stock Exchange with the stock code of “300058” (“**Bluefocus**”). Bluefocus is a data technology company, the business scope includes marketing services, digital advertising and international business, which provides services in marketing communication and smart technology based on data technology.

Before that, from August 2013 to March 2016, Mr. Pu was the vice president of Rifa Securities Limited (formerly known as “**iSTAR International Securities Co. Limited**”), a subsidiary of China Finance Online Co. Limited (NASDAQ: JRJC). Rifa Securities Limited is a licensed corporation permitted to carry out Type 1 (dealing in securities) regulated activity as defined under the SFO. China Finance Online Co. Limited is a web-based financial services company in China, which provides financial information services and offer fundamental and technical tools for sales, earnings, debt management, and growth potentials.

Save for the abovementioned proposed appointment of Directors, the Offeror has no intention to change the board composition of the Company.

Following the close of the Offer, all existing Directors will remain on the Board, and will continue to be responsible for (a) the overall management of the existing principle businesses of the Group; and (b) seeking new opportunities in relation to the Group’s existing principle businesses. In addition, the new Directors to be appointed will also be responsible for managing and seeking new business opportunities in relation to the Group’s existing principle businesses, as well as for the information technologies and financial technologies sectors in Hong Kong and overseas. The managerial experience of the new Directors will be beneficial to the existing Board and the Group’s existing principle businesses.

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Any changes to the composition of the Board will be made in compliance with the Takeovers Code and the Listing Rules and further disclosure, including but not limited to the details required by Rule 13.51(2) of the Listing Rules, will be made in the announcement of appointment of Directors accordingly.

D. Maintaining the Listing Status of the Company

It is stated in the “Letter from Get Nice Securities” on pages 9 to 24 of this Composite Document that the Offeror intends the Company to remain listed on the Stock Exchange. The directors of the Offeror and the new directors to be appointed to the Board of the Company will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

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

- **a false market exists or may exist in the trading of the Shares; or**
- **that there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend dealings in the Shares.**

The Offeror intends the Company to remain listed on the Stock Exchange. The directors of the Offeror and the new directors to be appointed to the Board of the Company will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in Shares.

The Offeror does not intend to exercise or apply any right which may be available to it to compulsorily acquire any Shares outstanding after the close of the Offer.

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OPINION AND RECOMMENDATION

Taking into consideration the above-mentioned principal factors and reasons, in particular the following:

- (i) the Group's financial performance remains uncertain as discussed in the paragraph headed "B. Financial information of the Group" under the section headed "1. Business, financial performance and prospects of the Group";
- (ii) the trading volume of Shares was low during the Review Period, and it is uncertain as to whether there would be sufficient liquidity in the Shares for the Independent Shareholders to dispose of a significant number of the Shares in the open market without depressing the Share price;
- (iii) there are likely uncertainties in the future performance of the Group as discussed in the paragraph headed "C. Business prospects of the Group" under the section headed "1. Business, financial performance and prospects of the Group";
- (iv) the P/E ratio of the Company implied by the Offer price of approximately 32.9 times is beyond the range and higher than the average and median of P/E ratios of the Comparable Companies;
- (v) the P/B ratio of the Company implied by the Offer Price of approximately 2.37 times is within the range and higher than the average and median of P/B ratios of the Comparable Companies; and
- (vi) the composition of the existing Board will remain unchanged upon the completion of the Offer,

we consider that the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned. On such basis, we recommend the Independent Board Committee to advise the Independent Shareholders to accept the Offer. Given the composition of the existing Board will remain unchanged upon the completion of the Offer, the fact that the proposed two new executive Directors do not have experience in the existing businesses of the Group does not affect our recommendations. In view of the volatility of market conditions, those Independent Shareholders who intend to accept the Offer are strongly reminded to closely monitor the market price and the liquidity of the Shares during the Offer Period and should consider selling their Shares in the open market, instead of accepting the Offer, if the net proceeds from the sale of such Shares in the open market would exceed the net proceeds receivable under the Offer after having regard to the market price and the liquidity of the Shares.

