

## THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Hang Yick Holdings Company Limited**, you should at once hand the Prospectus Documents to the purchaser(s) or transferee(s) to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents 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 the Prospectus Documents.

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed “16. Documents delivered to the Registrar of Companies” in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission, The Stock Exchange of Hong Kong Limited and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of the Prospectus Documents.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

Subject to the granting of the listing of, and 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 their respective commencement dates of dealings in the Rights Shares 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 HKSCC and HKSCC Operational Procedures in effect from time to time. You should consult your stockbroker or licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

## HANG YICK HOLDINGS COMPANY LIMITED

### 恒益控股有限公司

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

**(Stock Code: 1894)**

## PROPOSED RIGHTS ISSUE ON THE BASIS OF FOUR (4) RIGHTS SHARES FOR EVERY ONE (1) CONSOLIDATED SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

**Financial adviser to the Company**

**RAINBOW.**

RAINBOW CAPITAL (HK) LIMITED  
雷博資本有限公司

**Placing Agent**

 **道口證券**  
DAOKOU SECURITIES

Capitalised terms used in this cover page shall have the same meanings as those defined in this Prospectus, unless the context requires otherwise. The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Thursday, 5 March 2026 (or such other time and date as may be determined by the Company). The procedures for acceptance, splitting of provisional allotment and payment and/or transfer of the Rights Shares are set out on pages 14 to 15 of this Prospectus.

It should be noted that the Shares have been dealt on an ex-rights basis from Thursday, 5 February 2026. Dealings in the Rights Shares in the nil-paid form will take place from Monday, 23 February 2026 to Monday, 2 March 2026 (both days inclusive). Any Shareholders or potential investors contemplating selling or purchasing the Shares and/or the nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional advisers.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares and is subject to the fulfilment of conditions set out in the section headed “Letter from the Board — Conditions of the Rights Issue” in this Prospectus. Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers. In the event that the Rights Issue is not fully subscribed, the Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placers under the Compensatory Arrangements. The Placing 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. There is no minimum amount to be raised under the Rights Issue.

16 February 2026

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## DEFINITIONS

*In this Prospectus, the following expressions shall have the meanings set out below unless the context requires otherwise:*

“acting in concert”	has the same meaning ascribed thereto under the Listing Rules
“Announcement”	the announcement of the Company dated 11 December 2025 in relation to, among other things, the Share Consolidation, the Increase in Authorised Share Capital, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday, public holiday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Companies Registry”	Companies Registry of Hong Kong
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
“Company”	Hang Yick Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability on 6 March 2018, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1894)

## DEFINITIONS

“Compensatory Arrangements”	arrangements to place the Unsubscribed Shares and NQS Unsold Rights Shares by the Placing Agent on a best effort basis to investors who (or as the case maybe, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties pursuant to Rule 7.26A(1)(b) of the Listing Rules
“connected person”	has the same meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Consolidated Shares”	ordinary share(s) of HK\$0.20 each in the share capital of the Company upon the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company convened and held on 2 February 2026 at which resolutions in approving, among other things, the Share Consolidation, the Increase in Authorised Share Capital, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder were duly passed
“Excluded 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
“General Rules of HKSCC”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“HKSCC Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time

## DEFINITIONS

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Increase in Authorised Share Capital”	the increase in the authorised share capital of the Company from HK\$38,000,000 divided into 3,800,000,000 Shares (or 190,000,000 Consolidated Shares) to HK\$76,000,000 divided into 7,600,000,000 Shares (or 380,000,000 Consolidated Shares) by the creation of an additional 3,800,000,000 new Shares (or 190,000,000 new Consolidated Shares)
“Independent Shareholder(s)”	any Shareholder(s) who are not required to abstain from voting at the EGM under the Listing Rules
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons within the meaning of the Listing Rules
“Last Trading Day”	11 December 2025, being the last trading day of the Shares on the Stock Exchange before the release of the Announcement
“Latest Practicable Date”	5 February 2026, being the latest practicable date for ascertaining certain information for inclusion in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 5 March 2026 (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”	5:00 p.m. on Friday, 20 March 2026 (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

## DEFINITIONS

“Net Gain”	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 costs and expenses), that is realised from the Placing
“No Action Shareholder(s)”	those Qualifying Shareholder(s) who do not subscribe for the Rights Issue (whether partially or fully) (under the PAL or their renounces or such person who hold any nil-paid rights at the time such nil-paid rights are lapsed) or Excluded Shareholders (as the case may be)
“NQS Unsold Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form that 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”	arrangements to place the Unsubscribed Shares and NQS Unsold Rights Shares by the Placing Agent on a best effort basis pursuant to the Placing Agreement
“Placing Agent”	DaoKou Securities Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) regulated activity, which will place the Unsubscribed Shares and NQS Unsold Rights Shares to investors who are Independent Third Parties under the Compensatory Arrangements
“Placing Agreement”	the placing agreement dated 11 December 2025 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Period”	the period from Friday, 13 March 2026 up to 4:00 p.m. on the fifth (5th) business day after the date of announcement of the number of Unsubscribed Shares and NQS Unsold Rights Shares, being Thursday, 19 March 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Compensatory Arrangements

## DEFINITIONS

“Placing Price”	not less than HK\$0.46 per Unsubscribed Share and the NQS Unsold Rights Share
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the prospectus to be despatched by the Company to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus and the PAL(s)
“Prospectus Posting Date”	Monday, 16 February 2026 (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 Excluded Shareholders
“Public Float Requirement”	the public float requirement under Rule 13.32B of the Listing Rules
“Qualifying Shareholder(s)”	Shareholder(s), other than the Excluded Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Friday, 13 February 2026, the record date for the determination of the entitlements under the Rights Issue
“Registrar”	Tricor Investor Services Limited, the address of which is at 17/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, the branch share registrar and transfer office of the Company in Hong Kong
“Rights Issue”	the proposed issue by way of rights of four (4) Rights Shares for every one (1) Consolidated Share 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 section headed “Letter from the Board — Conditions of the Rights Issue” in this Prospectus
“Rights Share(s)”	the new Share(s) to be allotted and issued under the Rights Issue, being 184,224,000 Consolidated Shares
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

## DEFINITIONS

“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of HK\$0.01 each
“Share Consolidation”	the proposed consolidation of every twenty (20) issued and unissued Shares be consolidated into one (1) Consolidated Share
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.46 per Rights Share
“substantial shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong
“Unsubscribed Shares”	those Rights Shares that are not subscribed by the Qualifying Shareholders and Rights Shares which would otherwise have been allotted to the Excluded Shareholders (as the case may be)
“%”	per cent



<b>EXPECTED TIMETABLE</b>
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## EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Rights Issue. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this Prospectus refer to the Hong Kong local times and dates.

<b>Events</b>	<b>Hong Kong Date and Time 2026</b>
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First day of dealings in nil-paid Rights Shares .....	Monday, 23 February
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Latest time for splitting the PAL .....	4:30 p.m. on Wednesday, 25 February
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Last day of dealings in nil-paid Rights Shares .....	Monday, 2 March
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<b>Latest Time for acceptance of and payment for the Rights Shares.</b> .....	<b>4:00 p.m. on Thursday, 5 March</b>
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Announcement of the number of the Unsubscribed Shares and NQS Unsold Rights Shares subject to the Compensatory Arrangements .....	Thursday, 12 March
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Commencement of placing of the Unsubscribed Shares and NQS Unsold Rights Shares by the Placing Agent, on best effort basis .....	Friday, 13 March
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Latest time for placing the Unsubscribed Shares and NQS Unsold Rights Shares .....	4:00 p.m. on Thursday, 19 March
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Latest Time for the termination of the Placing Agreement .....	5:00 p.m. on Friday, 20 March
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Announcement of results of the Rights Issue (including results of the Placing and the Net Gain per Unsubscribed Share and NQS Unsold Rights Share under the Compensatory Arrangements).....	Friday, 27 March
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Despatch of share certificates for fully-paid Rights Shares and refund cheques (if the Rights Issue is terminated) .....	Monday, 30 March
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Commencement of dealings in fully-paid Rights Shares .....	Tuesday, 31 March
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Designated broker commences to provide matching services for odd lots of the Consolidated Shares.....	Tuesday, 31 March
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<b>EXPECTED TIMETABLE</b>
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<b>Events</b>	<b>Hong Kong Date and Time 2026</b>
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Payment of Net Gain to relevant No Action Shareholders (if any) or Excluded Shareholders (if any).....	Thursday, 9 April
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Designated broker ceases to provide matching services for odd lots of the Consolidated Shares .....	4:00 p.m. on Thursday, 9 April
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**EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES**

