
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your Shares, you should at once hand the Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s). The Prospectus Documents should not, however, be distributed, forwarded to or transmitted to, into or from any jurisdiction where to do so might constitute a violation of the relevant local securities laws or regulations.

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed “15. Documents delivered to the Registrar of Companies” in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Registrar of Companies in Hong Kong and the SFC take no responsibility for the contents of any of the Prospectus Documents.

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the section headed “Warning of the Risks of Dealings in the Shares and nil-paid Rights Shares” in the “Letter from the Board” in this prospectus.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of each of the Prospectus Documents, 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 these documents.

This prospectus is not an invitation or offer of securities for sale in the United States and neither this prospectus nor any copy thereof may be released or distributed in the United States or any other jurisdiction where such release might be unlawful or to any U.S. persons. The securities have not been and will not be registered under the U.S. Securities Act or laws of any state or jurisdiction of the United States and may not be offered or sold, pledged or transferred in the United States absent registration or an exemption from registration under the U.S. Securities Act. There will be no public offering.

China Oriented International Holdings Limited

向中國國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1871)

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE

Placing Agent



Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed “Definitions” in this prospectus.

The Rights Issue is on a non-underwritten basis. Pursuant to the Companies Act, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Listing Rules, there is no requirement for a minimum level of subscription in the Rights Issue. The Rights Issue is subject to fulfilment of the conditions of the Rights Issue as set out in the section headed “Conditions of the Rights Issue” in the “Letter from the Board” on pages 24 to 25 of this prospectus at or prior to the latest time for the Rights Issue to become unconditional (which is currently expected to be 4:00 p.m. on Wednesday, 13 March 2024). The conditions include but are not limited to the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms.

If the conditions of the Rights Issue are not fulfilled on or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed. Dealings in the Shares have been on an ex-rights basis from Wednesday, 7 February 2024. Dealings in the nil-paid rights will take place from Thursday, 22 February 2024 to Thursday, 29 February 2024 (both dates inclusive).

Any Shareholders or other persons contemplating selling or purchasing Shares and/or nil-paid rights up to the latest time when the conditions of the Rights Issue are fulfilled (which is expected to be 4:00 p.m. on Wednesday, 13 March 2024) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares and/or the nil-paid rights, and if they are in any doubt about their position, they are recommended to consult their professional advisers.

The latest time for acceptance and payment for the Rights Shares is 4:00 p.m. on Tuesday, 5 March 2024.

The procedures for acceptance and transfer of the Rights Shares are set out in the section headed “Procedures for acceptance and payment or transfer” in the “Letter from the Board” on pages 16 to 17 of this prospectus.

20 February 2024

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DEFINITIONS

In this prospectus, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“Announcement”	the announcement of the Company dated 16 January 2024 in relation to the Rights Issue
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Act”	Companies Act (2023 Revision) of the Cayman Islands
“Company”	China Oriented International Holdings 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: 1871)
“Compensatory Arrangements”	placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent on a best effort basis pursuant to the Placing Agreement in accordance with Rule 7.21(1)(b) of the Listing Rules
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is/are not a connected person(s) of the Company within the meaning of the Listing Rules
“Intermediary”	in relation to a beneficial owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the beneficial owner’s broker, custodian, nominee or other relevant person who is a CCASS participant or who has deposited the beneficial owner’s shares with a CCASS participant
“Land”	a parcel of land site area of approximately 80,000 sq.m in Zhumadian City of PRC
“Last Trading Day”	15 January 2024, being the last trading day of the Shares on the Stock Exchange prior to the publication of the Announcement
“Latest Practicable Date”	Thursday, 8 February 2024, being the latest practicable date prior to the printing of this prospectus for the purpose of ascertaining certain information referred to in this prospectus
“Latest Time for Acceptance”	4:00 p.m. on Tuesday, 5 March 2024 (or such other time and date as may be determined by the Company), being the latest time for acceptance of and payment for the Rights Shares
“Latest Time for Termination”	4:00 p.m. on Wednesday, 13 March 2024 or such later time or date as may be agreed between the Placing Agent and the Company, being the latest time to terminate the Placing Agreement
“Listing Committee”	has the same meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Net Gain”	the aggregate of any premium (being the aggregate amount paid by the placees after deducting (i) the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares placed by the Placing Agent; and (ii) the aggregate amount of the expenses of the Placing Agent and any other related expenses/fees under the Placing Agreement) under the Compensatory Arrangements

DEFINITIONS

“No Action Shareholder(s)”	Qualifying Shareholder(s) who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or their renounees, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed, and/or the Non-Qualifying Shareholders
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Unsold Rights Share(s)”	the Rights Share(s) which would otherwise has/have been provisionally allotted to the Non-Qualifying Shareholder(s) (if any) in nil-paid form that has/have not been sold by the Company
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placing”	the offer by way of private placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent and/or its sub-placing agents(s) to the independent placees on the terms and subject to the conditions of the Placing Agreement
“Placing Agent”	Fortune Origin Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the placing agent appointed by the Company to place any Unsubscribed Rights Shares and the NQS Unsold Rights Shares under the Compensatory Arrangements in accordance with Rule 7.21(1)(b) of the Listing Rules
“Placing Agreement”	the placing agreement dated 16 January 2024 and entered into between the Company and the Placing Agent in relation to the Placing on a best effort basis
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue

DEFINITIONS

“Prospectus Documents”	the Prospectus and the PAL
“Prospectus Posting Date”	Tuesday, 20 February 2024 (or such other date as may be determined by the Company), being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Monday, 19 February 2024, the record date for the determination of the entitlements under the Rights Issue
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed issue by way of rights of one (1) Rights Share for every two (2) Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions to be set out in the Prospectus Documents
“Rights Share(s)”	up to 200,000,000 new Share(s) to be allotted and issued pursuant to the Rights Issue, assuming no change in the number of Shares in issue on or before the Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.20 per Rights Share
“substantial shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Unaudited Accounts”	the unaudited management accounts of the Group for the year ended 31 December 2023

DEFINITIONS

“Unsubscribed Rights Shares” Rights Shares that are not subscribed by the Qualifying Shareholders

“%” per cent.

Unless otherwise specified in this prospectus, the exchange rate adopted in this prospectus for illustration only is approximately RMB1 to HK\$1.10. No representation is made that any amounts in RMB could have been or could be converted at that rate or at any other rates.

EXPECTED TIMETABLE

Set out below is the expected timetable for the Rights Issue which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

Event	Date (Hong Kong time) 2024
Last day of dealings in the Shares on a cum-rights basis relating to the Rights Issue	Tuesday, 6 February
First day of dealings in Shares on an ex-rights basis relating to the Rights Issue	Wednesday, 7 February
Latest time for the Shareholders to lodge transfer documents of Shares in order to be qualified for the Rights Issue	4:30 p.m. on Thursday, 8 February
Closure of register of members to determine the entitlements to the Rights Issue (both dates inclusive)	Friday, 9 February to Monday, 19 February
Record date for the Rights Issue	Monday, 19 February
Register of members of the Company re-opens	Tuesday, 20 February
Expected despatch date of the Prospectus Documents (including the PAL and Prospectus), and in case of the Non-Qualifying Shareholders, the Prospectus only	Tuesday, 20 February
First day of dealings in nil-paid Rights Shares	Thursday, 22 February
Latest time for splitting the PAL	4:00 p.m. on Monday, 26 February
Last day of dealing in nil-paid Rights Shares	Thursday, 29 February
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the Compensatory Arrangement	4:00 p.m. on Tuesday, 5 March
Latest Time for Acceptance of and payment for the Rights Shares	4:00 p.m. on Tuesday, 5 March
Announcement of the number of Unsubscribed Rights Shares and NQS Unsold Rights Shares subject to the Compensatory Arrangements	Thursday, 7 March
Commencement of placing the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent	Friday, 8 March

EXPECTED TIMETABLE

Event	Date (Hong Kong time) 2024
Latest time of placing the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent	5:00 p.m. on Tuesday, 12 March
Latest Time for Termination and for the Rights Issue to become unconditional	4:00 p.m. on Wednesday, 13 March
Announcement of allotment results of the Rights Issue (including results of the placing of Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the amount of the Net Gain per Unsubscribed Rights Share and NQS Unsold Rights Share under the Compensatory Arrangement)	Tuesday, 19 March
Despatch of share certificates for fully-paid Rights Shares and refund cheques (if the Rights Issue is terminated)	Wednesday, 20 March
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Thursday, 21 March
Designated broker commences to provide matching services for odd lots of Shares	9:00 a.m. on Thursday, 21 March
Payment of Net Gain to relevant No Action Shareholders (if any)	Wednesday, 27 March
Designated broker ceases to provide matching services for odd lots of Shares	4: 00 p.m. on Monday, 8 April

Note: All references to time in this prospectus are references to Hong Kong time.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS SHARES AND FOR APPLICATION

The Latest Time for Acceptance of and payment for the Rights Shares will not take place if:

1. there is a tropical cyclone warning signal No. 8 (or above); or
2. “extreme conditions” caused by super typhoons which is announced by the Government of Hong Kong; or
3. a “black” rainstorm warning
 - (i) is/are in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
 - (ii) is/are in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance and payment for the Rights Shares will be extended to 4:00 p.m. on the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in paragraph headed “Expected Timetable” above may be affected. Announcement will be made by the Company in such event.