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For those Independent Shareholders who are attracted by and confident in the future prospects of the Group, given the background and future intention of the Offeror as detailed in the “Letter from Get Nice Securities” contained in the Composite Document and notwithstanding that no detailed business plan has been laid down by the Offeror, they may consider to retain their Shares in full or in part. The Offeror intends to nominate two new executive Directors to the Board, as discussed in the paragraph headed “Board Composition of the Company,” and looks into business opportunities in line with the business prospect of the Group. In addition, given that all of the existing Directors will remain in the Board to oversee and manage the existing businesses, and the proposed two new executive Directors’ managerial experience will be beneficial to the existing board of Directors, therefore the proposed appointment of the two new executive Directors may not have negative impact on the existing businesses of the Group. We would like to remind the Independent Shareholders that if they consider retaining their Shares or tendering less than all their Shares under the Offer, they should carefully consider the potential difficulties they may encounter in disposing of their investments in the Shares after the close of the Offer in view of the historical low liquidity of the Shares and there is no guarantee that the prevailing level of the Share price will sustain during and after the Offer Period. The Independent Shareholders are strongly advised that the decision to realise or to continue to hold their investments in the Shares is subject to individual circumstances and investment objectives.

The Independent Shareholders are also reminded to read carefully the procedures for accepting the Offer, details of which are set out in Appendix I to the Composite Document and the accompanying Form of Acceptance, if they wish to accept the Offer.

Yours faithfully,
For and on behalf of
Winsome Capital Limited
Simon Yim
Managing Director

Mr. Simon Yim is a licensed person registered with the Securities and Futures Commission to carry out Type 6 (advising on corporate finance) regulated activity under the Securities Futures Ordinance and has over 15 years of experience in corporate finance industry.

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

1. PROCEDURES FOR ACCEPTANCE OF THE OFFER

1.1 The Offer

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

If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer in respect of your Shares (whether in full or in part), you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of Shares in respect of which you intend to accept the Offer, by post or by hand, to the Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong in an envelope marked "**LEAP Holdings Group Limited – Offer**", as soon as possible, and in any event no later than 4:00 p.m. on the Closing Date or such later time(s) and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code.

- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer (whether in full or in part), you must either:
- i. lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) with the nominee company, or other nominee, and with instructions authorising it to accept the Offer on your behalf and requesting it to deliver in an envelope marked "**LEAP Holdings Group Limited – Offer**" the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or

- ii. arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver in an envelope marked “**LEAP Holdings Group Limited – Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or
 - iii. if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
 - iv. if your Shares have been lodged with your investor participant’s account maintained with CCASS, give your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (c) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be duly completed and signed and delivered in an envelope marked “**LEAP Holdings Group Limited – Offer**” to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter. If you have lost your share certificate(s), you should also write to the Registrar for a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Registrar.

- (d) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it in an envelope marked “**LEAP Holdings Group Limited – Offer**” to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable instruction and authority to each of Get Nice Securities and/or the Offeror and/or any of their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.
- (e) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Registrar by no later than 4:00 p.m. on the Closing Date or such later time(s) and/or date(s) as the Offeror may determine and announce in accordance with the Takeovers Code and the Registrar has recorded that the Form of Acceptance and any relevant documents required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:
- i. accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and, if that/those share certificate(s) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in your favour executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or
 - ii. from a registered Shareholder or his personal representatives (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under other subparagraph of this paragraph (e)); or
 - iii. certified by the Registrar or the Stock Exchange.

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

- (f) In Hong Kong, seller's *ad valorem* stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholder accepting the Offer (where the amount of stamp duty is a fraction of a dollar, the stamp duty will be rounded up to the nearest dollar). The Offeror will arrange for payment of the sellers' *ad valorem* stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and will pay the buyer's *ad valorem* stamp duty in connection with the acceptance of the Offer and the transfer of the Shares.
- (g) No acknowledgement of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

2. SETTLEMENT UNDER THE OFFER

2.1 The Offer

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

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

3. ACCEPTANCE PERIOD AND REVISIONS

- a) In order to be valid for the Offer, the Form of Acceptance must be received by the Registrar in accordance with the instructions printed thereon by 4:00 p.m. on the Closing Date, unless the Offer is extended or revised in accordance with the Takeovers Code. The Offer is unconditional.
- b) The Offeror reserves the right to revise the terms of the Offer after the despatch of this Composite Document until such day as it may determine and in accordance with the Takeovers Code. If the Offeror revises the terms of the Offer, all the Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms.
- c) If the Offer is extended or revised, the announcement of such extension or revision shall state the next closing date or that the Offer will remain open until further notice. For the latter case, at least 14 days' notice in writing will be given to the Independent Shareholders who have not accepted the Offer before the Offer is closed, and an announcement in respect thereof shall be released. If the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms.
- d) Any acceptance of the relevant revised Offer shall be irrevocable unless and until the Independent Shareholders who accept the Offer become entitled to withdraw their acceptance under the paragraph headed "6. RIGHT OF WITHDRAWAL" of this appendix below and duly do so.