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

- (i) tropical cyclone warning signal No. 8 (or above);
- (ii) “extreme conditions” caused by super typhoons as announced by the Government of the Hong Kong Special Administrative Region; or
- (iii) a “black” rainstorm warning
  - (a) 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 will be extended to 5:00 p.m. on the same Business Day; or
  - (b) 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 will be rescheduled to 4:00 p.m. on the following 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 the “Expected Timetable” above may be affected. Announcement will be made by the Company in such event. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

**LETTER FROM THE BOARD**

**HANG YICK HOLDINGS COMPANY LIMITED**

**恒益控股有限公司**

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

**(Stock Code: 1894)**

*Executive Directors:*

Mr. Sin Kwok Chi, Stephen

Mr. Law Hok Yu

Mr. Lin Ruzhou

*Registered office:*

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Independent non-executive Directors:*

Mr. Shi Jianwen

Mr. Chan Man Kit

Ms. Zhao Aiyin

Mr. Han Fei

Mr. Huang Xinwen

*Headquarters and principal place of  
business in Hong Kong:*

Flat 606, 6/F

Sunray Industrial Centre

610 Cha Kwo Ling Road

Yau Tong, Kowloon, Hong Kong

16 February 2026

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED RIGHTS ISSUE ON THE BASIS OF  
FOUR (4) RIGHTS SHARES FOR  
EVERY ONE (1) CONSOLIDATED SHARE HELD  
ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS**

**INTRODUCTION**

Reference is made to the Announcement and the circular of the Company dated 13 January 2026 in relation to, among other things, the Share Consolidation, the Increase in Authorised Share Capital, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder.

At the EGM held on Monday, 2 February 2026, the resolutions for approving, among other things, the Share Consolidation, the Increase in Authorised Share Capital, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder were duly passed by the Independent Shareholders. Please refer to the announcement of the Company dated 2 February 2026 in relation to, among others, the poll results of the EGM.

## LETTER FROM THE BOARD

The purpose of this Prospectus is to provide you with, among other things, (i) further details of the Rights Issue, including information on dealing in, transfer and acceptance of the Rights Shares; (ii) the financial information of the Group; (iii) unaudited pro forma financial information of the Group; and (iv) other general information of the Group.

### RIGHTS ISSUE

Details of the Rights Issue are set out as follows:

#### Issue statistics

Basis of the Rights Issue	:	Four (4) Rights Shares for every one (1) Consolidated Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.46 per Rights Share
Net price per Rights Share (i.e. Subscription Price less estimated cost and expenses incurred in the Rights Issue)	:	Approximately HK\$0.45 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	921,120,000 Shares
Number of Consolidated Shares in issue upon the Share Consolidation becoming effective	:	46,056,000 Consolidated Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	up to 184,224,000 Rights Shares (assuming no change in the total number of Shares in issue on or before the Record Date other than as a result of the Share Consolidation)
Aggregate nominal value of the Rights Shares	:	up to HK\$36,844,800 (assuming no change in the total number of Shares in issue on or before the Record Date other than as a result of the Share Consolidation)
Total number of Shares in issue upon completion of the Rights Issue	:	up to 230,280,000 Consolidated Shares (assuming no change in the total number of Shares in issue on or before the Record Date other than as a result of the Share Consolidation)

## LETTER FROM THE BOARD

Gross proceeds from the Rights Issue : up to approximately HK\$84.7 million before expenses (assuming no change in the total number of Shares in issue on or before the Record Date other than as a result of the Share Consolidation)

As at the Latest Practicable Date, no share options have been granted by the Company under any of its share schemes, and the Company has no other outstanding warrants, options or convertible securities in issue or other similar rights which confer any right to convert into or subscribe for Shares.

Assuming there is no change in the total number of Shares in issue on or before the Record Date other than as a result of the Share Consolidation, the 184,224,000 Rights Shares to be issued pursuant to the terms of the Rights Issue represent (i) 400.0% of the total number of issued Shares (after taking into account the effect of the Share Consolidation) as at the Latest Practicable Date; and (ii) approximately 80.0% of the total number of issued Shares (after taking into account the effect of the Share Consolidation) as enlarged by the issue of the Rights Shares.

### **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 Unsubscribed Shares together with the NQS Unsold Rights Shares will be placed to independent placees under the Compensatory Arrangements on a best effort basis. Any Unsubscribed Shares or 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. There is no minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, the Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s), or transferees of nil-paid Rights Shares (or either of them, whichever shall be appropriate), may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code or result in the Company's non-compliance of the Public Float Requirement of the Listing Rules. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which (i) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and (ii) does not result in the non-compliance of the Public Float Requirement. Any subscription monies not utilised due to the scaled-down application of entitled Rights Shares will be refunded to the affected applicants.

## LETTER FROM THE BOARD

### Undertakings

As at the Latest Practicable Date, the Board has not received any information or undertaking from any Shareholders of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue.

### The Subscription Price

The Subscription Price of HK\$0.46 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of the Rights Shares or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 6.12% to the theoretical closing price of HK\$0.49 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 28.13% to the theoretical closing price of HK\$0.64 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 27.67% to the average theoretical closing price per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day of approximately HK\$0.636;
- (iv) a discount of approximately 26.75% to the average theoretical closing price per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.628;
- (v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of a discount of approximately 22.50% represented by the theoretical diluted price of approximately HK\$0.496 per Consolidated Share to the benchmarked price of approximately HK\$0.64 per Consolidated Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day and the average of the theoretical closing prices of the Consolidated Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of the Announcement);
- (vi) a discount of approximately 7.26% to the theoretical ex-rights price of approximately HK\$0.496 per Consolidated Share based on the theoretical closing price of HK\$0.64 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the Last Trading Day;

## LETTER FROM THE BOARD

- (vii) a discount of approximately 85.35% to the consolidated net asset value per Consolidated Share as at 31 March 2025 of approximately HK\$3.14 calculated based on the audited consolidated net assets of the Group of approximately HK\$144,508,000 as at 31 March 2025 and the theoretical number of 46,056,000 Consolidated Shares in issue (after taking into account the effect of the Share Consolidation) as at the Latest Practicable Date; and
- (viii) a discount of approximately 84.67% to the consolidated net asset value per Consolidated Share as at 30 September 2025 of approximately HK\$3.00 calculated based on the unaudited consolidated net assets of the Group of approximately HK\$138,075,000 as at 30 September 2025 and the theoretical number of 46,056,000 Consolidated Shares in issue (after taking into account the effect of the Share Consolidation) as at the Latest Practicable Date.

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 taking into consideration (i) the recent market price of the Shares; (ii) the prevailing market conditions; (iii) the low trading volume of the Shares; and (iv) the amount of funds the Company intends to raise under the Rights Issue for the purposes described in the section headed “Letter from the Board — Reasons for and benefits of the Rights Issue and the use of proceeds” in this Prospectus. The Directors consider the Rights Issue will provide the Qualifying Shareholders the opportunity to maintain their respective pro rata shareholding interests in the Company and to continue to participate in the future development of the Group and the Subscription Price at a discount to the current market price of the Consolidated Shares (after taking into account the effect of the Share Consolidation) would enhance the attractiveness of the Rights Issue and encourage the Qualifying Shareholders to take up their entitlements, thereby minimising possible dilution impact.

The Directors (including the independent non-executive Directors) consider that, in view of prevailing market conditions and factors as described above, the terms of the Rights Issue, including the Subscription Price, are on commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The net price per Rights Share (i.e. Subscription Price less the estimated cost and expenses to be incurred in the Rights Issue) upon full acceptance of the relevant provisional allotment of the Rights Shares will be approximately HK\$0.45 per Rights Share.

### **Basis of provisional allotments**

Under the Rights Issue, the basis of the provisional allotment will be four (4) Rights Shares for every one (1) Consolidated Share held by the Shareholders as at the close of business on the Record Date at the Subscription Price. Application for all or any part of a Qualifying Shareholder’s provisional allotment should be made by 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 on or before the Latest Time for Acceptance.



## LETTER FROM THE BOARD

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.

### **Procedures for acceptance and payment or transfer**

A PAL will be sent to the Qualifying Shareholders in printed form 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, Admiralty, Hong Kong, by no later than 4:00 p.m. on Thursday, 5 March 2026 (or, under bad weather conditions and/or extreme conditions, such later time or date as mentioned in the section headed “Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance of and Payment for the Rights Shares” in “Expected Timetable” in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker’s cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to “**TRICOR INVESTOR SERVICES LIMITED — A/C NO. 071**” 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 no later than 4:00 p.m. on Thursday, 5 March 2026, whether by the original allottee or any person to whom the provisional allotment has been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Company is not obliged to but 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 such incomplete PAL to be completed by the relevant applicants 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 original PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Wednesday, 25 February 2026 to the Registrar at 17/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, who will cancel the original PAL and issue new PALs in the denominations required, which will be available for collection at the Registrar’s address set out above after 9:00 a.m. on the second Business Day after 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.