SUMMARY OF THE RIGHTS ISSUE

The terms of the Rights Issue are set out below and should be read in conjunction with the full text of this prospectus:

Basis of Rights Issue	One (1) Rights Share for every two (2) Shares held on the Record Date
Subscription Price	HK\$0.20 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	400,000,000 Shares
Number of Rights Shares to be issued under the Rights Issue	Up to 200,000,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares	Up to HK\$2,000,000 (assuming no change in the number of Shares in issue on or before the Record Date)
Total number of Shares in issue upon completion of the Rights Issue	Up to 600,000,000 Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Gross proceeds from the Rights Issue	Up to approximately HK\$40.0 million (assuming no change in the number of Shares in issue on or before the Record Date)

As at the Latest Practicable Date, the Company has no outstanding derivatives, convertible securities, options, warrants or other similar securities in issue which would otherwise confer any right to subscribe for, convert or exchange into Shares. The Company has no intention to issue or grant any Shares, convertible securities and/or options on or before the Record Date.

Assuming no change in the number of Shares in issue on or before the Record Date, the 200,000,000 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 50% of the total number of issued Shares as at the Latest Practicable Date and approximately 33.33% of the total number of issued Shares as enlarged by the allotment and issue of the Rights Shares in full.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions set out in the section headed “Conditions of the Rights Issue” in the “Letter from the Board” in this prospectus. As the Rights Issue is subject to conditions, the Rights Issue may or may not proceed.

If any of the conditions of the Rights Issue is not fulfilled at or before 4:00 p.m. on Wednesday, 13 March 2024, the Rights Issue will not proceed.

Any dealings in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

LETTER FROM THE BOARD

China Oriented International Holdings Limited 向中國國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1871)

Executive Directors:

Mr. Qi Xiangzhong
Ms. Zhao Yuxia

Non-executive Directors:

Dr. Yeung Cheuk Kwong

Independent non-executive Directors:

Mr. Chan Siu Wah
Mr. Wan San Fai Vincent
Mr. Xu Jianpo

Registered Office:

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

*Headquarters and Principal Place
of Business in the PRC:*

Baililiu Village, Zhutang Township
Suiping County, Zhumadian City
Henan Province
PRC

Principal Place of Business in Hong Kong:

Rooms 1508-1513
Nan Fung Tower
88 Connaught Road Central
Central, Hong Kong

20 February 2024

To the Qualifying Shareholders, and for information only, the Non-Qualifying Shareholders

Dear Sir or Madam,

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE

INTRODUCTION

Reference is made to the Announcement in relation to, among other matters, the Rights Issue.

The Company proposed to raise up to approximately HK\$40 million before expenses (assuming full subscription under the Rights Issue) by way of a rights issue of up to 200,000,000 Rights Shares at the Subscription Price of HK\$0.20 each and on the basis of one (1) Rights Share for every two (2) Shares held by the Qualifying Shareholders on the Record Date.

The purpose of this prospectus is to provide you with, amongst others, further details on the Rights Issue, certain financial information and other general information in respect of the Group.

LETTER FROM THE BOARD

RIGHTS ISSUE

Issue Statistics

Basis of Rights Issue	:	One (1) Rights Share for every two (2) Shares held on the Record Date
Subscription Price	:	HK\$0.20 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	400,000,000 Shares
Number of Rights Shares to be issued under the Rights Issue	:	Up to 200,000,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares	:	Up to HK\$2,000,000 (assuming no change in the number of Shares in issue on or before the Record Date)
Total number of Shares in issue upon completion of the Rights Issue	:	Up to 600,000,000 Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Gross proceeds from the Rights Issue	:	Up to approximately HK\$40.0 million (assuming no change in the number of Shares in issue on or before the Record Date)

As at the Latest Practicable Date, the Company has no outstanding derivatives, convertible securities, options, warrants or other similar securities in issue which would otherwise confer any right to subscribe for, convert or exchange into Shares. The Company has no intention to issue or grant any Shares, convertible securities and/or options on or before the Record Date.

Assuming no change in the number of Shares in issue on or before the Record Date, the 200,000,000 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 50% of the total number of issued Shares as at the Latest Practicable Date and approximately 33.33% of the total number of issued Shares as enlarged by the allotment and issue of the Rights Shares in full.

Irrevocable undertakings

As at the Latest Practicable Date, the Board has not received any information or other undertakings from any Shareholders of their intention to take up or not to take up the securities of the Company to be provisionally allotted to them under the Rights Issue.

LETTER FROM THE BOARD

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent places under the Compensatory Arrangements. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. There are no applicable statutory requirements under the laws of the Cayman Islands regarding minimum subscription levels in respect of the Rights Issue.

The Subscription Price

The Subscription Price of HK\$0.20 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or when a transferee of the nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 18.37% to the closing price of HK\$0.245 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 14.82% to the average closing price of HK\$0.2348 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 11.97% to the average closing price of approximately HK\$0.2272 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 13.04% to the theoretical ex-rights price of approximately HK\$0.230 per Share based on the closing price of HK\$0.248 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a discount of approximately 29.82% to the closing price of HK\$0.285 per Share as quoted on the Stock Exchange on the Latest Practicable Date; and
- (vi) a discount of approximately 63.30% to the net asset value of the Company of approximately RMB0.495 per Share (equivalent to approximately HK\$0.545 per Share) based on the audited consolidated net asset value of the Company of approximately RMB198,012,000 as at 31 December 2022 and the 400,000,000 Shares in issue as at the Latest Practicable Date.

LETTER FROM THE BOARD

The theoretical diluted price, the benchmarked price and the theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) for the Rights Issue are approximately HK\$0.230 per Share, HK\$0.245 per Share and 6.12%, respectively. The Rights Issue will not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Subscription Price was determined with reference to the recent market price of the Shares under the prevailing market conditions, the financial conditions of the Company, current market conditions and the reasons and benefits of Rights Issue as discussed in the paragraph headed “Reasons for and benefits of the Rights Issue and use of proceeds” under the section headed “Proposed Rights Issue” in this Prospectus.

The Board noted that the Subscription Price represents a discount of approximately 63.30% to the net asset value attributable to the owners of the Company as at 31 December 2022. It was also noted that the Shares had been in general traded at a substantial discount to the consolidated net assets attributable to owners of the Company per Share (based on the audited consolidated net asset value of the Company of approximately RMB198,012,000 as at 31 December 2022 and the 400,000,000 Shares in issue as at the Latest Practicable Date, equivalent to approximately HK\$0.545 per Share) for the six months preceding the Last Trading Day ranging from approximately 54.13% to 65.32%, with an average of approximately 60.91%. After balancing the funding needs of the Company and the recent prevailing market price of the Shares, the Board is of the view that, the net asset value per Share is not a meaningful benchmark to assess the Subscription Price, instead, the prevailing market price of the Shares would be a more appropriate reference in determining the Subscription Price in this regard.

In view of the above, and having considered that each Qualifying Shareholder will be provisionally allotted the Rights Shares at the same Subscription Price in proportion to his/her/its shareholdings held on the Record Date and the terms of the Rights Issue, including the Subscription Price which has been set as a discount to the recent closing prices of the Shares with an objective of encouraging existing Shareholders to take up their provisional allotments so as to participate in the potential growth of the Company, the Directors consider that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

Basis of provisional allotments

The Rights Shares will be allotted on the basis of one (1) Rights Share (in nil-paid form) for every two (2) Shares held by the Qualifying Shareholders as at the close of business on the Record Date.

Acceptance for all or any part of a Qualifying Shareholder’s provisional allotment should be made only by duly completing a PAL and lodging the same with a cheque or a banker’s cashier order for the sum payable for the Rights Shares being applied for with the Registrar by the Latest Time for Acceptance.

If a Qualifying Shareholder wishes to accept only a part of, or to renounce or transfer a part of, the Rights Shares provisionally allotted to him/her/it under the PAL, such Qualifying Shareholder will need to split his/her/its PAL into the denominations required. Details as to how to split the PALs will be set out in the Prospectus.

LETTER FROM THE BOARD

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a Shareholder and not be a Non-Qualifying Shareholder as at the close of business on the Record Date.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company, and are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date.

In order to be registered as members of the Company prior to the close of business on the Record Date, all transfers of the Shares (together with the relevant share certificate(s)) must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:00 p.m. (Hong Kong time) on Tuesday, 5 March 2024.

The last day of dealings in the Shares on a cum-rights basis was Tuesday, 6 February 2024, and the Shares have been dealt with on an ex-rights basis from Wednesday, 7 February 2024.

Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date and will despatch the Prospectus only (without the PAL) to the Non-Qualifying Shareholders (if any) for their information only.

The Qualifying Shareholders who take up their pro-rata entitlement in full will not experience any dilution to their interests in the Company.

If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

Rights of Overseas Shareholders (if any)

The Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the securities law of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

As at the Latest Practicable Date, there are two Overseas Shareholders with registered addresses situated in the PRC and two Overseas Shareholders with registered addresses situated in the BVI.