4. NOMINEE REGISTRATION

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

5. ANNOUNCEMENTS

- (a) By 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must post an announcement on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been revised, extended, or has expired.

The announcement must state the following:

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

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

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

6. RIGHT OF WITHDRAWAL

- a) Acceptance of the Offer tendered by any Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out below.
- b) If the Offeror is unable to comply with the requirements set out in the paragraph headed “5. ANNOUNCEMENTS” of this appendix above, as set out in Rule 19.2 of the Takeovers Code, the Executive may require the Independent Shareholders who have tendered acceptances to the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that rule are met.
- c) In such case, when any Independent Shareholder(s) withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event within ten (10) days thereof, return by ordinary post the share certificate(s), and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares lodged with the Form of Acceptance to the relevant Independent Shareholder(s) at their own risk.

7. STAMP DUTY

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

8. OVERSEAS SHAREHOLDERS

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

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

9. TAXATION ADVICE

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

10. GENERAL

- a) All communications, notices, Form of Acceptance, share certificate(s), transfer receipts(s), other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents by post at their own risk, and the Offeror, the Company, Get Nice Securities, Veda Capital, the Independent Financial Adviser, the Registrar or any of their respective directors and professional advisers or the company secretary of the Company, and any other parties involved in the Offer and any of their respective agents do not accept any liability for any loss or delay in postage or any other liabilities that may arise as a result thereof.
- b) The provisions set out in the Form of Acceptance form part of the terms and conditions of the Offer.

- c) The accidental omission to despatch this Composite Document and/or Form of Acceptance or any of them to any person to whom the Offer is made will not invalidate either the Offer in any way.
- d) The Offer is, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong.
- e) Due execution of the Form of Acceptance will constitute an irrevocable authority to the Offeror, Get Nice Securities, Veda Capital or such person or persons as the Offeror may direct to complete, amend and execute any document on behalf of the person or persons accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as it may direct, the Shares in respect of which such person or persons has/have accepted the Offer.
- f) Acceptance of the Offer by any Independent Shareholders will be deemed to constitute a warranty by such person or persons to the Offeror and the Company that their Shares are free from all third party rights and Encumbrances whatsoever and together with all rights accruing or attaching thereto including in the case of the Shares, the right to receive in full all dividends and distributions recommended, declared, made or paid on or after the date of this Composite Document.
- g) References to the Offer in this Composite Document and the Form of Acceptance shall include any revision and/or extension thereof.
- h) The making of the Offer to the Overseas Shareholders may be prohibited or affected by the laws of the relevant jurisdictions. The Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. It is the responsibility of each Overseas Shareholder who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws and regulations of all relevant jurisdictions in connection therewith, including, but not limited to the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required and the compliance with all necessary formalities, regulatory and/or legal requirements. Such Overseas Shareholders shall be fully responsible for the payment of any transfer or cancellation or other taxes and duties due by such Overseas Shareholders in respect of the relevant jurisdictions. The Overseas Shareholders are recommended to seek professional advice on deciding whether or not to accept the Offer.
- i) Acceptances of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Company that the number of the Shares in respect of which as indicated in the Form of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owner who is accepting the Offer.

- j) Subject to the Takeovers Code, the Offeror reserves the right to notify any matter (including the making of the Offer) to all or any Independent Shareholders and with registered address(es) outside Hong Kong or whom the Offeror, Get Nice Securities, Veda Capital knows to be nominees, trustees or custodians for such persons by announcement in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any such Independent Shareholders to receive or see such notice, and all references in this Composite Document to notice in writing shall be construed accordingly.
- k) In making their decision, the Independent Shareholders must rely on their own examination of the Offeror, the Group and the terms of the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance shall not be construed as any legal or business advice on the part of the Offeror, the Company, Get Nice Securities, Veda Capital or the Independent Financial Adviser or their respective professional advisers. The Independent Shareholders should consult their own professional advisers for professional advice.
- l) All acceptances, instructions, authorities and undertakings given by the Independent Shareholders in the Form of Acceptance shall be irrevocable except as permitted under the Takeovers Code.
- m) The English texts of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese texts for the purpose of interpretation in case of inconsistency.

