Potential investors should carefully consider all of the information set out in this document, and in particular, should consider the following risk factors before making an investment decision in relation to the ***[REDACTED]****. If any of the possible events as described below materialises, our business, financial condition or results of operations could be materially and adversely affected and the trading price of the* ***[REDACTED]*** *could decline due to any of these risks, and you may lose all or part of your investment.*

This document contains certain forward-looking statements relating to our Group's plans, objectives, expectations and intentions which involve risks and uncertainties. Our Group's actual results may differ materially from those as discussed in this document. Additional risks and uncertainties not presently known to us or which we currently deem immaterial may arise or become material in the future and may have a material effect on us.

RISKS RELATED TO OUR INDUSTRY AND BUSINESS

Seasonal and cyclical demand for respiratory protection products may materially affect our revenue and operating results

Demand for our face mask and RAT kits products is affected by seasonal factors and broader public health trends. Demand for such products typically increases during annual flu seasons and other periods of heightened public health concern, while demand may decline during off-peak periods.

During the Track Record Period, our face masks, RAT kits and consumables business remained our core revenue contributor, contributing approximately 87.0% and 79.7% of our total revenue in FY2025 and FY2026, respectively. Any decline in demand for such products, whether due to seasonal factors or changes in public health conditions, may therefore materially affect our revenue, profitability and cash flow.

Sudden public health events may also significantly increase demand for a limited period, but such increase may not be sustainable and may be followed by a decline or normalisation in demand. If we fail to accurately forecast demand or adjust our inventory, production planning and sales strategy in a timely manner, our business, financial condition and results of operations may be materially and adversely affected.

Disruption in the supply of key raw materials or significant raw material price volatility may increase our costs and adversely affect our production and order fulfilment capabilities

Our business depends on a stable and timely supply of key raw materials that meet our quality and technical specifications, particularly in respect of our face mask products. The principal raw material for our face mask production is non-woven filter fabric, and our raw materials are sourced primarily from suppliers based in Mainland China. We rely on two long-term core suppliers for materials used in our face mask production, and we also maintain a single-source arrangement for our TPU-based materials.

If any of our suppliers experiences shortages, delays, operational disruptions or quality issues, we may be unable to procure sufficient quantities of raw materials of the required quality on a timely basis, which may disrupt our production schedule and adversely affect our ability to fulfil customer orders. If supplied materials fail to meet our quality requirements, we may also need to reject, return, scrap or write off the affected materials or inventory, which may increase our costs and adversely affect our operating results.

The prices of our raw materials may also be subject to volatility due to changes in market conditions, supply-demand dynamics, oil price fluctuations and other factors beyond our control. We generally do not enter into long-term fixed-price agreements with our suppliers. Any failure to secure a stable supply of key raw materials, or any significant volatility in their prices, may materially and adversely affect our business, financial condition and results of operations.

Intense competition from low-cost manufacturers and larger competitors may result in loss of market share and margin compression

The personal protective and healthcare products markets in which we operate are highly competitive, and we expect competition to remain intense. We compete with low-cost manufacturers, larger competitors and other market participants on the basis of product quality, technical performance, certifications, brand recognition and distribution network. Some of our competitors may have greater financial resources, broader product offerings, stronger brand recognition, greater pricing flexibility, more extensive sales and distribution channels and lower production costs than we do.

There can be no assurance that we will be able to compete effectively on price, product quality, product range, technical standards or distribution reach. Our competitors may be able to offer lower prices or discounts that we may not be able to match profitably, introduce competing products more quickly, or develop products or technologies that are more attractive or commercially competitive than ours.

If we are unable to compete successfully, we may lose market share, face downward pressure on selling prices, suffer margin compression or incur higher sales and marketing costs, which may materially and adversely affect our business, financial condition and results of operations.

We may be unable to recruit or retain key personnel and maintain a sufficient workforce to support our operations and growth

Our continued success depends on our ability to recruit and retain senior management, R&D personnel, quality control and certification personnel, administrative personnel and trained production workers with the skills and experience necessary to support our business operations and execute our business strategies. If we are unable to retain any of our co-founders, Directors, senior management or other key personnel, or if we experience difficulty in recruiting and maintaining a sufficient number of trained and experienced staff, our R&D progress, production efficiency, product quality, regulatory compliance and ability to fulfil customer orders may be adversely affected. We may also incur additional costs and management time in recruiting, training and retaining suitable replacements. As a result, our business, financial condition and results of operations may be materially and adversely affected.