LETTER FROM THE BOARD

The Company has, in compliance with Rules 13.36(2)(a) of the Listing Rules, made necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. Based on legal advice provided by the legal advisers as to PRC law and BVI law engaged by the Company respectively as at the Latest Practicable Date and having considered the circumstances, the Board is of the opinion that the relevant PRC and BVI legal restrictions and requirement of the relevant body respectively or the Stock Exchange do not make it necessary or expedient to exclude the Overseas Shareholders with registered addresses in the PRC and BVI from the Rights Issue respectively. Accordingly, the Rights Issue will be offered to the Overseas Shareholders in the PRC and BVI.

If a Shareholder resident in the PRC or in the BVI and/or any other PRC or BVI resident (including both individuals and companies) wishes to invest in the nil-paid Rights Shares or the fully-paid Rights Shares, he/she/it shall be responsible for complying with the relevant laws of the PRC or of the BVI. The Company will not be responsible for verifying the PRC or BVI legal qualification of such Shareholder and/or resident and thus, should the Company suffer any losses or damages due to non-compliance with the relevant laws of the PRC or of the BVI by any such Shareholder and/or resident, the Company shall not be obliged to issue the nil-paid Rights Shares or the fully-paid Rights Shares to any such Shareholder and/or resident, if issuing the nil-paid Rights or the fully paid Rights Shares to them does not comply with the relevant laws of the PRC or of the BVI.

As at the Latest Practicable Date, there were no Non-Qualifying Shareholders. Should there be any Non-Qualifying Shareholders that appear on the register of members of the Company on the Record Date, the Company will send the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send any PAL to them.

The Non-Qualifying Shareholders (which are excluded from the Rights Issue) will not have any entitlement under the Rights Issue. However, arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid pro-rata (but rounded down to the nearest cent) to the Non-Qualifying Shareholders in Hong Kong dollars, except that the Company will retain individual amounts of less than HK\$100 for its own benefit.

Any NQS Unsold Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form, will be placed by the Placing Agent at a price not less than the Subscription Price under the Placing Agreement together with the Unsubscribed Rights Shares. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptance of Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should exercise caution when dealing in the Shares.

LETTER FROM THE BOARD

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. Shareholders and beneficial owners of the Shares (including, without limitation, their respective agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Procedures for acceptance and payment or transfer

A PAL is enclosed with this prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by not later than 4:00 p.m. on Tuesday, 5 March 2024 (or, under bad weather conditions, such later time and/or date as mentioned in the section headed “Effect of Bad Weather on the Latest Time for Acceptance and Payment for the Rights Shares and for Application” in “Expected Timetable” on page 8 in this prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier’s orders which must be issued by, a licensed bank in Hong Kong and made payable to “**CHINA ORIENTED INTERNATIONAL HOLDINGS LIMITED**” and crossed “**ACCOUNT PAYEE ONLY**”. It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Tuesday, 5 March 2024, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require the relevant person(s) to complete the incomplete PAL at a later stage.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer part or all of their rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:00 p.m. on Monday, 26 February 2024 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day following the surrender of the original PAL. This process is commonly referred to as “splitting” of nil-paid rights. It should be noted that Hong Kong stamp duty is payable in connection with a transfer of rights to subscribe for the Rights Shares.

LETTER FROM THE BOARD

If a Qualifying Shareholder wishes to transfer all of his/her/its nil-paid Rights Shares under the PAL(s) (or a split PAL(s), as the case may be) to another person, he/she/it should complete and sign Form B in the PAL(s) and hand the PAL(s) to the person to or through whom he/she/it is transferring his/her/its nil-paid rights. The transferee must then complete and sign Form C in the PAL(s) and lodge the PAL(s) intact together with a remittance for the full amount payable on acceptance with the Registrar to effect the transfer by no later than 4:00 p.m. on Tuesday, 5 March 2024. It should be noted that Hong Kong stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant Rights Shares and the transferee(s) of such rights.

The Registrar will determine the eligibility for the cash compensation as derived from the lapsed PALs after the completion of the re-registration for all re-registration requests received by the Registrar on or before the latest time for acceptance of and payment for Rights Shares and by all means before the announcement of the number of Unsubscribed Rights Shares subject to the compensatory arrangement is posted on the Stock Exchange's website and the Company's website. The Registrar will notify the transferee(s) of any unsuccessful re-registration as soon as practicable.

The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements.

The PAL contains the full information regarding the procedures to be followed for Qualifying Shareholders who wish to: (i) accept their provisional allotment in full; (ii) accept only part of their provisional allotment; or (iii) renounce/transfer all or part of their provisional allotment to other party/parties. Qualifying Shareholders are advised to study the procedures set out in the PAL carefully. If any of the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" in this "Letter from the Board" on pages 24 to 25 of this prospectus is not fulfilled at or before 4:00 p.m. on Wednesday, 13 March 2024, the Rights Issue will not proceed. Under such circumstances, the monies received in respect of application for the Rights Shares will be returned to the relevant applicants or, in the case of joint applicants, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Wednesday, 20 March 2024. No receipt will be given for such remittance.

Cheques and banker's cashier orders

All cheques and banker's cashier orders will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and lodgement of a PAL together with a cheque or banker's cashier order in payment of the Rights Shares applied for will constitute a warranty that the cheque or banker's cashier order will be honoured upon first presentation. If any cheque or banker's cashier order is not honoured upon first presentation, the PAL (as the case may be) is liable to be rejected and/or deemed invalid by the Company in its absolute discretion, and in the case of an acceptance of a Qualifying Shareholder's assured entitlement all such assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

LETTER FROM THE BOARD

Beneficial owners' instructions to their Intermediary

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or “split” their nil-paid rights by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their Intermediary and provide their Intermediary with instructions or make arrangements with their Intermediary in relation to the acceptance, transfer and/or “splitting” of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the “Expected Timetable” on pages 6 to 7 of this prospectus and otherwise in accordance with the requirements of their Intermediary in order to allow their Intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or “splitting” in these cases shall be in accordance with the General Rules of CCASS, the CCASS Operational Procedures and any other applicable requirements of CCASS.

Status of the Rights Shares

The Rights Shares (when allotted, fully paid or credited as fully paid and issued) will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully paid Rights Shares.

Stamp duty and other fees and charges payable

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Closure of register of members

The register of members of the Company was closed from Friday, 9 February 2024 to Monday, 19 February 2024 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of the Shares was registered during the above book closure period.

Fractional entitlement to the Rights Shares

On the basis of the entitlement to subscribe one (1) Rights Share for every two (2) Shares held by the Qualifying Shareholders on the Record Date, no fractional entitlements of the Shares to the Rights Shares will arise from the Rights Issue.

LETTER FROM THE BOARD

Certificates of the Rights Shares and refund cheques for the Rights Issue

Subject to fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be sent on Wednesday 20 March 2024 by ordinary post to those entitled thereto, at their own risk, to their registered addresses. If the Rights Issue is terminated, refund cheques are expected to be sent on Wednesday 20 March 2024 by ordinary post to the applicants, at their own risk, to their registered addresses. One share certificate will be issued for all the Rights Shares allotted to an applicant.

Taxation

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

Application for listing

The Company has applied to the Listing Committee for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be allotted and issued pursuant to the Rights Issue. The nil-paid and fully-paid Rights Shares are expected to have the same board lot size as the Shares, i.e. 4,000 Shares in one board lot. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots of the Shares arising from the Rights Issue, the Company has appointed the Placing Agent as matching agent to provide matching service, on a best effort basis, to those Shareholders who wish to top-up their odd lots to a full board lot or sell their shareholdings of odd lots of the Shares during the period from 9:00 a.m. on Thursday, 21 March 2024 to 4:00 p.m. on Monday, 8 April 2024 (both days inclusive).

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Holders of the Shares in odd lots who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full board lot may directly or through their brokers contact Ashton Chong/ Cherry Lun of Fortune Origin Securities Limited at 404-405, Nan Fung Tower, 88 Connaught Road Central, Hong Kong (telephone: (852) 3702 7025 / 3702 7092) within such period.

Shareholders should note that matching of the sale and purchase of odd lots of the Shares is on a best effort basis and successful matching of the sale and purchase of such odd lots is not guaranteed. Shareholders are recommended to consult their professional advisers if they are in doubt about the above odd lot arrangement.

Procedures in respect of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares, and the Compensatory Arrangements

The Company will make arrangements described in Rule 7.21(1)(b) of the Listing Rules to dispose of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent placees for the benefit of the No Action Shareholders. There will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 7.21(1)(a) of the Listing Rules.

The Company has therefore appointed the Placing Agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares after the Latest Time for Acceptance to independent placees on a best effort basis, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related expenses/fees), that is realised from the Placing will be paid to the No Action Shareholders on a pro-rata basis. The Placing Agent will, on a best effort basis, procure, by not later than 5:00 p.m. on Tuesday, 12 March 2024, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the NQS Unsold Rights Shares at a price not less than the Subscription Price. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) on a pro-rata basis (on the basis of all Unsubscribed Rights Shares and NQS Unsold Rights Shares) to the No Action Shareholders (but rounded down to the nearest cent) as set out below:

- (i) the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- (ii) the relevant Non-Qualifying Shareholders with reference to their shareholdings in the Company on the Record Date.