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The following is a summary of the financial information of the Group for each of the three financial years ended 31 March 2016, 31 March 2017 and 31 March 2018 as extracted from the audited consolidated financial statements of the Group set forth in the published annual reports of the Company for the relevant years and the financial information of the Group for the six months ended 30 September 2018 as extracted from the unaudited consolidated financial statements of the Group set forth in the published interim report of the Company.

	For the six	For the year ended 31 March		
	months ended	2018	2017	2016
	30 September	2018	2017	2016
	2018	2018	2017	2016
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
	(Unaudited)	(Audited)	(Audited)	(Audited)
Revenue	106,849	298,625	353,038	399,277
(Loss) profit before income tax	(17,758)	31,747	14,033	37,698
Income tax expense	(12)	(6,379)	(5,674)	(8,473)
(Loss) profit and total comprehensive				
(expense)/income for the year attributable to				
owners of the Company	(17,770)	25,368	8,359	29,225
Profit for the year attributable to				
non-controlling interests	–	–	–	–
				(Restated)
Basic and diluted (loss)/earnings per share	HK cent (0.34)	HK cent 0.48	HK cent 0.17	HK cent 0.67
Dividends	–	–	–	–
Non-current assets	25,401	29,450	84,448	62,261
Current Assets	523,066	543,620	331,366	195,719
Current liabilities	194,300	198,900	60,573	71,686
Non-current liabilities	2,846	3,742	10,181	19,833
Net current assets	328,766	344,720	270,793	124,033
Total assets less current liabilities	354,167	374,170	355,241	186,294
Capital and reserves				
Share capital	26,310	26,310	26,310	22,880
Reserves	325,011	344,118	318,750	143,581
Total equity	351,321	370,428	345,060	166,461

Notes:

No qualified opinion in respect of the audited consolidated financial statements of the Group for each of the three financial years ended 31 March 2016, 31 March 2017 and 31 March 2018 has been issued by HLB Hodgson Impey Cheng Limited, the auditors of the Group, and the Company has no items of incomes or expenses which are material for the same financial years.

2. AUDITED RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

The Company is required to set out or refer to in this Composite Document the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in the audited consolidated financial statements of the Group for the year ended 31 March 2018 (the “**2018 Financial Statements**”), together with the notes to the relevant published accounts which are of major relevance to the appreciation of the above financial information.

The 2018 Financial Statements are set out from page 94 to page 197 in the Annual Report 2018 of the Company, which was published on 24 July 2018. The Annual Report 2018 is posted on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.leapholdings.hk>), and is accessible via the following hyperlinks: <http://www3.hkexnews.hk/listedco/listconews/SEHK/2018/0724/LTN20180724828.pdf>.

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2018

The Company is required to set out or refer to in this Composite Document the unaudited condensed consolidated interim financial statements of the Company for the six months ended 30 September 2018 (the “**2018 Interim Financial Statements**”), together with the notes to the relevant accounts which are of major relevance to the appreciation of the above financial information.

The 2018 Interim Financial Statements are set out from page 22 to page 64 in the Interim Report 2018 of the Company, which was published on 18 December 2018. The Interim Report 2018 is posted on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.leapholdings.hk>), and is accessible via the following hyperlinks: <http://www3.hkexnews.hk/listedco/listconews/SEHK/2018/1218/LTN20181218287.pdf>.

4. STATEMENT OF INDEBTEDNESS OF THE GROUP

As at the close of business on 31 December 2018, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Composite Document, the details of the Group's indebtedness are as follows:

Borrowings

As at the close of business on 31 December 2018, the Group had borrowings of approximately HK\$142,954,000 comprising:

- (i) outstanding secured bank borrowing of approximately HK\$99,000;
- (ii) outstanding secured and/or guaranteed finance lease liabilities of approximately HK\$1,105,000; and
- (iii) a loan from a related party of approximately HK\$141,750,000, with a principal of approximately HK\$135,000,000 and accrued interest of approximately HK\$6,750,000.

Pledge of assets and guarantees

The Group's machinery and equipment with an aggregate net book value of approximately HK\$5.2 million as at 31 December 2018 were pledged under finance leases.