If the Qualifying Shareholders wish to transfer all of their nil-paid Rights Shares under the PAL(s) (or a split PAL(s), as the case may be) to another person, they must complete and sign Form B in the PAL(s) and hand the PAL(s) to the person(s) to or through whom they are transferring their 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 so as to be received by no later than 4:00 p.m. on Thursday, 5



## LETTER FROM THE BOARD

March 2026 to effect the transfer. It should be noted that Hong Kong stamp duty is payable in connection with the transfer of rights to subscribe for the Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights.

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 securities or other laws or regulations of any jurisdiction.

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 “Letter from the Board — Conditions of the Rights Issue” in this Prospectus is not fulfilled at or before 5:00 p.m. on Friday, 20 March 2026, 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 about Monday, 30 March 2026.

### **Cheques and banker’s cashier orders**

All cheques or banker’s cashier orders will be presented for payment immediately upon receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and lodgment of a PAL together with a cheque or banker’s cashier order in payment for the Rights Shares applied for will constitute a warranty by the applicant that the cheque or banker’s cashier order will be honoured on first presentation. Without prejudice to its other rights in respect thereof, the Company reserves the right and is in its absolute discretion to reject any PAL in respect of which the cheque or banker’s cashier order is dishonoured on first presentation, and in that event the provisional allotment and all rights and all such assured entitlements thereunder will be deemed to have been declined and will be cancelled.

### **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 section headed “Expected Timetable” in this Prospectus and otherwise in accordance with the requirements of their intermediary in order to allow their intermediary sufficient time to ensure

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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 HKSCC, the HKSCC Operational Procedures and any other applicable requirements of HKSCC.

### **Fractional provisional allotment to the Rights Shares**

On the basis of the provisional allotment of four (4) Rights Shares for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue and no entitlements of the Excluded Shareholders to the Rights Shares shall be issued to the Excluded Shareholders.

### **Odd lots arrangement**

In order to facilitate the trading of odd lots of the Consolidated Shares arising from the Rights Issue, the Company has appointed DaoKou Securities Limited as a designated broker to provide a matching service, on a best effort basis. Shareholders who wish to take advantage of this facility should contact customer service of DaoKou Securities Limited (telephone number +852 2208 7882 or by facsimile at +852 2521 7700) during office hours (i.e. 9:00 a.m. to 6:00 p.m.) from 9:00 a.m. on Tuesday, 31 March 2026 to 4:00 p.m. on Thursday, 9 April 2026 (both days inclusive).

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangement is recommended to consult his/her/its own professional advisers.

### **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. 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, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

### **Qualifying Shareholders**

The Rights Issue will only be available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders. Subject to the advice of the Company’s legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company may send copies of the Prospectus to the Excluded Shareholders for their information only but will not send any PAL to them.

To qualify for the Rights Issue, a Shareholder must be (i) registered as a member of the Company at the close of business on the Record Date; and (ii) not an Excluded Shareholder.

## LETTER FROM THE BOARD

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider 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 on the Record Date, the Shareholders must lodge any transfer documents of the Shares (together with the relevant share certificates) with the Registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong by no later than 4:30 p.m. on Monday, 26 January 2026.

The Company will despatch the Prospectus Documents to the Qualifying Shareholders on Monday, 16 February 2026.

Qualifying Shareholders who take up their pro-rata entitlement in full under the Rights Issue will not suffer 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.**

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

Subject to fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be sent on or about Monday, 30 March 2026 by ordinary post to those entitled thereto, at their own risk, to their registered addresses. If the Rights Issue does not become unconditional, refund cheques without interest are expected to be posted on or before Monday, 30 March 2026 by ordinary post to the respective applicants, at their own risk. Shareholders, except HKSCC Nominees Limited, will receive one share certificate for all the Rights Shares in fully-paid form, allotted and issued to those entitled.

### **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 Excluded Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

### **Application for listing in nil-paid and fully-paid forms**

The Company has applied to the Listing Committee of the Stock Exchange 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. 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. Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the board lots of 5,000 Rights Shares.

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### **Rights Shares will be eligible for admission into CCASS**

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 HKSCC and HKSCC 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.

### **Rights of Overseas Shareholders**

The Prospectus Documents are not intended to be registered or filed under the securities law of any jurisdiction other than Hong Kong. If there are Overseas Shareholders at the close of business on the Record Date, the Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

As the Latest Practicable Date, there is one Overseas Shareholder holding 21,750 Consolidated Shares (representing approximately 0.05% of the total number of issued Consolidated Shares as at the Latest Practicable Date) with registered address situated in the PRC.

Pursuant to Rule 13.36(2) of the Listing Rules, the Company has made enquiry in respect of the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange in this place for the Company to extend the Rights Issue to the Overseas Shareholder. Based on the relevant legal advice on the laws of the PRC, the Board is of the view that it is not necessary or expedient to exclude the Overseas Shareholder with the registered address in the PRC. In particular, under the currently effective legislations of the PRC, there is no regulatory restriction or requirement of any regulatory body or stock exchange with respect to the extending of the Rights Issue by the Company to the Overseas Shareholder in the PRC, provided that such Overseas Shareholder shall comply with and fulfill the provisions of the relevant laws and regulations as well as the policies and requirements of the relevant government authorities.

Accordingly, the Rights Issue will be extended to such Overseas Shareholder in the PRC and there are no Excluded Shareholders for the Rights Issue as at the Latest Practicable Date. Save for the aforesaid Overseas Shareholder, all Shareholders on the Company's register of members as at the Latest Practicable Date have Hong Kong registered addresses.

## LETTER FROM THE BOARD

The Company will continue to ascertain whether there are any other Overseas Shareholders as at the Record Date and will make further enquiries with legal advisers in other overseas jurisdictions regarding the feasibility of extending the Rights Issue to such Overseas Shareholder as at the Record Date.

It is the responsibility of the Qualifying Shareholders outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself/itself before acquiring any rights to subscribe for the Rights Shares as to the observance of the laws and regulations of all relevant territories, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in such territory in connected therewith. Any acceptance of or application for Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been fully complied with. If you are in doubt as to your position, you should consult your own professional advisers. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholder(s) to be sold in the market 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 and stamp duty, of more than HK\$100 will be paid pro rata to the relevant Excluded Shareholder(s). The Company will retain individual amounts of HK\$100 or less for the benefit of the Company.

Any unsold entitlement of the Excluded Shareholders to the Rights Shares and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders will, if possible, be placed by the Placing Agent under the Placing to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties.

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

The Company has made arrangements described in Rule 7.21(1)(b) of the Listing Rules to dispose of the Unsubscribed Shares and the NQS Unsold Rights Shares by offering the Unsubscribed Shares and the NQS Unsold Rights Shares to independent placees for the benefit of those Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue as stipulated by Rule 7.21(1)(a) of the Listing Rules.

The Company appointed the Placing Agent to place the Unsubscribed Shares and the NQS Unsold Rights Shares after the Latest Time for Acceptance to independent placees on a best effort basis, and any Net Gain will be paid to the relevant No Action Shareholders and Excluded Shareholders in the manner set out below. The Placing Agent will, on a best effort

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basis, procure, by not later than 4:00 p.m. on Thursday, 19 March 2026, acquirers for all (or as many as possible) of those Unsubscribed Shares and the NQS Unsold Rights Shares at a price not less than the Subscription Price.

Net Gain (if any but rounded down to the nearest cent) will be paid on a pro-rata basis to the relevant No Action Shareholders and Excluded Shareholders as set out below:

- (i) for No Action Shareholders, 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 where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL and where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those nil-paid rights in CCASS; and
- (ii) for Excluded Shareholders, the relevant Excluded Shareholders whose name and address appeared on the register of members of the Company on the Record Date with reference to their shareholdings in the Company on the Record Date.

It is proposed that if the Net Gain to any of the No Action Shareholder(s) and Excluded Shareholder(s) mentioned above (i) is more than HK\$100, the entire amount will be paid to them; or (ii) is HK\$100 or less, such amount will be retained by the Company for its own benefit.

### **Closure of register of members for Rights Issue**

The register of members of the Company has been closed from Monday, 9 February 2026 to Friday, 13 February 2026 (both dates inclusive) (both dates inclusive) for the purpose of determining entitlements to the Rights Issue. During this period, no transfer of Shares has been registered.

### **PLACING AGREEMENT**

Principal terms of the Placing Agreement are as follow:

Placing Agent : DaoKou Securities Limited

The Placing Agent is a licensed corporation to carry out business in type 1 (dealing in securities) regulated activity under the SFO.