It is proposed that Net Gain to any of the No Action Shareholder(s) mentioned above which is in an amount of HK\$100 or more will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders may or may not receive any Net Gain.

LETTER FROM THE BOARD

THE PLACING AGREEMENT

On 16 January 2024 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by themselves or through their sub-placing agents) to procure independent placees, on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares. Principal terms of the Placing Agreement are as follow:

- Date : 16 January 2024 (after trading hours)
- Placing Agent : Fortune Origin Securities Limited was appointed as the Placing Agent to procure, on a best effort basis, independent placees to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares.
- To the best knowledge, information and belief of the Directors, after making reasonable enquiries, the Placing Agent is an Independent Third Party and neither the Placing Agent nor any of its associates hold any Shares as at the Latest Practicable Date.
- Placing fee and expenses : 3% of the aggregate placing price of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares successfully placed by or on behalf of the Placing Agent.
- Placing price of the Unsubscribed Rights Shares and/or and the NQS Unsold Rights Shares (as the case may be) : The final price determination will be dependent on the demand for and market conditions of the Unsubscribed Rights Shares and/or the NQS Unsold Rights Shares.
- The placing price of the Unsubscribed Rights Shares and/or the NQS Unsold Rights Shares (as the case may be) shall be not less than the Subscription Price.
- Placees : The Unsubscribed Rights Shares and the NQS Unsold Rights Shares are expected to be placed to the placees who and whose ultimate beneficial owner(s) are Independent Third Parties.
- Ranking of Unsubscribed Rights Shares and the NQS Unsold Rights Shares : The Unsubscribed Rights Shares and the NQS Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue.

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- Conditions precedent : The obligations of the Placing Agent under the Placing Agreement are conditional upon:
- (i) the Listing Committee granting the approval for the listing of, and the permission to deal in, the Rights Shares, including the Unsubscribed Rights Shares and the NQS Unsold Rights Shares;
 - (ii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and
 - (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof.

The Placing Agent may, in its absolute discretion, waive the fulfillment of all or any or any part of the conditions (other than those set out in paragraph (i) above) by notice in writing to the Company.

- Completion date : Subject to the fulfillment of the conditions set out above, the 3rd Business Day after the Latest Time for Termination or such other date as the Company and the Placing Agent may agree in writing.

- Termination : The Placing Agent may terminate the Placing Agreement without any liability to the Company, by giving notice in writing to the Company at any time prior to 4:00 p.m. one day before the Latest Time for Termination upon the occurrence of the following events which, in the absolute opinion of the Placing Agent, has or may have an adverse material effect on the business or financial conditions of the Group taken as a whole or the success of the Placing or otherwise makes it inappropriate to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement:

- (a) there develops, occurs or comes into force:

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- i. any material adverse event, development or change and including an event or change in relation to or a material adverse development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a material adverse change in, political, economic, fiscal, financial, regulatory or stock market conditions in Hong Kong; or
 - ii. the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
 - iii. any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group; or
 - iv. a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong; or
- (b) any breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (c) the Unsubscribed Rights Shares and the NQS Unsold Rights Shares are not approved by the relevant regulatory bodies and/or regulatory authorities to be placed to any placees as contemplated in the Placing Agreement.

LETTER FROM THE BOARD

The terms of the Placing Agreement (including the placing fee) were determined after arm's length negotiation between the Placing Agent and the Company and are on normal commercial terms. Having discussed with other potential placing agent candidates, the Directors consider that the placing fee charged by the Placing Agent is no less favourable to the Company than the market rate in recent placing transactions and are therefore of the view that the terms of the Placing Agreement are on normal commercial terms.

Given that the Compensatory Arrangements would provide (i) a distribution channel of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares for the Company; and (ii) a channel of participation in the Rights Issue for independent investors, the Directors consider that the Compensatory Arrangements are fair and reasonable and would provide adequate safeguard to protect the interest of the Shareholders. The Company will ensure that it will continue to comply with the public float requirement under Rule 8.08(1) of the Listing Rules after the Placing and the Rights Issue.

If a Shareholder takes up its respective entitlements under the Rights Shares but some other Shareholders do not take up their entitlements, such Shareholder's shareholding may be increased to a level which may trigger the mandatory general offer obligations for all the issued Shares under the Takeovers Code, as such, in such event, the entitlement of such Shareholder shall be scaled down to a level which does not trigger an obligation on such Shareholder to make a mandatory general offer for all the issued Shares under the Takeovers Code.

Also, if a Shareholder takes up its respective entitlements under the Rights Shares but some other Shareholders do not take up their entitlements, the public float of the Shares may be affected, as such, in such event, the entitlement of such Shareholder shall be scaled down to a level which will ensure the Company can comply with the requirement on maintaining sufficient public float under Rule 8.08(1) of the Listing Rules at all time.

CONDITIONS OF THE RIGHTS ISSUE

The Rights Issue is conditional on the fulfillment of the following conditions:

- (i) the Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms);
- (ii) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) not later than the Prospectus Posting Date and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);

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- (iii) the posting of the Prospectus Documents to Qualifying Shareholders on the Prospectus Posting Date and the posting of the Prospectus and a letter to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue within two Business Days after the Prospectus Posting Date;
- (iv) the filing and registration of all relevant documents with the Registrar of Companies in Hong Kong by no later than the Prospectus Posting Date; and
- (v) the Placing Agreement not being terminated on or before the Latest Time for Termination.

The Company shall use all reasonable endeavours to procure the fulfilment of the conditions precedent set out above. As at the Latest Practicable Date, none of the above conditions have been satisfied. If any of the conditions precedent are not satisfied by the Latest Time for Termination (or such other date as may be agreed between the Company and the Placing Agent), the Rights Issue will not proceed.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in the provision of driving training services in the PRC.

According to the Unaudited Accounts, the Group's bank balances and cash as at 31 December 2023 amounted to approximately RMB152.4 million. As at the Latest Practicable Date, the Company has planned to utilise its cash in the following manner: (i) RMB71.6 million has been reserved to be used for acquiring the Land for the purpose of developing the Company's business of providing driving training service (*Please see page. 257 of the share offer prospectus of the Company dated 11 October 2019*); (ii) approximately RMB14.4 million has been reserved to be used for developing the business on the Land, including but not limited to construction fees and purchase of training vehicles (*Please see page. 32 of the interim result announcement of the Company for the six months ended 30 June 2023 dated 28 August 2023*); (iii) approximately RMB5.4 million has been reserved to be used for recruitment and trainings costs of driving instructors (*Please see page. 32 of the interim result announcement of the Company for the six months ended 30 June 2023 dated 28 August 2023*); and (iv) approximately RMB54.2 million for repaying outstanding bank borrowings.

Accordingly, assuming that the Rights Issue will not be conducted and the Company will utilise its cash in the aforesaid manner, the Group's bank balances and cash will amount to only approximately RMB6.8 million.

Assuming that there is no change in the number of issued Shares on or before the Record Date and all Rights Shares to be issued under the Rights Issue have been taken up in full, the gross proceeds from the Rights Issue will be approximately HK\$40.0 million. The net proceeds from the Rights Issue (after deduction of estimated professional fees and other related expenses of approximately HK\$1.9 million) are estimated to be approximately HK\$38.1 million (assuming no change in the number of Shares in issue on or before the Record Date). The net proceeds from the Rights Issue are intended to be used for the part repayment of the outstanding bank borrowings of the Group, upon the receipt of the proceeds.

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The Company is of the view that with the hindsight of the above intended uses for the existing bank balance and cash, by using the proceeds of the Rights Issue to repay part of the outstanding bank borrowings, it can help to ease the debt pressure of the Company and preserve the Company's cash reserves for daily operations and further plans (majority of which have been earmarked at the time of initial public offering of the Company).

The Board has considered other fund-raising alternatives before resolving to the proposed Rights Issue, including but not limited to debt financing, placing and open offer. As debt financing would result in additional interest burden, higher gearing ratio of the Group and subject the Group to repayment obligations, the Board does not consider any debt financing by the Company to be optimal for the Group. As for placing of new Shares, taking into account that (i) it is relatively smaller in scale as compared to fund raising through rights issue; and (ii) it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company, it was not considered by the Board to be the most suitable fund-raising method for the Company. As for open offer, while it is similar to a rights issue, offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market unlike a rights issue, which would allow Shareholders to have more flexibility in dealing with the Shares and the nil-paid rights attaching thereto.

On the other hand, the Board considers that the Rights Issue, being pre-emptive in nature, would allow all Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain, increase or decrease their respective pro rata shareholdings in the Company by taking up only their respective rights entitlement, acquiring additional rights entitlement or disposing of their rights entitlements in the open market (subject to availability).

The Board considers that the Rights Issue, when compared with other forms of equity fund raising, would offer the Qualifying Shareholders the opportunity to subscribe for Rights Shares in proportion to their existing shareholdings in the Company without having their relative shareholdings being diluted and the Board considers that the terms of the Rights Issue are fair and reasonable and in the best interest of the Shareholders as a whole as it allows Qualifying Shareholders to maintain their respective pro rata shareholding interests in the Company and to continue to participate in the future development of the Company and it will improve the capital base and gearing ratio of the Company.