As at 31 December 2018, the Group's banking facilities (including a performance bond of approximately HK\$13,000,000) are secured/guaranteed by:

- (i) Pledge of life insurance insured on Mr. Chan Wing Chung ("**Mr. Chan**"), a director of a subsidiary of the Company, of approximately HK\$2,380,000 as at 31 December 2018;
- (ii) Pledged bank deposit of approximately HK\$6,576,000 as at 31 December 2018;
- (iii) Personal guarantee given by Mr. Chan as at 31 December 2018;
- (iv) A property held by a company controlled by Mr. Chan as at 31 December 2018; and
- (v) Corporate guarantee given by the Group.

Save for the above disclosed, the Group did not have any charges on its assets.

Contingent liabilities

As at the close of business on 31 December 2018, the Group had no material contingent liabilities.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade and other payables in the ordinary course of business, the Group did not have any loan capital issued or agreed to be issued but unissued, bank overdrafts or loans, or other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities outstanding as at the close of business on 31 December 2018.

The Directors have confirmed that there had not been any material change in the indebtedness or contingent liabilities of the Group since 31 December 2018 and up to the Latest Practicable Date.

5. MATERIAL CHANGE

Save as disclosed below, the Directors confirm that there has been no material change in the financial or trading position or outlook of the Group since 31 March 2018, being the date to which the latest published audited financial statements of the Group were made up and up to and including the Latest Practicable Date.

According to the latest published interim report of the Company for the six months ended 30 September 2018 (the “**2018 Interim Report**”), the Group have recorded a loss of approximately HK\$17.8 million for the six months ended 30 September 2018, compared with a profit of approximately HK\$44.8 million for the six months ended 30 September 2017. The change was mainly attributable to the significant decrease in the revenue from the investments in securities. Further details of the financial information of the Group for the six months ended 30 September 2018 are set out in the 2018 Interim Report.

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL OF THE COMPANY

(a) Authorised and issued share capital

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

<i>Authorised:</i>	<i>HK\$</i>
20,000,000,000 Shares of HK\$0.005 each	100,000,000
<i>Issued and fully paid:</i>	
5,262,000,000 Shares of HK\$0.005 each	26,310,000

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

As at the Latest Practicable Date, the Company did not have any outstanding options, warrants or other conversion rights affecting the Shares.

No Shares have been issued since 31 March 2018, being the date to which the latest audited financial statements of the Company were made up.

(b) Listing

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

3. DISCLOSURE OF INTERESTS

(a) Interests of the Directors in the Shares or securities of the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required (a) 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 they were deemed or taken to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company; (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules to be notified to the Company and the Stock Exchange; or (d) required to be disclosed in this Composite Offer Document pursuant to the Takeovers Code are as follows:

(i) Long positions in the Shares of the Company

Name	Capacity	Number of Shares interested (Note 2)	Approximate percentage of interest in the issued share capital of the Company
Mr. Ren Yunan	Interest of a controlled corporation (Note 1)	614,900,000 (L)	11.69%
	Beneficial owner	148,810,000 (L)	2.82%

Notes:

- The 614,900,000 Shares was held by Thriving Market Limited which is wholly-owned by Mr. Ren. As such, Mr. Ren is deemed to be interested in the 614,900,000 Shares owned by Thriving Market Limited by virtue of the SFO.
- The letter "L" denotes the person's long position in such Shares.

(ii) Long positions in the ordinary shares of associated corporation

Name	Name of associated corporation	Capacity/ Nature of interest	Number of ordinary share held	Approximate percentage of shareholding
Mr. Ren Yunan	Thriving Market Limited	Beneficial owner	1	100%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective associates nor the chief executive of the Company had any interests in the relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code), or had any interests or short positions in the Shares, underlying Shares and debentures of the Company and shares, underlying shares and debentures of its associated corporations (within the meaning of Part XV of the SFO), which are required to be notified to the Company and the Stock Exchange pursuant to the Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are deemed or taken to have under such provisions of the SFO) or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or disclosed under the Takeovers Code.