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- Placing commission : Subject to completion of the Placing taking place, the Company shall pay a placing commission in Hong Kong dollars, of 1% of the amount (the “**Placing Commission**”) which is equal to the placing price multiplied by the number of the Unsubscribed Shares and the NQS Unsold Rights Shares that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement.
- Placing price : Not less than HK\$0.46 per Unsubscribed Share and the NQS Unsold Rights Share.
- Placing Period : A period commencing from the first (1st) Business Day immediately after the date of announcement of the number of the Unsubscribed Shares and the NQS Unsold Rights Shares (i.e. Thursday, 12 March 2026 under the current timetable) and ending on 4:00 p.m. on the fifth (5th) Business Day after the date of announcement of the number of the Unsubscribed Shares and NQS Unsold Rights Shares (both days inclusive).
- Placees : The Unsubscribed Shares and the NQS Unsold Rights Shares are expected to be placed to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties and not acting in concert with the Placing Agent and its concert parties.
- The Placing Agent shall also ensure that the public float requirement under Rule 13.32B of the Listing Rules remains to be fulfilled by the Company upon completion of the Rights Issue.
- Ranking of the placed Unsubscribed Shares and NQS Unsold Rights Shares : The placed Unsubscribed Shares and NQS Unsold Rights Shares (when allotted, issued and fully-paid, if any) shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of completion of the Rights Issue.
- Conditions of the Placing Agreement : The obligations of the Placing Agent under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled:
- (i) the Rights Issue having become unconditional;



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- (ii) the Company's warranties contained in the Placing Agreement remaining true and accurate and not misleading in all material respects at all times prior to the date of completion of the Placing;
- (iii) the Listing Committee granting the listing of, and permission to deal in, the Unsubscribed Shares and the NQS Unsold Rights Shares with or without conditions;
- (iv) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and
- (v) the Placing Agreement not having been terminated in accordance with the provisions thereof.

None of the above conditions can be waived. In the event that the above conditions precedent have not been fulfilled on or before the Latest Time for Termination, all rights, obligations and liabilities of the parties under the Placing Agreement in relation to the Placing shall cease and determine and none of the parties shall have any claim against the other in respect of the Placing (save for any antecedent breaches and/or any rights or obligations which may accrue under the Placing Agreement prior to such termination).

As at the Latest Practicable Date, none of the conditions have been fulfilled.



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Termination : Notwithstanding anything contained in the Placing Agreement, the Placing Agent may terminate the Placing Agreement without any liability to the Company, by notice in writing given to the Company at any time prior to 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 a material adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or the success of the Placing or the full placement of all of the Unsubscribed Shares and the NQS Unsold Rights Shares or otherwise make it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement if there develops, occurs or comes into force:

- (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industry, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's absolute opinion would affect the success of the Placing; or
- (ii) the imposition of any moratorium, suspension (for more than 7 trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's absolute opinion, would affect the success of the Placing; or

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- (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 and if in the Placing Agent's absolute opinion any such new law or change may affect the business or financial prospects of the Group and/or the success of the Placing; or
- (iv) any litigation or claim being instigated against any member of the Group or its senior management, which has or may affect the business or financial position of the Group and which in the Placing Agent's absolute opinion would affect the success of the Placing; or
- (v) any breach of any of the representations and warranties given by the Company as set out in the Placing Agreement having come to the knowledge of the Placing Agent or any event having occurred or any matter having arisen on or after the date of the Placing Agreement and prior to the completion of the Rights Issue 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 a material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (vi) there is any material change (whether or not forming part of a series of changes) in market conditions which in the absolute opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

The terms of the Placing Agreement were determined after arm's length negotiation between the Placing Agent and the Company with reference to the prevailing market rate for rights issues in the market, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market conditions. The Directors consider that the terms of the Placing Agreement are fair and reasonable and on normal commercial terms.

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The Placing Agent confirms that it is an Independent Third Party. The Placing Agent will, on a best effort basis during the Placing Period, seek to procure subscribers who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties for all (or as many as possible) of the Unsubscribed Shares and NQS Unsold Rights Shares.

If all or any of the Unsubscribed Shares and NQS Unsold Rights Shares are successfully placed, any Net Gain will be distributed to the relevant No Action Shareholders and Excluded Shareholders. Any NQS Unsold Rights Shares and/or Unsubscribed Shares that are not placed by the Placing Agent will not be issued by the Company. As at the Latest Practicable Date, the Placing Agent has not identified any placee(s). In any case, any placees shall be independent among themselves and should be independent of and not acting at the direction of or having any significant relationships with any connected person of the Company. As such, the Company considers that the Compensatory Arrangements will provide a compensatory mechanism for the No Action Shareholders, protect the interest of the Independent Shareholders, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As the Company has put in place the above Compensatory Arrangements as required by Rule 7.26A(1)(b) of the Listing Rules, there will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 7.26A(1)(a) of the Listing Rules.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. There are no applicable statutory requirements regarding minimum subscription levels in respect of the Rights Issue. In the event of an under-subscription of the Rights Issue, the size of the Rights Issue will be reduced accordingly.

### Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfilment of the following conditions:

- (i) the Share Consolidation and the Increase in Authorised Share Capital having become effective;
- (ii) the delivery to the Stock Exchange, and filing and registration with Companies Registry in Hong Kong of 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 a resolution of the Directors (and all other documents required to be attached thereto) not later than the Prospectus Posting Date and in compliance with the Listing Rules, the Companies (WUMP) Ordinance and the Companies Ordinance;
- (iii) the posting of the Prospectus Documents to the Qualifying Shareholders by the Prospectus Posting Date and the posting of the Prospectus and a letter to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date;

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- (iv) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) listing of and permission to deal in all the Rights Shares, in both nil-paid and fully-paid forms and such listing not being withdrawn or revoked;
- (v) the Independent Shareholders having approved at the EGM of the Rights Issue and the Placing Agreement no later than the Prospectus Posting Date; and
- (vi) the Placing Agreement not having been terminated in accordance with the provisions thereof, and remaining in full force and effect.

As at the Latest Practicable Date, save for conditions (i) and (v), all other conditions have not been fulfilled. None of the above conditions can be waived. The Company shall use its reasonable endeavours to procure the fulfilment of the conditions above (to the extent it is within its power to do so) and shall do all the things required to be done by it pursuant to the Prospectus Documents or otherwise reasonably necessary to give effect to the Rights Issue. If any of the conditions referred to above are not fulfilled at or before the Latest Time for Termination, the Rights Issue will not proceed.

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

The Group is principally engaged in steel and metal engineering services. The engineering services range from design, manufacture, supply to installation of steel and metal products such as roller shutters and metal doors for construction projects in Hong Kong and China. The Group serves customers including construction companies and engineering companies on a project-by-project basis. The Group intends to further strengthen its market position in steel and metal engineering services business in Hong Kong including but not limited to strengthening the financial position by the Rights Issue, which will enable the Company to expand its capital base so that it is able to undertake more sizeable projects.

As disclosed in the annual report (the “**2025 Annual Report**”) of the Company for the year ended 31 March 2025 (“**FY2025**”), the revenue of the Group increased by approximately 19.3% from approximately HK\$157.2 million for the year ended 31 March 2024 (“**FY2024**”) to approximately HK\$187.5 million for FY2025, reflecting the Group’s commitment to fulfilling existing contracts. Despite such revenue growth, the Group’s gross profit decreased by approximately 85.7% from approximately HK\$18.0 million for FY2024 to approximately HK\$2.6 million for FY2025, primarily due to contracts with low gross profit margins being awarded during the COVID-19 period and heightened competition resulting from the recent downturn in the property market. Such decrease in gross profit led to an increase in the Group’s net loss by approximately 483.1% from approximately HK\$4.1 million for FY2024 to approximately HK\$24.0 million for FY2025. As disclosed in the interim report of the Company for the six months ended 30 September 2025 (“**6M2025**”), the revenue of the Group increased by approximately 14.4% from approximately HK\$78.8 million for the six months ended 30 September 2024 (“**6M2024**”) to approximately HK\$90.2 million for 6M2025, reflecting the Group’s commitment to fulfilling existing contracts. Despite such revenue growth, the Group’s gross profit decreased by approximately 11.0% from approximately HK\$418,000 for 6M2024 to approximately HK\$372,000 for 6M2025, primarily due to the rising costs of materials and labour, together with the price competition continues to post challenges on the operation which adversely affecting the gross profit margin during 6M2025.