Based on the above, the Board considers that raising capital through the Rights Issue is fair and reasonable and in the interests of the Company and the Shareholders as a whole. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholder(s) (if any) should note that their shareholdings will be diluted.**

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EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there is no change in the number of Shares in issue from the Latest Practicable Date up to and including the date of completion of the Rights Issue, the table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the Rights Issue:

Shareholders	As at the Latest Practicable Date		Immediately after completion of the Rights Issue			
			Assuming all Qualifying Shareholders take up their respective entitlements under the Rights Issue		Assuming no Qualifying Shareholders take up their respective entitlements under the Rights Issue and the remaining Unsubscribed Rights Shares and the NQS Unsold Rights Shares are fully placed under the Compensatory Arrangements	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Alpha Leap Holdings Limited (“ Alpha Leap ”) (Note 1)	206,400,000	51.6	309,600,000	51.6	206,400,000	34.4
Cosmic Hero Investments Limited (“ Cosmic Hero ”) (Note 2)	39,600,000	9.9	59,400,000	9.9	39,600,000	6.6
Greater Sino Ventures Limited (“ Greater Sino ”) (Note 3)	42,000,000	10.5	63,000,000	10.5	42,000,000	7.0
Public Shareholders	112,000,000	28.0	168,000,000	28.0	112,000,000	18.7
Independent places	—	—	—	—	200,000,000	33.3
Total	400,000,000	100.00	600,000,000	100.00	600,000,000	100.00

Notes:

- The entire issued share capital of Alpha Leap is owned by Mr. Qi Xiangzhong, an executive Director. Accordingly, Mr. Qi Xiangzhong and his spouse Ms. Gao Dongju (“**Ms. Gao**”) are deemed to be interested in all the Shares held by Alpha Leap for the purposes of Part XV of the SFO.
- The entire issued share capital of Cosmic Hero is owned by Mr. Ling Wai Leung (“**Mr. Ling**”). Accordingly, Mr. Ling and his spouse Ms. Hui Ching Ping (“**Ms. Hui**”) are deemed to be interested in all the Shares held by Cosmic Hero for the purposes of Part XV of the SFO.
- The entire issued share capital of Greater Sino is owned by Ample Star Global Limited (“**Ample Star**”), which is in turn owned by China Castson 81 Finance Company Limited (中國鑄晨81金融有限公司) (“**China Castson**”) (Stock code: 810), a company continued into Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange. Accordingly, Ample Star and China Castson are deemed to be interested in the Shares in which Greater Sino is interested under Part XV of the SFO.

LETTER FROM THE BOARD

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company did not conduct any equity fund raising activities during the 12 months immediately preceding the Latest Practicable Date.

LISTING RULES IMPLICATIONS

As (i) the Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the Latest Practicable Date, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities as part of any rights issue, open offer and/or specific mandate placings within such 12-month period; (ii) the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%; and (iii) the Rights Issue is not underwritten by a Director, chief executive or substantial Shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to Shareholders' approval under Chapter 7 of the Listing Rules.

The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

GENERAL

Subject to the fulfillment of the conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Non-Qualifying Shareholders (if any) for their information only, but the Company will not send the PAL to the Non-Qualifying Shareholders (if any).

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions set out in the section headed "Conditions of the Rights Issue" in this prospectus. As the Rights Issue is subject to conditions, the Rights Issue may or may not proceed. The Rights Issue is on a non-underwritten basis. Pursuant to the Company's constitutional documents and the Companies Act, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment of the conditions of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level. In the event the Rights Issue is undersubscribed, any Unsubscribed Rights Shares will be placed to independent placees under the Unsubscribed Arrangements. Any Unsubscribed Rights Shares not placed under the Unsubscribed Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares or the nil-paid rights.

LETTER FROM THE BOARD

Any dealings in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

FURTHER INFORMATION

Your attention is drawn to the information set out in the appendices to this prospectus.

Yours faithfully,
For and on behalf of the Board
China Oriented International Holdings Limited
Qi Xiangzhong
Chairman and Executive Director

1. THREE-YEAR FINANCIAL SUMMARY

Financial information of the Group for (i) each of the three years ended 31 December 2020, 2021 and 2022; and (ii) the six months ended 30 June 2023 are disclosed in the following documents which have been published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (details of website addresses as set out below):

- (a) annual report of the Company for the year ended 31 December 2020 published on 31 March 2021 (pages 129-228)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0420/2021042000902.pdf>);
- (b) annual report of the Company for the year ended 31 December 2021 published on 29 March 2022 (pages 132-233)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0422/2022042201440.pdf>);
- (c) annual report of the Company for the year ended 31 December 2022 published on 27 April 2023 (pages 135-232)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042704374.pdf>); and
- (d) interim report of the Company for the six months ended 30 June 2023 published on 15 September 2023 (pages 32-55)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0915/2023091500603.pdf>).

2. INDEBTEDNESS

As at 31 December 2023, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this prospectus, the indebtedness of the Group was as follows:

	As at 31 December 2023 <i>RMB'000</i>
Bank borrowings ^(note a)	54,230
Lease liability ^(note b)	<u>3,475</u>
	<u><u>57,705</u></u>

(a) Bank borrowings

The Group had aggregate bank loans of approximately RMB54,230,000 comprising:

- (i) Bank borrowing with principal amount of RMB13,500,000 was secured by the leasehold land and building of the Group with net carrying amounts of approximately RMB37,955,000 and RMB17,053,000 respectively as at 31 December 2023 and was guaranteed by Mr. Qi, bearing a fixed interest rate at 4.65% per annum.

- (ii) Bank borrowing with principal amount of RMB9,000,000 was secured by the leasehold land and building of the Group with net carrying amounts of approximately RMB37,955,000 and RMB5,534,000 respectively as at 31 December 2023 and was guaranteed by the spouse of Mr. Qi, bearing a fixed interest rate at 6.60% per annum.
- (iii) Bank borrowings with principal amount of RMB17,730,000 was secured by the operation right of a subsidiary of the Group and was guaranteed by Mr. Qi, bearing a fixed interest rate at 8.00% per annum.
- (iv) Bank borrowings with principal amount of RMB9,000,000 was secured by the operation right of a subsidiary of the Group and was guaranteed by Mr. Qi, bearing a fixed interest rate at 5.50% per annum.
- (v) Bank borrowing with principal amount of RMB2,000,000 was guaranteed by Mr. Qi and his spouse, bearing a fixed interest rate at 4.62% per annum.
- (vi) Unsecured bank borrowing with principal amount of RMB3,000,000 was bearing a fixed interest rate at 4.25% per annum.

(b) Lease liabilities

The Group entered into lease agreements for leasing of office premise located in the PRC and for leasing of motor vehicles. As at 31 December 2023, the Group had current and non-current lease liabilities of approximately RMB2,317,000 and RMB1,158,000 respectively. The interest rates of the lease liabilities were ranging from 5.28% to 10% per annum.

Save as aforesaid and apart from intra-group liabilities and normal trade payables and other payables and accruals in the ordinary course of business, at the close of business on 31 December 2023, the Group did not have any debt securities issued and outstanding or agreed to be issued but unissued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade payables) or acceptance credits, debentures, mortgages, charges, finance lease, hire purchases commitments, guarantees or material contingent liabilities.

3. WORKING CAPITAL STATEMENT

The Directors, after due and careful considerations, are of the opinion that, after taking into account the financial resources presently available to the Group including internally generated funds and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital to satisfy its present requirements for at least the next twelve months from the date of publication of this prospectus.

4. MATERIAL ADVERSE CHANGES

Save as disclosed and the information disclosed in the Company's annual report for the year ended 31 December 2022, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited financial statements of the Company were made up.

5. BUSINESS REVIEW AND PROSPECTS

The Company is a provider of driving training service based in Zhumadian city, Henan province, the PRC. It engages in the provision of driving training services through two major operating subsidiaries, namely Shun Da School and Tong Tai School. Shun Da School is a qualified level II driving school established and commenced operation in 2012 which offers driving training services for preparation for driving tests of Small Vehicles. Tong Tai School is a qualified level I driving school established and commenced operation in 2014 which offers driving training services for preparation for driving tests of both Large Vehicles and Small Vehicles.

Tong Tai School and Shun Da School are currently offering two types of driving training courses for the trainees, namely standard courses and premium courses. Standard courses are designed for trainees who wish to complete only part of the minimum training hours requirements with lower course fees and less training hours. Trainees, who have enrolled in the standard courses, wish to fulfil the minimum training hours requirements, or for other reasons wish to have further training, may subscribe from the respective school for additional training services on an hourly basis. Premium courses offer to trainees driving training for a number of training hours that is equal to the minimum training hours requirements specified in the Driving Training Curriculum. The premium courses comprised holidays and weekends courses, economy courses and VIP courses. The VIP courses for Large Vehicles provide different complimentary supporting services including pick-up services and/or accommodation services.

Looking back on our work in 2023, we took “doing the best, pursuing better” as the objective, focused on “cultivating professional and technical talents for the society and contributing more energy for economic development” as our corporate mission, actively responded to challenges brought by the downturn in the logistics industry and overcame difficulties. We facilitated the teaching and logistic reform, as we are fully aware that only by expanding our business scale and enhancing operating effectiveness then we can better meet trainees’ needs and achieve better business results. The work of the year 2023 laid a stable foundation for future development. We have all along been committed to the teaching philosophy of being “stringent and highly efficient”, actively propelling the online and offline integration with a full elements and process teaching model. We constantly optimised subject teaching plans, teaching materials and methods, as well as integrating education and training to enable every trainee to enhance the learning outcome in a relaxed and pleasant atmosphere and become more confident under rigorous training practice.