(b) Interests of substantial Shareholders in the Shares or securities of the Company

As at the Latest Practicable Date, so far as was known to the Directors, the following persons (other than the Directors) held interests in the relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code), or had interests or short positions in the Shares and underlying Shares which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of the Company:

Name	Capacity	Number of Shares interested <i>(Note 2)</i>	Approximate percentage of interest in the issued share capital of the Company
The Offeror	Beneficial owner	3,182,790,001 (L)	60.49%
Xu Mingxing	Interest of a controlled corporation <i>(Note 1)</i>	3,182,790,001 (L)	60.49%

Notes:

- The Offeror was owned as to, among others, approximately 23.06% by OKEM Services Company Limited and approximately 29.26% by StarXu Capital Limited. Both OKEM Services Company Limited and StarXu Capital Limited were wholly-owned by Mr. Xu Mingxing. Therefore, Xu Mingxing is deemed, or taken to be, interested in 3,182,790,001 Shares held by the Offeror for the purpose of the SFO.
- The letter "L" denotes the person's long position in such Shares

(c) Other Interests

As at the Latest Practicable Date,

- (i) none of the Company, any member of the Group or any of the Directors was interested in any shares, convertible securities, warrants, options or derivatives in respect of the shares of the Offeror;
- (ii) no Shares or other securities of the Company carrying voting rights or any convertible securities, warrants, options and derivatives of the Company was owned or controlled by a subsidiary of the Company or by a pension fund (if any) of any member of the Group or by 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” under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of “associate” under the Takeovers Code;
- (iii) 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; and
- (iv) none of the Company nor any Directors had borrowed or lent any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company.

4. SHAREHOLDINGS AND DEALINGS IN SECURITIES

(a) During the Relevant Period and up to the Latest Practicable Date,

- (i) none of the Directors had dealt for value in, any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company;
- (ii) none of the Company and the Directors had owned or controlled, or had dealt for value in, any shares or any convertible securities, warrants, options or derivatives in respect of the shares of the Offeror;
- (iii) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with 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 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;

- (iv) 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 connected with the Company and no such person had dealt for value in any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company;
- (v) there were no relevant securities (as defined in note 4 to rule 22 of the Takeovers Code) of the Company which the Company or the Directors had borrowed or lent; and
- (vi) save for Mr. Ren Yunan who is interested in 763,710,000 Shares, none of the other Directors held any Shares. Mr. Ren Yunan does not intend to, in respect of his own beneficial interest, to accept the Offer.

5. OTHER ARRANGEMENTS RELATING TO THE OFFER

Except as disclosed in this section headed “Disclosure of Interests” in this Appendix III, as at the Latest Practicable Date, there was no arrangement of the kind referred to in the third paragraph of Note 8 to Rule 22 of the Takeovers Code which existed between the Company, or any person who was an associate of the Company by virtue of classes (1), (2), (3) and (4) of the definition of “associate” under the Takeovers Code, and any other person.

6. ARRANGEMENTS AFFECTING AND RELATING TO DIRECTORS

As at the Latest Practicable Date:

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

7. SERVICE CONTRACTS OF DIRECTORS

The Company has entered into a letter of appointment with the following Director which was entered into/amended within six months before the commencement of the Offer Period:

Mr. Jiang Guoliang (蔣國良) has entered into a letter of appointment with the Company on 1 September 2018 which may be terminated by either party giving to the other not less than one-month prior notice in writing. His directorship is subject to retirement by rotation and re-election pursuant to the articles of association of the Company. He is entitled to a director's fee of HK\$240,000 per annum, by reference to his background, qualifications, experience, level of responsibilities undertaken with the Company and prevailing market conditions. He is hold office until the next general meeting of the Company at which he will be eligible for re-election in accordance with the articles of association of the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any existing service contracts with any member of the Group or any associated company of the Group:

- (a) which (including both continuous and fixed term contracts) have been entered into or amended within 6 months before the commencement of the Offer Period;
- (b) which are continuous contracts with a notice period of 12 months or more; or
- (c) which are fixed term contracts with more than 12 months to run irrespective of the notice period.

8. MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) which have been entered into by any member of the Group after the date falling two years before the date of the Announcement up to and including the Latest Practicable Date:

- (a) the share purchase agreement dated 19 September 2018 and entered into between the Company and Element Delight Limited, pursuant to which the Company agreed to sell, and Element Delight Limited agreed to purchase 100% of the issued share capital of Gold Toys Limited, at a consideration of approximately HK\$400,000 in cash;
- (b) the loan agreement dated 29 December 2017 and entered into between Strong Lion Investments Limited as lender and Glory Port International Limited (a wholly-owned subsidiary of the Company) as borrower in relation to the advancement of a loan in the amount of HK\$135,000,000 at an interest rate of 5% per annum for a period of one year (the "**Loan Agreement**"); and

- (c) the loan extension agreement dated 29 December 2018 to extend the Loan Agreement till 29 December 2019.