## LETTER FROM THE BOARD

The Group recorded a decrease in net loss by approximately 46.3% from approximately HK\$10.7 million for 6M2024 to approximately HK\$5.7 million for 6M2025, mainly due to the increase in other income and other gains and losses by approximately HK\$4.9 million as a result of the net reversal of impairment loss under expected credit loss mode on trade receivables and contract assets of approximately HK\$3.9 million in 6M2025. As a result of the liquidity issues for some construction companies and the Group's loss-making performance, the Group recorded net cash used in operating activities of approximately HK\$1.0 million and HK\$50.0 million for FY2024 and FY2025, respectively. As at 30 September 2025, the Group had trade and other payables and accruals of approximately HK\$20.6 million and other borrowing of approximately HK\$1.0 million as current liabilities. Although the Group had cash and bank balances of approximately HK\$45.8 million as at 30 September 2025, the aforesaid cash balance is required to fund its existing ongoing projects. Therefore, the Group has an immediate need for financial resources to settle the liabilities.

As at the Latest Practicable Date, the Group has secured 19 contracts in Hong Kong, four of which require external capital funding. These four existing projects have contract sum of approximately HK\$141.0 million in aggregate and are expected to be commenced by 2026. Apart from the existing projects, the Group is currently under signing stage of a project and has submitted three tenders of potential projects with the aggregated contract sum of approximately HK\$95.8 million. Once the aforesaid tenders are successfully accepted by the potential clients, the potential projects are expected to be commenced by the third quarter of 2026. The existing projects and potential new projects mainly relate to the provision of steel and metal engineering services for construction projects in Hong Kong. The Group is generally required to (i) provide solutions and design of works to customers, which are based on the scope of works and specifications specified by customers; (ii) prepare the production plan including the procurement of raw materials such as stainless steel, metal, galvanised coils and other accessories, production schedule and delivery time; and (iii) install steel and metal products at the construction sites. Accordingly, the Group needs to pay direct material costs, direct labour costs, design fees, installation fees and other costs including utility expenses, other miscellaneous production costs and transportation costs. Besides, taking into account the Group's capability, resources level, cost effectiveness and complexity of the project, the Group may subcontract specific parts of the projects to its service providers for installation of steel and metal products and therefore incur subcontracting fees. As a large amount of costs needs to be paid at the commencement of the projects to ensure effective project execution which is under normal business operation and the industry norm, the Directors are of the view that the Rights Issue is fair and reasonable as it represents an opportunity for the Company to raise additional funding for the business operations of the Group without any interest burden and strengthen the Group's financial position.

Further, the Group must maintain sufficient cash reserves for essential expenditures to support ongoing operations and meet compliance obligations. These expenditures include, but are not limited to, legal and professional fees, Directors' remuneration, and staff costs. With reference to the 2025 Annual Report, the Group recorded administrative expenses of approximately HK\$23.0 million and HK\$20.0 million for FY2024 and FY2025, respectively. Consequently, the Group seeks to raise additional capital to address its immediate financial commitments and working capital needs.

## LETTER FROM THE BOARD

The gross proceeds from the Rights Issue are expected to be approximately HK\$84.7 million. The net proceeds from the Rights Issue after deducting related expenses are estimated to be approximately HK\$82.0 million. The Company intends to apply the net proceeds from the Rights Issue as follows:

- (i) approximately HK\$52.5 million, representing approximately 64.0% of the net proceeds, for supporting the Group's existing and potential new projects, of which approximately HK\$14.0 million for direct material costs, approximately HK\$24.6 million for direct labour costs, approximately HK\$8.3 million for initial design fees and approximately HK\$5.6 million for installation service fees, subcontracting fees and other costs including utility expenses, other miscellaneous production costs and transportation costs. The Group expects to fully utilised the net proceeds in this regard by the end of 2027;
- (ii) approximately HK\$18.0 million, representing approximately 22.0% of the net proceeds, for settlement of debts including trade and other payables and accruals. The Group expects to fully utilised the net proceeds in this regard by the end of 2026; and
- (iii) approximately HK\$11.5 million, representing approximately 14.0% of the net proceeds, for general working capital of the Group including staff cost, rental expenses, legal and professional fees and other operating expenses. The Group expects to fully utilised the net proceeds in this regard by the end of 2026.

In the event that there is an under-subscription of the Rights Issue and the Placing (as the case may be), the net proceeds of the Rights Issue and the Placing (as the case may be) will be allocated and utilised in proportion to the above uses.

### **Fundraising alternatives**

The Board has considered various fundraising alternatives before resolving to the Rights Issue, including debt financing and equity financing alternatives such as open offer and placing of new shares.

The Board is of the view that while debt financing will increase the gearing ratio of the Group and having considered the prevailing interest rate environment, debt financing will increase the ongoing interest expenses of the Group which may in turn affect the profitability of the Group.

With respect to equity financing alternatives, the Board considers that placing of new Shares would be a sub-optimal fundraising means as it will lead to an immediate dilution in shareholding interest of the existing Shareholders without offering them opportunities to participate in the enlargement of the capital base of the Company. As for open offer, similar to a rights issue, it also offers qualifying shareholders to participate, but it does not allow the trading of rights entitlements in the open market.



## LETTER FROM THE BOARD

The Directors are of the view that the Rights Issue provides better financial flexibility for the Company as it will strengthen the capital base of the Company, thus enhancing the overall working capital to fulfill the development plan of the Group without further increase the interest burden to the Group. The Rights Issue also offers all Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company and avoid shareholding dilution for those Shareholders who take up their entitlement under the Rights Issue in full.

Having considered the above, the Directors consider that the terms of the Rights Issue are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there is no change in the total number of Shares in issue from the Latest Practicable Date up to and including the date of completion of the Rights Issue other than as a result of the Share Consolidation, the table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Share Consolidation; (iii) immediately after completion of the Rights Issue, assuming full acceptance by all Shareholders; and (iv) immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders have taken up any entitlements of the Rights Shares and all the Unsubscribed Shares and NQS Unsold Rights Shares are placed to the independent placees:

	As at the Latest Practicable Date		Immediately after completion of the Share Consolidation		Immediately after completion of the Rights Issue, assuming full acceptance by all Shareholders		Immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders have taken up any entitlements of the Rights Shares and all the Unsubscribed Shares and NQS Unsold Rights Shares are placed to the independent placees	
	Number of Shares	Approximate %	Number of Consolidated Shares	Approximate %	Number of Consolidated Shares	Approximate %	Number of Consolidated Shares	Approximate %
Independent placees (Note 1)	—	—	—	—	—	—	184,224,000	80.00
Public Shareholders	921,120,000	100.00	46,056,000	100.00	230,280,000	100.00	46,056,000	20.00
<b>Total</b>	<b>921,120,000</b>	<b>100.00</b>	<b>46,056,000</b>	<b>100.00</b>	<b>230,280,000</b>	<b>100.00</b>	<b>230,280,000</b>	<b>100.00</b>

Notes:

1. This scenario is for illustrative purposes only. As any Unsubscribed Shares together with the NQS Unsold Rights Shares will be placed to independent placees under the Compensatory Arrangements to a level which (i) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and (ii) does not result in the non-compliance of the Public Float Requirement, the Consolidated Shares held by the independent placees are deemed to be in public hands.
2. Pursuant to the Placing Agreement, the Placing Agent shall also ensure that the public float requirement under Rule 13.32B of the Listing Rules remains to be fulfilled by the Company upon completion of the Rights Issue.

## **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 EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS**

There has not been any equity fund raising activity conducted by the Company in the past twelve months immediately preceding the Latest Practicable Date.

### **LISTING RULES IMPLICATIONS**

In accordance with Rule 7.19A(1) of the Listing Rules, as the Rights Issue will increase the issued Shares by more than 50%, the Rights Issue is subject to the approval of the Shareholders at the EGM by way of poll. Pursuant to Rule 7.27A of the Listing Rules, the Rights Issue must be made conditional on approval by the Shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting on the Rights Issue.

As at the date of the EGM, the Company has no controlling shareholder as defined under the Listing Rules and none of the Directors and the chief executive of the Company and their respective associates holds any Share. Accordingly, no Shareholder was required to abstain from voting on the resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM. At the EGM, the necessary resolution approving, among other things, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder was duly passed by the Shareholders by way of poll.

The Rights Issue does 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.

### **WARNING OF THE RISK OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS SHARES**

The Rights Issue is conditional upon fulfilment of the conditions set out in the section headed “Letter from the Board — Conditions of the Rights Issue” of this Prospectus, including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Accordingly, the Rights Issue may or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.



<b>LETTER FROM THE BOARD</b>
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**Any Shareholders or potential investors contemplating selling or purchasing the Shares and/or the nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed.**

**Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).**

**ADDITIONAL INFORMATION**

Your attention is drawn to the additional information set out in the appendices to this Prospectus. In case of any inconsistency between the English and Chinese versions of this Prospectus, the English version will prevail.