During our teaching process in 2023, we valued the opinions and feedback of trainees by conducting in-depth research and optimisation in curriculum setting, instructor staffing and examination services. We strived to implement the service standard of being “fast, professional and high quality” in the entire teaching process to ensure every trainee enjoys high-quality service and guaranteed safe examination, laying a solid foundation for each of them to achieve a leaping progress.

We focus on continuing our enrollment mission. We set a challenging target of new course enrollment for this year. However, due to deterioration of the market conditions of the logistics industry as a result of the continuous US-China trade tensions, trainees were less motivated to enroll in driving training courses for large vehicles. In order to achieve the enrollment target, we need a breakthrough in marketing. To meet the potential market demand, we will further launch a series of preferential policies and campaigns to gain the support of trainees and enhance brand reputation and credibility, as well as brand influence further.

We will constantly enhance our teaching quality with a more stringent standard and continue our enrollment mission. By promoting and developing integrated online and offline training model, we will provide comprehensive support for trainees' learning. At the same time, we will also actively facilitate various reforms and innovations to enhance operating effectiveness and market competitiveness. We will help trainees to create high-quality learning and test experience with more intelligent and professional service concepts, striving to build the school into a diversified and comprehensive driving school that moves with the times and also a top-tier brand from the general users' perspective.

We focus on increasing efforts in course enrollment to lay the development foundation. We are committed to the concept of "course enrollment as the primary core work" to meet the increasing demand of the driving training services benefited from the rebound of logistic industry this year. In facing the plight of course enrollment, our staff will be more dedicated in publicity and promotion with an integrated offline and online marketing approach. We also plan to expand our business to other provinces, cities and counties in China with large vehicles and small vehicles markets, and use online marketing software and other social media to present relevant information about our school.

We will continue to focus on building corporate culture. Corporate culture is the foundation for the Group to remain competitive under intense market competition. Therefore, each of our employees should consciously accept, propagate, carry on and innovate our corporate culture and empower it for high-quality development.

For illustrative purposes, the financial information prepared in accordance with paragraph 4.29 of the Listing Rules is set out here to provide prospective investors with further information about how the financial information of the Group might be affected by completion of the Rights Issue as if the Rights Issue had been completed on 30 June 2023. The statement has been prepared for illustrative purposes only and because of its nature, it may not give a true picture of the Group's financial condition on the completion of the Rights Issue.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2023 prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules is set out to illustrate the effects of the Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2023 as if the Rights Issue had been completed on 30 June 2023.

The unaudited pro forma statement of adjusted consolidated net tangible assets is prepared for illustrative purpose only, based on the judgements and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company immediately or any future date after the completion of the Rights Issue.

The unaudited pro forma statement of adjusted consolidated net tangible assets is prepared based on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2023, as extracted from the published interim report for the six months ended 30 June 2023 of the Company, with adjustments described below.

Unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2023 RMB'000 (Note 1)	Estimated net proceeds from the Rights Issue RMB'000 (Note 2)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company immediately after the completion of the Rights Issue as at 30 June 2023 RMB'000	Unaudited consolidated net tangible assets of the Group attributable to the owners of the Company per Share before the completion of the Rights Issue RMB (Note 3)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share immediately after the completion of the Rights Issue RMB (Note 4)
Based on maximum number of 200,000,000 Rights Shares to be issued		194,760	35,349	230,109
		0.49	0.38	

Notes:

- 1) The unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2023 of approximately RMB194,760,000, which is equal to the unaudited consolidated net assets of the Group attributable to the owners of the Company, as extracted from the Company's published interim report for the six months ended 30 June 2023.
- 2) The estimated net proceeds from the Rights Issue are calculated based on gross proceeds of approximately HK\$40,000,000 from the issue of 200,000,000 Rights Shares at the Subscription Price of HK\$0.2 per Rights Share after deduction of the estimated professional fees and other related expenses payable by the Company of approximately HK\$1,880,000 attributable to the Rights Issue. The estimated net proceeds are approximately RMB35,349,000 (equivalent to approximately HK\$38,120,000).
- 3) The unaudited consolidated net tangible assets of the Group attributable to the owners of the Company per Share before the completion of the Rights Issue is determined based on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2023 of approximately RMB194,760,000 as disclosed in Note 1 above, divided by 400,000,000 Shares in issue as at 30 June 2023.
- 4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share immediately after the completion of the Rights Issue is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company immediately after the completion of the Rights Issue as at 30 June 2023 of approximately RMB230,109,000 divided by 600,000,000 Shares which represents the sum of 400,000,000 Shares in issue before the Rights Issue and 200,000,000 Rights Shares to be issued under the Rights Issue.
- 5) Save as disclosed above, no other adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2023.
- 6) For the purpose of the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company, the balances stated in Hong Kong dollars are translated into Renminbi at the approximately exchange rate of HK\$1 to RMB0.9273 which was the prevailing exchange rate as at 30 June 2023 for illustration purpose only, and such translation does not constitute a representation that any amount has been, could have been, or may otherwise be exchanged or converted at the above rate.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report received from the reporting accountants, Moore CPA Limited, Certified Public Accountants, Hong Kong, in respect of the Group's unaudited pro forma financial information for the purpose of incorporation in this prospectus.

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****TO THE DIRECTORS OF CHINA ORIENTED INTERNATIONAL HOLDINGS LIMITED**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of China Oriented International Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information (the “**Unaudited Pro Forma Financial Information**”) consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2023 and related notes as set out in Part A of Appendix II to the prospectus dated 20 February 2024 (the “**Prospectus**”) issued by the Company in connection with the proposed rights issue on the basis of one rights share for every two existing shares of the Company held by the qualifying shareholders on the record date (the “**Rights Issue**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Part A of Appendix II to the prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Rights Issue on the Group's consolidated net tangible assets attributable to the owners of the Company as at 30 June 2023 as if the Rights Issue had taken place at 30 June 2023. As part of this process, information about the Group's consolidated financial position has been extracted by the Directors from the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2023, on which an interim report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA, which requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Rights Issue at 30 June 2023 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- a. the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;
- b. such basis is consistent with the accounting policies of the Company; and
- c. the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Moore CPA Limited

Certified Public Accountants

Hong Kong, 20 February 2024

1. RESPONSIBILITY STATEMENT

This prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following completion of the Rights Issue (assuming no further issue of the Shares from the Latest Practicable Date up to completion of the Rights Issue) were and will be as follows:

As at the Latest Practicable Date	<i>HK\$</i>
<i>Authorised:</i>	
<u>10,000,000,000</u> Shares	<u>100,000,000</u>
<i>Issued and fully paid-up share capital:</i>	
<u>400,000,000</u> Shares	<u>4,000,000</u>
Immediately after completion of the Rights Issue (assuming full subscription under the Rights Issue)	
<i>Authorised:</i>	
<u>10,000,000,000</u> Shares	<u>100,000,000</u>
<i>Issued and fully paid-up share capital:</i>	
400,000,000 Shares in issue as at the Latest Practicable Date	4,000,000
<u>200,000,000</u> Shares to be allotted and issued under the Rights Issue	<u>2,000,000</u>
<u>600,000,000</u> Shares	<u>6,000,000</u>

All the Shares in issue are fully-paid and rank *pari passu* in all respects including as regards to dividends, voting rights and return of capital. All Rights Shares to be issued will rank *pari passu* with the then existing Shares in issue in all respects. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the Rights Shares.

The Company has applied to the Listing Committee for the listing of and permission to deal in the Rights Shares (in both their nil-paid and fully-paid forms). No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, the Group had no outstanding debt securities, derivatives, options, warrants, conversion securities or other similar securities which are convertible or exchangeable into Shares, and there was no arrangement under which future dividends are/will be waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interests and short positions in the securities of the Company and its associated corporations

(i) Directors' interests in securities of the Company

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executive of the Company or their respective close associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules, were as follows:

Long position

Name	Nature of Interest	Number of Shares interested	Approximate percentage of the total issued share capital of the Company
Mr. Qi Xiangzhong ("Mr. Qi")	Interest in a controlled corporation	206,400,000	51.6%

Note: The Shares are registered in the name of Alpha Leap, the entire issued share capital of which is owned by Mr. Qi Xiangzhong. Accordingly, Mr. Qi is deemed to be interested in all the Shares held by Alpha Leap for the purposes of Part XV of the SFO.

(ii) Directors' interests in securities of the associated corporations of the Company*Long position*

Name of Director	Name of associated corporation	Nature of interest	Number and class of securities in the associated corporation	Percentage of interest in the associated corporation
Mr. Qi	Alpha Leap	Beneficial owner	1 ordinary share	100%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company or their respective close associates had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules.