9. LITIGATION

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

10. QUALIFICATIONS AND CONSENTS OF EXPERTS

The following are the qualifications of the expert(s) who have given its report, opinion or advice which are contained in this Composite Document:

Name	Qualifications
Winsome 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

The above expert has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion herein of its letter, report and references to its name, in the form and context in which they are included.

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

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection (i) during normal business hours from 9:00 a.m. to 5:00 p.m. (other than Saturdays, Sundays and public holidays) at the principal place of business of the Company in Hong Kong at Unit 902-903, 9th Floor, Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong; (ii) on the website of the SFC (www.sfc.hk); and (iii) on the website of the Company (<http://www.leapholdings.hk>) during the period from the date of this Composite Document onwards for as long as the Offer remain open for acceptance:

- (a) the memorandum and articles of association of the Company;
- (b) the memorandum and articles of association of the Offeror;
- (c) the annual reports of the Company for each of the three financial years ended 31 March 2016, 31 March 2017 and 31 March 2018 respectively;
- (d) the interim report of the Company for the six months ended 30 September 2018;
- (e) the letter from Get Nice Securities, the text of which is set out on pages 9 to 24 of this Composite Document;
- (f) the letter from the Board, the text of which is set out on pages 25 to 30 of this Composite Document;
- (g) the letter from the Independent Board Committee, the text of which is set out on pages 31 to 32 of this Composite Document;
- (h) the letter from the Independent Financial Adviser, the text of which is set out on pages 33 to 59 of this Composite Document;
- (i) the letter of consent referred to in the paragraph headed “QUALIFICATIONS AND CONSENTS OF EXPERTS” in Appendix III to this Composite Document; and
- (j) the service contract referred to in the paragraph headed “SERVICE CONTRACTS OF DIRECTORS” in Appendix III to this Composite Document.

1. RESPONSIBILITY STATEMENT

The information pertaining to the shareholders of the Offeror as contained in this Composite Document is provided by the shareholders of the Offeror to the Offeror.

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

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

2. MARKET PRICES

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

Date	Closing price per Share HK\$
31 July 2018	0.72
31 August 2018	0.67
28 September 2018	0.67
31 October 2018	0.56
30 November 2018	0.51
31 December 2018	0.30
2 January 2019 (being the last trading day preceding to the date of the commencement of the Offer Period)	0.50
10 January 2019 (being the Last Trading Day)	0.39
31 January 2019	0.178
28 February 2019	0.163
15 March 2019 (being the Latest Practicable Date)	0.163

During the Relevant Period, the highest closing price of the Shares was HK\$0.800 as quoted on the Stock Exchange on 9 July 2018 and the lowest closing price of the Shares was HK\$0.160 as quoted on the Stock Exchange on 8 March 2018 and 11 March 2018.

3. DEALINGS IN SECURITIES IN THE COMPANY

Save for the Sale Shares that are the subject under the Sale and Purchase Agreement, none of the Offeror nor parties acting in concert with the Offeror has dealt in any Shares, options, derivatives, warrants or other securities convertible into Shares during the Relevant Period.

4. SHAREHOLDINGS AND DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the Offeror and the parties acting in concert with the Offeror are interested in 3,182,790,001 Shares, representing approximately 60.49 % of the total issued share capital of the Company. Save as disclosed above, the Offeror confirms that, as at the Latest Practicable Date:

- (i) the Offeror and parties acting in concert with the Offeror has no other Shares, warrants, options, derivative or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company;
- (ii) the Offeror and parties acting in concert with the Offeror do not own, control or have direction over any voting rights in any Shares nor own, control or have direction over any other rights or interests in the issued share capital or voting rights of the Company;
- (iii) the Offeror and/or parties acting in concert with it had not received any irrevocable commitment to accept or reject the Offer;
- (iv) there are no outstanding derivatives in respect of the securities in the Company which is owned, controlled or directed by, or has been entered into by, the Offeror or parties acting in concert with the Offeror;
- (v) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Company and which might be material to the Offer;
- (vi) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror and parties acting in concert with the Offeror have borrowed or lent;
- (vii) there was no agreement or arrangement to which the Offeror (nor any of the parties acting in concert with him) is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (viii) there was no agreement, arrangement or understanding which may result in the securities of the Company to be acquired in pursuance of the Offer being transferred, charged or pledged to any other persons;