For and on behalf of the Board  
**Hang Yick Holdings Company Limited**  
**Law Hok Yu**  
*Executive Director and Company Secretary*

## 1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for the three years ended 31 March 2025 and the six months ended 30 September 2025 are disclosed in the following documents which have been published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.hy-engineering.com](http://www.hy-engineering.com)):

- (i) the audited financial information of the Group for the year ended 31 March 2023 is disclosed in the annual report of the Company for the year ended 31 March 2023 published on 31 July 2023 (pages 55 to 139)  
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0731/2023073100518.pdf>);
- (ii) the audited financial information of the Group for the year ended 31 March 2024 is disclosed in the annual report of the Company for the year ended 31 March 2024 published on 29 July 2024 (pages 50 to 131)  
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0729/2024072900757.pdf>);
- (iii) the audited financial information of the Group for the year ended 31 March 2025 is disclosed in the annual report of the Company for the year ended 31 March 2025 published on 30 July 2025 (pages 49 to 121)  
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0730/2025073000733.pdf>);  
and
- (iv) the unaudited financial information of the Group for the six months ended 30 September 2025 is disclosed in the interim report of the Company for the six months ended 30 September 2025 published on 28 November 2025 (pages 11 to 24)  
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/1231/2025123100593.pdf>)

## 2. INDEBTEDNESS STATEMENT

As at 31 December 2025, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this Prospectus, the Group's indebtedness are set out below:

	<i>HK\$'000</i>
<b>Current liabilities</b>	
Lease liabilities — unsecured and unguaranteed ( <i>note (a)</i> )	552
other borrowing — unsecured and unguaranteed ( <i>note (b)</i> )	<u>1,000</u>
	<u>1,552</u>
<b>Non-current liabilities</b>	
Lease liabilities — unsecured and unguaranteed ( <i>note (a)</i> )	<u>1,028</u>
	<u><u>2,580</u></u>

*Notes:*

- (a) The Group entered into one lease agreement for leasing warehouse located in Hong Kong, which are recognized as right-of-use assets and lease liabilities for this lease.
- (b) Other borrowing was unsecured, interest bearing at 18% per annum and repayable in April 2026.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities, normal trade and other payables and contract liabilities, as at 31 December 2025, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this Prospectus, the Group did not have any loan capital or debt securities issued and outstanding or agreed to be issued, or authorized or otherwise created but unissued, bank overdrafts, loans, term loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages and charges, hire purchase commitments, material contingent liabilities or guarantees outstanding.

To the best knowledge of the Directors, having made all reasonable enquiries, (i) there has been no material change in indebtedness or contingent liabilities of the Group since indebtedness statement; (ii) there has not been any default on repayments or other obligations in any material respect under the loan agreements; (iii) the Group does not have material covenants relating to the outstanding debts; (iv) the Group has complied with all of the finance covenants up to the Latest Practicable Date; and (v) the Group does not have any material external debt financing plans as at the Latest Practicable Date.

### **3. SUFFICIENCY OF WORKING CAPITAL**

The Directors are of the opinion that, after taking into account the financial resources presently available to the Group including the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for at least the next twelve months from the date of the publication of this Prospectus.

### **4. MATERIAL ADVERSE CHANGE**

The Directors confirm that there was no material adverse change in the financial or trading position of the Group subsequent to 31 March 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date.

### **5. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

The Group is principally engaged in steel and metal engineering services. The engineering services range from design, manufacture, supply to installation of steel and metal products such as roller shutters and metal doors for construction projects in Hong Kong and China. The Group serves customers including construction companies and engineering companies on a project-by-project basis. The Group intends to further strengthen its market position in steel and metal engineering services business in Hong Kong including but not limited to strengthening the financial position by the Rights Issue, which will enable the Company to expand its capital base so that it is able to undertake more sizeable projects.

For FY2025, the Group's total revenue amounted to approximately HK\$187.5 million, representing an increase of approximately 19.3% from approximately HK\$157.2 million for FY2024, reflecting the Group's commitment to fulfilling existing contracts. Despite such revenue growth, the Group's gross profit decreased by approximately 85.7% from approximately HK\$18.0 million for FY2024 to approximately HK\$2.6 million for FY2025, primarily due to contracts with low gross profit margins being awarded during the COVID-19 period and heightened competition resulting from the recent downturn in the property market. The Group's net loss increased by approximately 483.1% from approximately HK\$4.1 million for FY2024 to approximately HK\$24.0 million for FY2025, primarily attributable to (i) the decrease in gross profit as mentioned above; and (ii) the change from net other income and other gains of approximately HK\$593,000 for FY2024 to net other losses of approximately HK\$5.8 million for FY2025, mainly due to the increase in the net impairment loss under expected credit loss model on trade receivables and contract assets by approximately HK\$2.1 million and the recognition of a one-off income gain of HK\$6.3 million in FY2024.

For 6M2025, the Group's total revenue amounted to approximately HK\$90.2 million, representing an increase of 14.4% from approximately HK\$78.8 million for 6M2024, reflecting the Group's commitment to fulfilling existing contracts. Despite such revenue growth, the Group's gross profit decreased by approximately 11.0% from approximately HK\$418,000 for 6M2024 to approximately HK\$372,000 for 6M2025, primarily due to the rising costs of materials and labour, together with the price competition continues to post challenges on the operation which adversely affecting the gross profit margin during 6M2025. The Group recorded a decrease in net loss by approximately 46.3% from approximately HK\$10.7 million for 6M2024 to approximately HK\$5.7 million for 6M2025, mainly due to the increase in other income and other gains and losses by approximately HK\$4.9 million as a result of the net reversal of impairment loss under expected credit loss mode on trade receivables and contract assets of approximately HK\$3.9 million in 6M2025.

In view of the Hong Kong Government's stimulus plans in housing and infrastructure, the Group will focus on its construction business in Hong Kong in the coming years. As stated in the Chief Executive's 2022 Policy Address (the "**Policy Address**"), the Hong Kong Government is determined to resolve the housing issue with 330,000 public housing units to be built in coming ten-year period (i.e. from 2022–23 to 2031–32) which is two times the amount built in the last ten-year period (actual production was 156,000 from 2012–13 to 2022–23). The then Chief Executive was committed to further boosting public housing supply partly by invoking land resumption to resume certain private land. The Hong Kong Government has also been formulating policies to ensure the effective use of land resources, in particular, the construction of New Development Areas such as Kwu Tung North and Fanling North New Development Area providing approximately 350,000 housing units upon its full development, and the inclusion of land in Lau Fau Shan and Tsim Bei Tsui into the Hung Shui Kiu/Ha Tsuen New Development Area providing more than 47,000 residential units. Other growth opportunities are presented by policies including the development of Kau Yi Chau Artificial Islands as part of the Lantau Tomorrow Vision, the Tung Chung new town extension, the public housing development at Cha Kwo Ling Village and redevelopment of Yau Tong and Lei Yue Mun. All such government policies and strategies are positive signals to the construction industry. Accordingly, the demand for steel and metal products, metal gates, shutters and fire rated doors is expected to increase as they are essential components of new buildings.

As the Group mainly focus on the steel and metal engineering services for the public rental housing sector, such policy and determination of the Hong Kong Government would benefit the Group and be a strong incentive for the Group to focus on its core business. Further, the constant need for renovation and refurbishment of public housing and facilities and renovation and fitting out works for commercial properties has also created stable demand for steel and metal engineering services, particularly metal gates, shutters and doors, staircase handrails, structural frames, louvre frames, brackets, fencing and ceiling tiles.

Overall, the Board remain confident of the Group's future as it is expected that the Hong Kong Government will continue strong commitment on public housing and the recovery of property market will enhance the Group's business and profitability.

*For illustrative purposes, the financial information prepared in accordance Paragraph 13 of Appendix D1B and Rule 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 September 2025. 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 prepared by the Directors in accordance with Paragraph 13 of Appendix D1B and Rule 4.29 of the Listing Rules is set out to illustrate the effect of the Rights Issue on the unaudited consolidated net tangible assets of the Group as if the Rights Issue had been completed on 30 September 2025.

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 financial position of the Group as at the date to which it is made up or at any future date.

The unaudited pro forma statement of adjusted consolidated net tangible assets is prepared based on the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2025, as extracted from the published interim report of the Company for the six months ended 30 September 2025, with adjustments described below.