(iii) Substantial shareholders' interests

As at the Latest Practicable Date so far as is known to any Director or chief executive of the Company, other than the interests disclosed above in respect of certain Directors and chief executive of the Company, the interests and short positions of persons in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Long position

Name of Shareholder	Nature of Interest	Number of Shares held	Approximate shareholding percentage (%)
Alpha Leap	Beneficial owner	206,400,000	51.60%
Ms. Gao Dongju (<i>Note 1</i>)	Spouse interest	206,400,000	51.60%
Cosmic Hero	Beneficial owner	39,600,000	9.90%
Mr. Ling Wai Leung (<i>Note 2</i>)	Interest in a controlled corporation	39,600,000	9.90%
Ms. Hui Ching Ping (<i>Note 3</i>)	Spouse interest	39,600,000	9.90%
Great Sino	Beneficial owner	42,000,000	10.50%
Ample Star (<i>Note 4</i>)	Interest in a controlled corporation	42,000,000	10.50%
China Caston (<i>Note 4</i>)	Interest in a controlled corporation	42,000,000	10.50%

Note:

1. Ms. Gao Dongju is the spouse of Mr. Qi Xiangzhong. She is deemed to be interested in the Shares in which Mr. Qi is interested in under Part XV of the SFO.
2. The Shares are registered in the name of Cosmic Hero, the entire issued share capital of which is owned by Mr. Ling Wai Leung. Accordingly, Mr. Ling is deemed to be interested in all the Shares held by Cosmic Hero for the purposes of Part XV of the SFO.
3. Ms. Hui Ching Ping is the spouse of Mr. Ling Wai Leung. She is deemed to be interested in the Shares in which Mr. Ling is interested in under Part XV of the SFO.
4. The Shares are registered in the name of Greater Sino, the entire issued share capital of which is owned by Ample Star, which is in turn owned by China Caston. Accordingly, Ample Star and China Caston are deemed to be interested in the Shares in which Greater Sino is interested under Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the senior management of the Company are not aware of any other person who had an interest or short position in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of Part XV of the SFO.

4. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration of material importance and there was no litigation or arbitration of material importance known to the Directors to be pending or threatened by or against any members of the Group.

5. MATERIAL CONTRACTS

As at the Latest Practicable Date, no contract (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries) had been entered into by the Company or any of its subsidiaries within two years preceding the date of this prospectus and ending on the Latest Practicable Date, which are or may be material in relation to the business of the Group as a whole.

6. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, there is no contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date in which any Director is materially interested in and which is significant to the business of the Group.

None of the Directors had any direct or indirect interest in any assets which had been, since 30 March 2023 (being the date to which the latest published annual results announcement for the audited consolidated financial statements of the Company were made up), acquired, disposed of by, or leased to, or were proposed to be acquired, disposed of by, or leased to any member of the Group.

7. QUALIFICATION AND CONSENT OF THE EXPERT

The following is the qualification of the professional adviser who has given opinion or advice contained in this prospectus:

Name	Qualification
Moore CPA Limited	Certified Public Accountants, Hong Kong

As at the Latest Practicable Date, Moore CPA Limited has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or references to its name in the form and context in which they appear in this prospectus.

As at the Latest Practicable Date, Moore CPA Limited did not have any shareholding in any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Moore CPA Limited did not have any direct or indirect interest in any assets which have been, since 30 March 2023 (the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

8. CORPORATE INFORMATION AND THE PARTIES INVOLVED IN THE RIGHTS ISSUE

Registered Office	Cricket Square Hutchins Drive PO Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Principal Place of Business in Hong Kong	Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong
Authorised Representatives	Mr. Qi Xiangzhong Mr. Tsang Chi Hon, CPA Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong

Company Secretary	Mr. Tsang Chi Hon, CPA Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong
Placing Agent	Fortune Origin Securities Limited Room 1605 Shun Tak Centre West Wing, 168-200 Connaught Road Central, Sheung Wan Hong Kong
Independent Auditor	Moore CPA Limited 801-806 Silvercord Tower 1, 30 Canton Road, Tsimshatsui, Kowloon Hong Kong
Legal Advisors as to Hong Kong Law	Michael Li & Co. 19/F Prosperity Tower 39 Queen's Road Central Hong Kong
Principal Bankers	Henan Suiping Rural Commercial Bank Corporation Limited Southern Section, Qu Yang Avenue Suiping County Zhumadian City Henan Province PRC Central Bank Corporation Limited, Suiping Branch East of Southern Section, Qu Yang Avenue Suiping County Zhumadian City Henan Province PRC
Hong Kong Branch Share Registrar and Transfer Office	Tricor Investor Services Limited 17/F Far East Finance Centre 16 Harcourt Road Hong Kong

9. PARTICULARS OF DIRECTORS**a. Name and address of the Directors**

Name	Business Address
Mr. Qi Xiangzhong (齊向中)	Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong
Ms. Zhao Yuxia (趙玉霞)	Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong
Dr. Yeung Cheuk Kwong (楊卓光)	Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong
Mr. Chan Siu Wah (陳小華)	Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong
Mr. Wan San Fai Vincent (溫新輝)	Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong
Mr. Xu Jianpo (徐建坡)	Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong

b. Profiles of the Directors***Executive Directors*****Mr. Qi Xiangzhong (元向中) (“Mr. Qi”)**

Mr. Qi, aged 47, is the founder of the Group, the Chairman, an executive Director, the chairman of the Nomination Committee and a member of the Remuneration Committee. He served as a Director since 22 February 2017. He was then redesignated as an executive Director and also served as the Chairman since 22 May 2017. He is primarily responsible for major decision-making, overall strategic planning and determining corporate policies and general management of the Group.

In December 2012 and April 2014, Mr. Qi as a founder established Shun Da School and Tong Tai School, respectively. He has served as the executive director and legal representative of Tong Tai School and Shun Da School and the executive director, general manager and legal representative of Zhumadian Tongtai Cultural Media Company Limited* (駐馬店通泰文化傳媒有限公司) since their respective establishments.

Mr. Qi was appointed as a member of the 3rd executive committee of Zhumadian City Federation of Industry and Commerce* (駐馬店市工商聯合會) in March 2016 and a member, standing member and vice president of the 7th executive committee of Suiping County Federation of Industry and Commerce* (遂平縣工商聯合會) in May 2016. Also, Mr. Qi was appointed as the chairman of the Driver Training Service Industry Council of the Zhumadian City Road Transport Association* (駐馬店市道路運輸協會駕駛員培訓行業協會) in March 2017. In addition, Mr. Qi is elected as a deputy to the 4th Zhumadian City People’s Congress (駐馬店市第四屆人民代表大會代表) in April 2017.

Ms. Zhao Yuxia (趙玉霞) (“Ms. Zhao”)

Ms. Zhao, aged 53, is the chief executive officer and chief financial officer of the Group and an executive Director. She served as a Director since 22 May 2017. She was then redesignated as an executive Director and also served as the chief executive officer and the chief financial officer of the Group since 22 May 2017. She is primarily responsible for the overall management of the business operation as well as financial planning of operations of the Group.

Ms. Zhao obtained a Diploma in Corporate Finance and Accounting from Anyang City Accounting School* (安陽市財會學校) in July 1992. She further completed an Accounting Program from Henan Province School of Economic* (河南財經學院) (now known as Henan Province University of Economics and Law* (河南財經政法大學)) in June 1997 and obtained the Assistant Accountant* (助理會計師) Qualification from the Ministry of Finance of the PRC* (中華人民共和國財政部) in December 1997.

From December 1992 to July 2001, Ms. Zhao served as a financial audit assistant, responsible for handling audit work and preparing financial statements and audited reports, of Suiping County Audit Firm* (遂平縣審計師事務所), which is an accounting firm in the PRC. From August 2001 to September 2009, Ms. Zhao served as a financial audit assistant, responsible for handling audit work, of Suiping County Yongxing Joint Audit Firm* (遂平縣永興聯合會計師事務所), which is an accounting firm in the PRC. From October 2009 to April 2014, Ms. Zhao was a finance manager, responsible for overseeing the accounting and financial management, of Zhumadian City Hongyuan Packing Company Limited* (駐馬店宏遠包裝有限公司), which is a company principally engaged in the sales of cardboards and paper. In May 2014, she joined our Group as the financial controller of Tong Tai School, and was responsible for our Group's financial management.

Non-Executive Directors

Dr. Yeung Cheuk Kwong (楊卓光) (“Dr. Yeung”)

Dr. Yeung, CFA, aged 61, is the non-executive Director. He served as a Director since 8 June 2018 and was re-designated as a non-executive Director since 19 September 2019 and has renewed a service agreement with the Company as a director for 3 years with effect from October 2022. He is primarily responsible for advising on finance and investor relationship of the Group.