- (ix) no benefit (other than statutory compensation) was or would be given to any Directors as compensation for loss of office or otherwise in connection with the Offer; and
- (x) save as disclosed under the paragraph headed “Board Composition of the Company” in this Composite Document, there was no agreement, arrangement, or understanding (including any compensation arrangement) existed between the Offeror or any person acting in concert with the Offeror and any Directors, recent Directors, Shareholders or recent Shareholders having any connection with or which was dependent upon the Offer.

Save for the Consideration, there is no other consideration, compensation or benefits in whatever form provided (or to be provided) by the Offeror and parties acting in concert with the Offeror (excluding the Vendor) to the Vendor or Mr. Wong and parties acting in concert with any of them (excluding the Offeror).

5. CONSENTS AND QUALIFICATIONS

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

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

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

6. MISCELLANEOUS

- a) The correspondence address of the Offeror is Unit 2102, Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong.
- b) The registered office of Get Nice Securities is at 10/F, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong.
- c) The registered office of Veda Capital is at Room 1106, 11/F., Wing On Centre, 111 Connaught Road Central, Hong Kong.
- d) The principle members of the Offeror are:
 - (i) OKEM Services Company Limited and its correspondence address is Morgan and Morgan Building, P.O. Box 958, Pasea Estate, Road Town, Tortola, British Virgin Islands;
 - (ii) SKY CHASER HOLDINGS LIMITED and its correspondence address is Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands;
 - (iii) Golden Status Ventures Limited and its correspondence address is P.O. Box 957, Offshore Incorporations Centre, RoadTown, Tortola, British Virgin Islands;
 - (iv) Super Moon Limited and its correspondence address is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands;
 - (v) Dream Pioneer Limited and its correspondence address is P.O. Box 957, Offshore Incorporations Centre, RoadTown, Tortola, British Virgin Islands;
 - (vi) Kalyana Global Limited and its correspondence address is OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands;
 - (vii) Purple Mountain Holding Ltd. and its correspondence address is 4th Floor, Rodus Building, Road Reef. PO Box 765, Road Town, Tortola British Virgin Islands;
 - (viii) Vlab Capital Limited and its correspondence address is Morgan and Morgan Building, P.O. Box 958, Pasea Estate, Road Town, Tortola, British Virgin Islands;

- (ix) Jump Start Ventures Limited and its correspondence address is P.O. Box 957, Offshore Incorporations Centre, RoadTown, Tortola, British Virgin Islands;
 - (x) Longling Capital Ltd. and its correspondence address is Portcullis TrustNet Chambers, P.O. Box 3444, Road Town, Tortola, British Virgin Islands;
 - (xi) VYXBALUV Holdings Limited and its correspondence address is OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands;
 - (xii) C2C International Limited and its correspondence address is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands.
- e) As at the Latest Practicable Date, Mr. Xu Mingxing, Mr. Mai Gang, Mr. Feng Bo, Mr. Tang Yue and Ms. Fang Hong are the directors of the Offeror.
 - f) In case of inconsistency, the English text of this Composite Document and the Form of Acceptance shall prevail over the Chinese text.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection (i) on the website of the SFC (www.sfc.hk); (ii) on the website of the Company (<http://www.leapholdings.hk>); and (iii) at the head office and principal place of business of the Company in Hong Kong at Unit 902-903, 9th Floor, Sino Plaza 255-257 Gloucester Road, Causeway Bay, Hong Kong during normal business hours from 9:00 a.m. to 5:00 p.m., Monday to Friday (except public holidays), from the date of this Composite Document up to and including the Closing Date:

- a) the memorandum and articles of association of the Offeror;
- b) the letter from Get Nice Securities, the text of which is set out on pages 9 to 24 of this Composite Document;
- c) the written consents as referred to in the section headed “5. CONSENTS AND QUALIFICATIONS” in this appendix;
- d) the Sale and Purchase Agreement; and
- e) the amendment agreement to the Sale and Purchase Agreement.