					Unaudited pro forma adjusted consolidated net tangible assets of the Group per share upon the completion of the Share Consolidation and before the Rights Issue	Unaudited adjusted consolidated net tangible assets of the Group per share immediately after the completion of the Share Consolidation and the Rights Issue
Unaudited consolidated net tangible assets of the Group as at 30 September 2025 HK\$'000 (Note 1)	Unaudited estimated net proceeds from the Rights Issue HK\$'000 (Note 2)	Unaudited consolidated net tangible assets of the Group as at 30 September 2025 HK\$'000	Unaudited consolidated net tangible assets of the Group per share before the Share Consolidation and the Rights Issue HK\$ (Note 3)			
Based on maximum number of 184,224,000 Rights Shares to be issued						
138,075	82,043	220,118	0.15	3.00	0.96	

*Notes:*

- (1) The unaudited consolidated net tangible assets of the Group as at 30 September 2025 of approximately HK\$138,075,000 is based on the unaudited consolidated net assets of the Group as at 30 September 2025 as show on unaudited condensed consolidated statement of financial position of the Group as at 30 September 2025 which no audit nor review report has been issued for the interim report of the Company published on 31 December 2025.
- (2) The Company proposed to implement the share consolidation on the basis that every twenty issued and unissued shares be consolidated into one (the “**Share Consolidation**”). Upon the Share Consolidation becoming effective but before the completion of the Right Issue, the authorized share capital of the Company will become HK\$38,000,000 divided into 190,000,000 consolidated shares of HK\$0.20 each (the “**Consolidated Shares**”), of which 46,056,000 Consolidated Shares (which are fully paid or credited as fully paid) will be in issue. The estimated net proceeds from the Rights Issue is approximately HK\$82,043,000 which is based on 184,224,000 Rights Shares to be issued, on the basis of four Rights Shares for every one Consolidated Share at the Subscription Price of HK\$0.46 per Rights Share and after deducting estimated related expenses, including among others, legal and professional fees, which are directly attributable to the Rights Issue, of approximately HK\$2,700,000.
- (3) The unaudited consolidated net tangible assets of the Group per Share before the Share Consolidation and the Rights Issue is determined based on the unaudited consolidated net tangible assets of the Group as at 30 September 2025 of approximately HK\$138,075,000 as disclosed in Note 1 above, divided by 921,120,000 shares in issue.
- (4) The unaudited consolidated net tangible assets of the Group per Share upon completion of the Share Consolidation and before the completion of the Rights Issue is determined based on the unaudited consolidated net tangible assets of the Group as at 30 September 2025 of approximately HK\$138,075,000 as disclosed in Note 1 above, divided by 46,056,000 Consolidated Shares in issue as disclosed in Note 2 above.
- (5) The unaudited pro forma adjusted consolidated net tangible assets of the Group per Share immediately after completion of the Rights Issue is determined based on the unaudited consolidated net tangible assets of the Group as at 30 September 2025 of approximately HK\$138,075,000 as disclosed in Note 1 above and the estimated proceeds after completion of the Rights Issue of approximately HK\$82,043,000 as set out in Note 2 above, divided by 230,280,000 Shares which represents the sum of 46,056,000 Consolidated Shares in issue and 184,224,000 Rights Shares to be issued.
- (6) Save as disclosed above, no other adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2025.

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

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

**Moore CPA Limited**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE  
COMPILATION OF THE UNAUDITED PRO FORMA FINANCIAL INFORMATION****TO THE DIRECTORS OF HANG YICK HOLDINGS COMPANY LIMITED**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Hang Yick Holdings Company 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 consolidated net tangible assets of the Group as at 30 September 2025 and related notes as set out in Part A of Appendix II to the prospectus dated 16 February 2026 (the “**Prospectus**”) issued by the Company in connection with the proposed rights issue on the basis of four rights shares for every one consolidated share of the Company (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 as at 30 September 2025 as if the Rights Issue had taken place on 30 September 2025. As part of this process, information about the Group's consolidated financial position as at 30 September 2025 has been extracted by the Directors from published interim report of the Company for the six months ended 30 September 2025, dated 31 December 2025, on which no audit nor review report has been issued.



**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 13 of Appendix D1B and Rule 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 (HKSQM) 1 “Quality Control for Firms that Perform Audits and Reviews of Financial Statements or Other Assurance and Related Services Engagements” issued by the HKICPA, which requires the 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 Accountant's Responsibilities**

Our responsibility is to express an opinion, as required by Rule 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 accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with Rule 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 the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group 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 events or transactions at 30 September 2025 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 accountant's judgement, having regard to the reporting accountant's 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 Group; and
- c. the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to Rule 4.29(1) of the Listing Rules.

**Moore CPA Limited**

*Certified Public Accountants*

**Mo Wing Sze Regina**

*Practising Certificate Number: P06709*

Hong Kong, 16 February 2026

## 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 Group. 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 (i) as at the Latest Practicable Date; and (ii) immediately after the completion of the Rights Issue (assuming full acceptance of the Rights Issue and no change in the issued share capital of the Company from the Latest Practicable Date up to the completion of the Rights Issue) are set out as follows:

### (i) As at the Latest Practicable Date

*Authorised:* HK\$

380,000,000 Consolidated Shares of HK\$0.20 each 76,000,000

*Issued and paid-up share capital:*

46,056,000 Consolidated Shares of HK\$0.20 each 9,211,200

### (ii) Immediately after the completion of the Rights Issue (assuming full acceptance of the Rights Issue and no change in the issued share capital of the Company from the Latest Practicable Date up to the completion of the Rights Issue)

*Authorised:* HK\$

380,000,000 Consolidated Shares of HK\$0.20 each 76,000,000

*Issued and paid-up share capital:*

46,056,000 Consolidated Shares of HK\$0.20 each 9,211,200

184,224,000 Rights Shares to be allotted and issued upon  
completion of the Rights Issue 36,844,800

230,280,000 Consolidated Shares in issue immediately after  
completion of the Rights Issue 46,056,000

All of the Shares in issue are fully-paid and rank *pari passu* with each other in all respects including the rights as to voting, dividends and return of capital. The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the

Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company after the date of allotment and issue of the Rights Shares.

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. 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.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

### **3. SHARE OPTION SCHEME**

As at the Latest Practicable Date, no share options have been granted by the Company under any of its share schemes, and the Company has no other outstanding warrants, options or convertible securities in issue or other similar rights which confer any right to convert into or subscribe for Shares.

### **4. DISCLOSURE OF INTERESTS**

#### **Directors' and chief executive's interests and short positions in Shares, underlying shares and debentures**

As at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules to be notified to the Company and the Stock Exchange.

#### **Substantial shareholders' interest in Shares and underlying shares**

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no person (other than a Director or chief executive of the Company) had, or was taken or deemed to have interests or short positions in the Shares or 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 who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

**5. DIRECTORS' INTERESTS IN COMPETING INTERESTS**

As at the Latest Practicable Date, the Directors confirm that none of them or his/her/its respective close associates had interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group which would fall to be disclosable under the Listing Rules.

**6. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS**

As at the Latest Practicable Date, none of the Directors (i) had any interest in any assets which have been, since 31 March 2025 (being the date up to which the latest published audited accounts of the Company 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; and (ii) was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting and significant in relation to the business of the Group.

**7. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors has entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

**8. LITIGATION**

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was involved in any litigation or arbitration of material importance and no litigation or claim of material importance was pending or threatened against the Company or any of its subsidiaries.

**9. EXPERT AND CONSENT**

The following sets out the qualifications of the expert who has given opinions, letters or advices included in this Prospectus:

<b>Name</b>	<b>Qualifications</b>
Moore CPA Limited	Certified Public Accountants

As at the Latest Practicable Date, the above expert has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letters or reports and/or the reference to its name in the form and context in which they respectively appear.

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

As at the Latest Practicable Date, the above expert did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2025, being the date to which the latest published audited accounts of the Company were made up.

## 10. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) had been entered into by members of the Group within the two years immediately preceding the date of this Prospectus and which are or may be material to the Group:

- (i) the placing agreement dated 23 May 2024 entered into between the Company and Space Securities Limited in relation to the procurement of not less than six places to subscribe up to 153,520,000 placing shares at a price of HK\$0.054 per placing share on a best effort basis for net proceeds of approximately HK\$7.8 million; and

- (ii) the Placing Agreement.

