

25 November 2022

To the Independent Shareholders,

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER FOR SHARES BY
BAOQIAO PARTNERS CAPITAL LIMITED
FOR AND ON BEHALF OF CHINA UWIN TECHNOLOGY CO., LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES
IN THE ISSUED SHARE CAPITAL OF
GLOBAL DINING HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY CHINA UWIN TECHNOLOGY CO., LIMITED AND
PARTIES ACTING IN CONCERT WITH IT)**

1. INTRODUCTION

Reference is made to the Joint Announcement made jointly by the Company and the Offeror in relation to, among other matters, the Sale and Purchase Agreement and the Offer. Terms used in this letter shall have the same meanings as defined in this Composite Document unless the context otherwise requires.

On 3 November 2022 (after trading hours of the Stock Exchange), the Vendor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor has agreed to sell, and the Offeror has agreed to purchase, 153,000,000 Shares, representing 63.75% of the issued share capital of the Company as at the Latest Practicable Date, for an aggregate consideration of HK\$47,812,500, equivalent to HK\$0.3125 per Sale Share, which was satisfied by the Offeror in full by cash. Completion took place on 4 November 2022.

Immediately following Completion, the Offeror and parties acting in concert with it own 153,000,000 Shares, representing 63.75% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

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

Independent Shareholders are strongly advised to consider carefully the information contained in the “Letter from the Board”, the “Letter from the Independent Board Committee”, the “Letter from the Independent Financial Adviser” and the appendices as set out in this Composite Document and to consult their professional advisers if in doubt before reaching a decision as to whether or not to accept the Offer.

2. THE OFFER

BaoQiao Partners, for and on behalf of the Offeror, is making the Offer to acquire all of the Offer Shares in accordance with the Takeovers Code on the following basis:

For each Offer Share..... HK\$0.3125 in cash

The Offer Price of HK\$0.3125 per Offer Share is the same as the purchase price per Sale Share under the Sale and Purchase Agreement.

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

As at the Latest Practicable Date, the Company does not have any dividend or distribution recommended, declared or made but unpaid and the Company does not intend to declare any dividend or make other distribution during the Offer Period.

As at the Latest Practicable Date, there were 240,000,000 Shares in issue. The Company did not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares and had not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

2.1 Comparison of value

The Offer Price of HK\$0.3125 per Offer Share represents:

- (i) a discount of approximately 23.8% over the closing price of HK\$0.4100 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 2.5% over the closing price of HK\$0.3050 per Share as quoted on the Stock Exchange on 3 November 2022, being the Last Trading Day;
- (iii) a premium of approximately 0.2% over the average closing price of approximately HK\$0.3120 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;

- (iv) a discount of approximately 5.2% to the average closing price of approximately HK\$0.3295 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 14.2% to the average closing price of approximately HK\$0.3642 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day; and
- (vi) a premium of approximately 2,011.5% over the net asset value per Share of approximately S\$0.0027 (equivalent to approximately HK\$0.0148), calculated based on the Group's audited consolidated net asset value attributable to the Shareholders as at 30 June 2022 of S\$639,784 (equivalent to approximately HK\$3,554,356), divided by the number of issued Shares as at the date of this Composite Document.

2.2 Highest and lowest Share prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.49 on 4 May 2022 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.305 on 31 October 2022, 1 November 2022, 2 November 2022 and 3 November 2022.

2.3 Total value of the Offer

As at the Latest Practicable Date, there were 240,000,000 Shares in issue. Assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer and on the basis of the Offer Price at HK\$0.3125 per Share, the entire issued share capital of the Company is valued at HK\$75,000,000.

Excluding 153,000,000 Shares held by the Offeror and parties acting in concert with it, the number of Shares subject to the Offer is 87,000,000. Based on the Offer Price of HK\$0.3125 per Offer Share, the total value of the Offer would be HK\$27,187,500, which will be the maximum amount payable by the Offeror under the Offer in the event that the Offer is accepted in full.

2.4 Dealings in securities in the Company

Save for the acquisition of the Sale Shares, the Offeror and parties acting in concert with it have not dealt in the Shares, warrants, options, derivatives or other securities convertible into Shares during the Relevant Period.

3. CONFIRMATION ON FINANCIAL RESOURCES

The Offeror intends to satisfy the consideration payable under the Offer by internal resources. Gram Capital, the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the amount of funds required for full acceptance of the Offer.

4. FURTHER TERMS OF THE OFFER

4.1 Acceptance of the Offer

By accepting the Offer, the Independent Shareholders shall sell their Shares to the Offeror free from all Encumbrances and third party rights and together with all rights attached to them including the right to all dividends and distributions which may be declared, paid or made on or after the date on which the Offer is made, being the date of despatch of the Composite Document. Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

As at the Latest Practicable Date, the Company does not have any dividend or distribution recommended, declared or made but unpaid and the Company does not intend to declare any dividend or make other distribution during the Offer Period.

4.2 Payment

Settlement of the consideration in respect of acceptances of the Offer will be made as soon as possible but in any event within seven (7) Business Days following the date of receipt of duly completed and valid acceptances in respect of the Offer Shares. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid.