Dr. Yeung is a member of the Hong Kong Institute of Certified Public Accountants. He has extensive experience and knowledge in corporate finance, corporate governance and investment in various asset classes, such as fixed income securities and equities. From October 1995 to April 2000, Dr. Yeung served as the executive director of Great Wall Electronic International Limited (now known as EPI (Holdings) Limited) (Stock code: 689), a company whose shares are listed on the Main Board of the Stock Exchange and was principally engaged in manufacture of consumer electronic products. He was responsible for corporate planning, business development, information technology strategy, financing activities, accounting function and supervision. From April 2000 to January 2010, Dr. Yeung was the chief financial officer and company secretary of Ngai Lik Industrial Holdings Limited (now known as Yuan Heng Gas Holdings Limited) (Stock code: 332). He also served as the executive director of the said company from April 2000 to February 2010. The said company is listed on the Main Board of the Stock Exchange and was previously engaged in investment holding. Its subsidiaries were principally engaged in design, manufacture and sales of electronic products and sales of motorcycle parts. He oversaw the finance and accounting, legal affairs, human resources, general administration, information technology and corporate planning and development. From January 2014 to July 2014, Dr. Yeung was an adviser to China Caston and its subsidiaries. From July 2014 to October 2023, he served as the chief executive officer of China Caston, the holding company of Greater Sino. China Caston is principally engaged in investment in equity securities and debt securities. He was responsible for the day-to-day management, strategic planning and the execution of the strategic decisions.

Dr. Yeung was one of the licensed representatives of Silverstone Investments Limited, a corporation licensed by the SFC to carry on Type 9 (asset management) and Type 4 (advising on securities) regulated activities under the SFO for the period from February 2016 to January 2021. Dr. Yeung was one of the responsible officers of Success Advance Investments Limited, for Type 9 (asset management) and Type 4 (advising on securities) regulated activities under the SFO from 1 August 2022 to 9 November 2023. Success Advance Investments Limited is a corporation licensed to carry on Type 9 (asset management) and Type 4 (advising on securities) regulated activities under the SFO. He was responsible for investment management advisory. Since December 2017, Dr. Yeung has been appointed as the Adjunct Professor of Zhongnan University of Economics and Law, the PRC.

Dr. Yeung graduated with a Professional Diploma in Accountancy with distinction from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in November 1986. He further obtained a Bachelor degree of Science in Economics from the University of London, the United Kingdom, in August 1990, a Master degree of Laws in Corporate and Financial Law from The University of Hong Kong in November 2007, a Bachelor degree of Law from The Manchester Metropolitan University, the United Kingdom, in July 2008, a Master degree of Science in Finance and a Doctor degree of Business Administration from the City University of Hong Kong in October 2010 and July 2014, respectively.

He was admitted as a Certified Public Accountant of the Hong Kong Society of Accountants (now known as Hong Kong Institute of Certified Public Accountant) in January 1991.

Dr. Yeung is a CFA charterholder since February 2021.

Dr. Yeung has become a fellow member of the Hong Kong Securities and Investment Institute since November 2021.

In January 2021, he was appointed as a pro-bono director of Manchester Metropolitan University Chapter Hong Kong Limited.

*Independent Non-Executive Directors***Mr. Chan Siu Wah (陳小華) (“Mr. Chan”)**

Mr. Chan, aged 49, is an independent non-executive Director. He served as an independent non-executive Director since 19 September 2019 and is mainly responsible for supervising and providing independent judgment to the Board and has renewed a service agreement with the Company as a director for 3 years with effect from October 2022. Mr. Chan is also the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee.

Mr. Chan is a member of the Hong Kong Institute of Certified Public Accountants and has over 20 years of experience in accounting and finance. From August 1996 to April 2000, Mr. Chan worked in W.M. Sum & Co., an accounting firm, as an auditor and was responsible for performing audit and taxation assignments. Mr. Chan then joined Arthur Andersen Hong Kong as an experienced staff accountant in May 2000 and as a senior in September 2001 in the Assurance and Business Advisory Services Department. From July 2002, subsequent to the combination of PricewaterhouseCoopers Ltd. and Arthur Andersen Hong Kong practices, Mr. Chan was transferred to PricewaterhouseCoopers Ltd. as a senior associate, responsible for taking charge of a group of audits. Mr. Chan left PricewaterhouseCoopers Ltd. in January 2003 as a senior associate. From February 2003 to August 2007, Mr. Chan joined Sunray Holdings Limited as a financial controller and was responsible for taking charge of group accounting, financial reporting and listing compliance matters. Sunray Holdings Limited had been listed on the Main Board of the Singapore Exchange Securities Trading Limited between November 2003 and March 2014, principally engaged in the development, manufacturing and marketing of medical systems and consumables for the women’s healthcare market in the PRC. From October 2007 to April 2012, Mr. Chan served as the financial controller and joint company secretary of Dukang Distillers Holdings Limited where he was responsible for the financial reporting and company secretarial matters. Dukang Distillers Holdings Limited has been listed on the Main Board of the Singapore Exchange Securities Trading Limited since September 2008, whose principal business is the production and sales of Chinese white wine. From April 2012 to August 2013, Mr. Chan served as an audit manager in S.W. Chan & Co., an accounting firm, and was responsible for performing audit, taxation and company secretarial services. Since July 2013, Mr. Chan has served as a director and practicing certified public accountant at Alliance Ascent CPA Limited and is responsible for overseeing the development and operation of the accounting firm.

Mr. Chan graduated with a degree of Bachelor of Business Administration in Accounting and Finance from The University of Hong Kong in November 1996 and received the Master of Corporate Governance degree from The Hong Kong Polytechnic University in October 2011.

Mr. Chan was admitted as a member and was further admitted as a fellow member of The Association of Chartered Certified Accountants in October 1999 and October 2004 respectively. Mr. Chan was admitted as an associate member of the Hong Kong Society of Accountants (now known as the Hong Kong Institute of Certified Public Accountants) in March 2000. Subsequently, Mr. Chan was registered as a certified public accountant (practising) in July 2013. Mr. Chan was also admitted as an associate member of The Hong Kong Institute of Chartered Secretaries in April 2012.

Mr. Wan San Fai Vincent (温新輝) (“Mr. Wan”)

Mr. Wan, aged 50, obtained a bachelor’s degree in accountancy from the Hong Kong Polytechnic University in 1996. He was admitted as a member of the Hong Kong Institute of Certified Public Accountants in 2002. Mr. Wan has been appointed as an independent non-executive director of Tian Cheng Holdings Limited 天成控股有限公司 (formerly known as Yue Kan Holdings Limited 裕勤控股有限公司, Stock code: 02110.HK) on 1 November 2022. Since May 2022, Mr. Wan has been serving as company secretary of Zhong Ji Longevity Science Group Limited. He has been the chief financial officer and company secretary of Pan Asia Environmental Protection Group Limited (Stock code: 00556.HK) since 2007. Mr. Wan has more than 20 years’ experience in auditing, accounting and financial management.

Mr. Wan has entered into a service agreement with the Company as a director for 3 years with effect from March 2023. Mr. Wan is responsible for providing independent judgement and advising on the issue of strategy, performance, resources and standard of conduct of the Group.

Mr. Xu Jianpo (徐建坡) (“Mr. Xu”)

Mr. Xu, aged 49, Chinese nationality, completed an undergraduate program in Accountancy from Henan Institute of Finance and Economics* (河南財經學院)(now known as Henan University of Economics and Law (河南財經政法大學)) in June 2002. He has been a member of the Chinese Institute of Certified Public Accountants since September 2007. He obtained a Professional and Technical Personnel Title Certificate of Henan Province* (河南省專業技術人員職稱證書) as a senior accountant issued by Department of Human Resources and Social Security of Henan Province (河南省人力資源和社會保障廳) in December 2020.

Mr. Xu joined Henan Kunzheng Joint Accounting Firm (General Partnership)* (河南坤正聯合會計師事務所(普通合夥))(formerly known as Suiping County Yongxing Joint Accounting Firm (General Partnership)* (遂平縣永興聯合會計師事務所(普通合夥))) in January 2000 as a project manager, responsible for audit work, and is currently the principal partner. Since July 2020, he has served as an independent director of Henan Huiqiang New Energy Material Technology Corp., Ltd.* (河南惠強新能源材料科技股份有限公司), a company currently applying for listing on the Science and Technology Innovation Board of the Shanghai Stock Exchange.

Mr. Xu has entered into a service agreement with the Company as a director for 3 years with effect from April 2023. Mr. Xu is primarily responsible for making independent judgments and advising on the issue of strategy, performance, resources, and standard of conduct of the Group.

10. DIRECTOR'S SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

11. EXPENSES

The expenses in connection with the Rights Issue, including the fees of legal and financial advisers and auditors, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$1.9 million, which are payable by the Company.

12. GENERAL

The English language text of this prospectus and the other Prospectus Documents shall prevail over its Chinese language text, in case of any inconsistency.

13. LEGAL EFFECT

This prospectus and the PAL, and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong.

14. BINDING EFFECT

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of this prospectus, together with copies of the PAL and the written consent referred to in the paragraph headed "7. Qualification and Consent of the Expert" in this Appendix III, have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (other than Saturdays, Sundays and public holidays) at Rooms 1508-1513 Nan Fung Tower 88 Connaught Road Central Hong Kong for a period of 14 days from the date of this prospectus:

- (i) the memorandum of association and articles of association of the Company;

- (ii) the annual reports of the Company for the three years ended 31 December 2020, 2021 and 2022;
- (iii) the accountant's report on the unaudited pro forma financial information of the Group from Moore CPA Limited set out in Appendix II to this prospectus;
- (iv) the material contracts as referred to in the paragraph headed "5. Material Contracts" in this Appendix III;
- (v) the written consent referred to in the paragraph headed "7. Qualification and Consent of the Expert" in this Appendix III; and
- (vi) this prospectus.