## 11. CORPORATE INFORMATION AND PARTIES TO THE RIGHTS ISSUE

### Board of Directors

#### *Executive Directors*

Mr. Sin Kwok Chi Stephen (*Chief Executive Officer*)  
Mr. Law Hok Yu  
Mr. Lin Ruzhou

#### *Independent non-executive Directors*

Mr. Shi Jianwen  
Mr. Chan Man Kit  
Ms. Zhao Aiyin  
Mr. Han Fei  
Mr. Huang Xinwen

### Registered office

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

### Headquarters and principal place of business in Hong Kong

Flat 606, 6/F  
Sunray Industrial Centre  
610 Cha Kwo Ling Road  
Yau Tong, Kowloon, Hong Kong

### Company secretary

Mr. Law Hok Yu



Authorised representatives	Mr. Sin Kwok Chi Stephen Flat 606, 6/F Sunray Industrial Centre 610 Cha Kwo Ling Road Yau Tong, Kowloon, Hong Kong  Mr. Law Hok Yu Flat 606, 6/F Sunray Industrial Centre 610 Cha Kwo Ling Road Yau Tong, Kowloon, Hong Kong
Auditor	Global Link CPA Limited Registered Public Interest Entity Auditor  Suite 1604, 16/F, Shun Tak Centre West Tower, No. 168–200 Connaught Road Central, Sheung Wan, Hong Kong
Principal bankers	DBS Bank (Hong Kong) Limited G/F, The Center, 99 Queen's Road Central, Central, Hong Kong  Bank of China Huizhou Lilin Branch No. 22, Maidi Road, Huizhou City, Guangdong Province  Agricultural Bank of China Huizhou Lilin Branch No. 466, Zhongkai 8th Road, Lilin Town, Huicheng District, Huizhou City, Guangdong Province
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Financial adviser	Rainbow Capital (HK) Limited Office No. 710, 7/F Wing On House No. 71 Des Voeux Road Central Hong Kong

Placing Agent

DaoKou Securities Limited  
Suite 1406, 14/F  
Great Eagle Centre  
23 Harbour Road  
Wanchai, Hong Kong

## 12. EXPENSES

The expenses in connection with the Rights Issue, including but not limited to the financial advisory fees, printing, registration, translation, legal and accounting fees are estimated to be approximately HK\$2.7 million, which are payable by the Company.

## 13. PARTICULARS OF DIRECTORS OF THE COMPANY

### Executive Directors

**Mr. Sin Kwok Chi Stephen** (“**Mr. Sin**”), aged 55, joined the Group in February 2004 and was appointed as an executive Director and chief executive officer of the Group with effect from 9 June 2021, and authorised representative with effect from 21 July 2021. He oversees the strategic direction and supervision of the engineering department. Mr. Sin obtained a diploma in mechanical engineering from Haking Wong Technical Institute (currently known as The Hong Kong Institute of Vocational Education (Haking Wong)) in August 1991. He also obtained a higher certificate in mechanical engineering and a bachelor’s degree in building services engineering, from Hong Kong Polytechnic (currently known as Hong Kong Polytechnic University) and Hong Kong Polytechnic University in November 1993 and November 2002, respectively. Mr. Sin has more than 20 years’ experience in the gate engineering industry. Prior to joining the Group, Mr. Sin was employed by Sanwa Shutter (HK) Limited from November 1993 to June 2003 with his last position as senior engineer manager.

**Mr. Law Hok Yu** (“**Mr. Law**”), aged 35, was appointed as executive Director with effect from 20 May 2024. He obtained his bachelor degree of Business Administration in Accountancy from the Hong Kong Polytechnic University. He is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Law has over 10 years of experience in auditing, accounting and corporate finance. Mr. Law is currently an executive Director of the Company and an executive director, company secretary and authorised representative of China New Holdings limited (formerly known as Royal Century Resources Holdings Limited) (stock code: 8125), since May 2024, a company secretary of Dreameast Group Limited (stock code: 593), since October 2025, and an independent non-executive director of OneConstruction Group Limited (Nasdaq stock code: ONEG) since the listing in December 2024.

**Mr. Lin Ruzhou** (“**Mr. Lin**”), aged 43, was appointed as executive Director with effect from 15 July 2025. Mr. Lin has over 15 years of practical experience in corporate strategic management, operational optimization and industrial integration, and many years of experience in the field of metal processing and trading business in the People’s Republic of China.

**Independent non-executive Directors**

**Mr. Shi Jianwen (“Mr. Shi”)**, aged 31, was appointed as an independent non-executive Director with effect from 20 May 2024. Mr. Shi has over 8 years of experience in corporate operation and management in the financial leasing industry. Since 2020, he has worked in Shenzhen Zhongzhu Kaixuan Supply Chain Management Co., Ltd. and is currently the general manager. Mr. Shi is an executive director of Xinming China Holdings Limited (stock code: 2699), since August 2025. Mr. Shi obtained a bachelor’s degree in Economics from Zhuhai College of Beijing Institute of Technology in 2017.

**Mr. Chan Man Kit (“Mr. Chan”)**, aged 37, was appointed as an independent non-executive director with effective from 25 November 2024. Mr. Chan has over 14 years of experience in auditing and accounting. Mr. Chan has served as the independent non-executive director of New Sparkle Roll International Group Limited (stock code: 970) since April 2024. Mr. Chan has been a Partner at Nortik Partners & Co. since 2019 and the sole proprietor of Chan Man Kit CPA since 2018, where he is responsible for audit and accounting services. Mr. Chan received his Bachelor of Science (Accounting) from the University of Hull. Mr. Chan is a practicing certified public accountant of the Hong Kong Institute of Certified Public Accountants and a member of the Association of Chartered Certified Accountants.

**Ms. Zhao Aiyin (“Ms. Zhao”)**, aged 39, was appointed as an independent non-executive director with effective from 6 December 2024. Ms. Zhao has over 17 years of experience in accounting and finance, logistics and marketing. She has been working in Chuzhou Xuefeng Automobile Sales & Service Company Limited since 2018 and is currently the head of accounting. Ms. Zhao graduated from Chuzhou Vocational and Technical College in 2007, majoring in computerised accounting.

**Mr. Han Fei (“Mr. Han”)**, aged 43, was appointed as an independent non-executive director with effect from 15 July 2025. Mr. Han has over 20 years of experience in banking, corporate finance, corporate accounting and operations management, which he gained from his previous work experience in various banks in the PRC and a Hong Kong company listed on the Main Board. Mr. Han obtained a bachelor’s degree in Management from Inner Mongolia Agricultural University in 2008 and a Master’s degree in Economic Management from the Party School of the Communist Party of China in Inner Mongolia Autonomous Region in 2024.

**Mr. Huang Xinwen (“Mr. Huang”)**, aged 53, has been appointed as an independent non-executive director with effect from 22 October 2025. Mr. Huang Xinwen graduated from the Department of Mathematics of Gannan Normal University, majoring in mathematics in July 1992. He has over 30 years of work experience in company operations and enterprise management. From 2010 to 2016, he served as the deputy general manager of Shenzhen Dongfang Xincheng Display Technology Co., Ltd.\* (深圳市東方鑫盛顯示科技有限公司), and from 2017 to 2025, he served as the general manager of Shenzhen Jiachengxin Display Technology Co., Ltd\* (深圳市佳成鑫顯示科技有限公司).

\* For identification purposes only

**Business address of the Directors**

The business address of the Directors is the same as the Company's principal place of business in Hong Kong at Flat 606, 6/F, Sunray Industrial Centre, 610 Cha Kwo Ling Road, Yau Tong, Kowloon, Hong Kong.

**14. THE AUDIT COMMITTEE**

As at the Latest Practicable Date, the audit committee of the Board comprises all the independent non-executive Directors, namely Mr. Shi Jianwen, Mr. Chan Man Kit, Ms. Zhao Aiyin, Mr. Han Fei and Mr. Huang Xinwen. The primary duties of the audit committee include the review of the Group's financial reporting process and the internal control systems as well as risk management of the Group.

**15. BINDING EFFECT**

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents 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 (Chapter 32 of the Laws of Hong Kong) so far as applicable.

**16. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES**

A copy of each of the Prospectus Documents and the written consent as referred to the paragraph headed "Expert and Consent" in this appendix, have been registered by the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

**17. DOCUMENTS ON DISPLAY**

Copies of the following documents are available on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.hy-engineering.com](http://www.hy-engineering.com)) for at least 14 days from the date of this Prospectus:

- (i) the accountants' report on the unaudited pro forma financial information of the Group set out in Appendix II to this Prospectus;
- (ii) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix; and
- (iii) the written consent of the expert referred to in the paragraph headed "Expert and Consent" in this appendix.

**18. MISCELLANEOUS**

- (i) The company secretary of the Company is Mr. Law Hok Yu. He obtained his bachelor degree of Business Administration in Accountancy from the Hong Kong Polytechnic University. He is a member of the Hong Kong Institute of Certified Public Accountants.
- (ii) As at the Latest Practicable Date, there was no restriction affecting the remittance of profits or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (iii) The Board confirms that to the best of their knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his Shares to a third party, either generally or on a case-by-case basis.
- (iv) The English text of this Prospectus and the accompanying form of proxy shall prevail over the respective Chinese text in case of inconsistency.