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

4.3 Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.13% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholders accepting the Offer. The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

4.4 Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with the Offeror, the Company, BaoQiao Partners, Gram Capital and Kingsway Capital Limited (as the case may be) and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

4.5 Overseas Shareholders

The availability of the Offer to any Overseas Shareholders may be affected by the applicable laws and regulations of their relevant jurisdictions of residence. Overseas Shareholders should observe any applicable legal or regulatory requirements and, where necessary, consult their own professional advisers. It is the responsibilities of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant overseas jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such overseas jurisdictions).

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

4.6 Procedures for acceptance and settlement

Your attention is drawn to “Further terms and procedures for acceptance of the Offer” as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

5. INFORMATION ON THE PARTIES

5.1 The Offeror

The Offeror is an investment holding company incorporated in Hong Kong with limited liability on 4 November 2021, all shares of which are owned by Mr. Zhang. As at the Latest Practicable Date, save for holding the Sale Shares, the Offeror did not engage in any other business activities or hold any other asset.

Mr. Zhang, aged 40, holds a master’s degree in management science and engineering and a bachelor’s degree in computer science and technology from Beijing University of Posts and Telecommunications. Mr. Zhang has more than 15 years of experience in managerial roles in new consumption (an integrated retail section with blending of online

and offline commerce through digitization of the entire retail value chain), smart retail and communication technology in the PRC. Since 2015, Mr. Zhang has been engaged in smart beverage vending machine retail business. Mr. Zhang is the founder, chairman and general manager of Beijing Shuoyibuer Technology Company Limited, which is a smart retail beverage machines operator in the PRC. From 2007 to 2014, he worked as the head of terminal sales in China Mobile Communication Group Company Limited, and managed with more than 10,000 terminal stores and more than 30 million users. Since November 2021, Mr. Zhang has been serving as an executive director of Kirin Group Holdings Limited, a company listed on GEM (stock code: 8109).

5.2 The Group

Details of the information on the Group are set out in the Letter from the Board to this Composite Document. Financial information of the Group is set out in Appendix II to this Composite Document. General information of the Group is set out in Appendix IV to this Composite Document.

6. INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

The intention of the Offeror is that the Company's existing principal activities will be maintained and continued after completion of the Offer. The Offeror confirms that there is no intention to further expand and/or divest the existing businesses of the Company during the Offer Period unless appropriate opportunities arise. The Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group. With Mr. Zhang's personal background and management experience in various industries including food and beverage, new consumption, smart retail and communication technology, the Offeror intends to leverage the synergies between the Offeror and the Group to explore related business opportunities in the future.

Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the date of this Composite Document, no investment or business opportunity has been identified nor have the Offeror entered into any agreement, arrangement, understanding or negotiation in relation to the injection of any assets or business into the Group. Should such corporate actions materialise, further announcement(s) will be made in accordance with the GEM Listing Rules.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to redeploy any fixed assets of the Group (other than in the ordinary and usual course of business of the Group) or to discontinue the employment of the employees of the Group (except as set forth in the section headed "Proposed change of Board composition" below) as at the Latest Practicable Date.

7. PROPOSED CHANGE OF BOARD COMPOSITION

As at the date of this Composite Document, the Board is comprised of one executive Director and three independent non-executive Directors. Mr. Kwok Kin Kwong Gary has tendered his resignation from his position as the independent non-executive Director and the resignation will take effect from the earliest time permissible under Rule 7 of the Takeovers Code.

The Offeror intends to nominate new executive and independent non-executive Directors for appointment to the Board with effect from a date not earlier than the earliest time as permitted under the applicable laws, rules and regulations, the GEM Listing Rules and the Takeovers Code. Any changes to the members of the Board including the aforesaid appointments and resignation will be made subject to necessary procedures and approvals of the Board as and when appropriate in accordance with the Takeovers Code and the GEM Listing Rules. Further announcement(s) will be made upon any changes to the composition to the Board in compliance with the Takeovers Code and GEM Listing Rules as and when appropriate.

8. PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The Offeror will, together with the Company, use reasonable endeavours to maintain the listing status of the Shares on the Stock Exchange and procure that not less than 25% of the entire issued share capital in the Company be held by the public in compliance with the GEM Listing Rules.

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

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

9. GENERAL

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

The attention of the Overseas Shareholders is drawn to Appendix I to this Composite Document.

No acknowledgment of receipt of any Form of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares will be given.


All documents and remittances will be sent to the Independent Shareholders by ordinary post at their own risk. Such documents and remittances will be sent to the Independent Shareholders at their respective addresses as appeared in the register of members of the Company or in the case of joint Independent Shareholders, to the Independent Shareholder whose name appears first in the said register of members of the Company. None of the Offeror, the Company, BaoQiao Partners, Gram Capital, Kingsway Capital Limited, the Independent Financial Adviser, the Share Registrar, or any of their respective directors or professional advisers or any other parties involved in the Offer will be responsible for any loss or delay in transmission or any other liabilities that may arise as a result thereof.

10. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to consider carefully the information contained in the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from the Independent Financial Adviser” set out in this Composite Document and to consult your professional advisers as you see fit, before deciding whether or not to accept the Offer.

Yours faithfully,
For and on behalf of
BaoQiao Partners Capital Limited


Monica Lin
Managing Director


Irene Poon
Executive Director

Ms. Monica Lin is a responsible officer registered under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities for BaoQiao Partners Capital Limited and has over 20 years of experience in corporate finance industry.

Ms. Irene Poon is a responsible officer registered under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities for BaoQiao Partners Capital Limited and has over 20 years of experience in the accounting and corporate financial services industry.