We may not necessarily be able to develop, improve or adopt new technologies, materials or manufacturing methods successfully or in a timely manner

We operate in a market that continues to evolve, and our ability to maintain our competitive position depends in part on our ability to keep pace with developments in technology, materials and manufacturing methods. We are required to make ongoing investments in R&D and, where appropriate, in the acquisition or implementation of new technology in order to improve our production processes and product offerings. However, there can be no assurance that we will be able to develop, enhance or adapt such technologies, materials or methods successfully, in a timely manner or at all. These efforts may require, among other things, accurate assessment of customer demand, additional capital expenditure, recruitment, training and retention of qualified personnel and the obtaining of necessary certifications, approvals or clearances, and we may incur substantial costs and face execution risks at each stage. In addition, our competitors may develop or adopt superior technologies or materials before we do and thereby gain a competitive advantage. If we fail to continue to develop or adapt our technologies, materials or manufacturing methods in a timely and commercially effective manner, we may lose market share and our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our R&D efforts may not lead to successful product development or commercialisation

Our business is R&D-driven, and our R&D efforts are centred on material development and material analysis across our product platform, including face masks, wound care products, mobility products and other healthcare-related products. We have invested, and intend to continue to invest, substantial time, resources and expenses in R&D, including new materials, new products and product pipeline development.

There can be no assurance that our R&D efforts will result in commercially successful products, that any products under development will be launched on schedule, or that they will achieve market acceptance. Our development process involves technical assessment, prototyping, testing, certification and mass production, and failure or delay at any stage may increase costs, delay product launches or prevent commercialisation altogether.

If our R&D activities fail to produce commercially viable products, or if we are unable to convert R&D initiatives into revenue-generating products in a timely manner, our growth plans, competitive position, business, financial condition and results of operations may be materially and adversely affected.

Failure or delay in obtaining, renewing or maintaining required certifications, registrations and test approvals may restrict market access and delay product launches

Our business depends in part on our ability to obtain, renew and maintain the certifications, registrations, test approvals and manufacturing accreditations applicable to our products and production facilities. Our face mask products have obtained certifications and test results under multiple international standards, our wheelchair products are certified under international medical device standards, and our production facility has obtained various manufacturing-level certifications.

There can be no assurance that we will be able to obtain, renew or maintain all required certifications, registrations or approvals for our existing or new products in a timely manner, on commercially acceptable terms, or at all. If we fail to do so, or if any such certification, registration or approval is suspended, withdrawn or not renewed, we may be unable to manufacture, market, sell or launch the relevant products in particular jurisdictions or sales channels. In some cases, such approvals may be required in practice to access institutional customers.

Certifications and approvals may also be subject to changing standards, periodic review and renewal requirements, and may require us to incur additional compliance costs or modify our products, manufacturing processes or quality systems. Any failure or delay in obtaining, renewing or maintaining such certifications, registrations, test approvals or manufacturing accreditations may materially and adversely affect our business, financial condition and results of operations.

Our product expansion and regional expansion may be costly, time-consuming and unsuccessful

Our future growth depends in part on our ability to broaden our product portfolio and expand into selected overseas markets. We intend to introduce additional products that leverage our product development and commercialisation platform and to expand selectively into markets including the Middle East and South America, and we have a number of products under development or in pre-mass production.

There can be no assurance that our new products will achieve market acceptance, that we will be able to obtain the certifications, registrations and approvals required for their commercialisation in a timely manner, on commercially acceptable terms, or at all, or that our expansion efforts in new markets will be successful. For example, mass production of our wound care dressing products requires medical-grade sterilisation equipment that is not currently approved for installation in Hong Kong, and we are accordingly evaluating mass production in Malaysia.

Entry into overseas markets may also expose us to unfamiliar regulatory requirements, higher overseas testing and certification costs, local market conditions, distribution challenges and competition from local or established market participants. If our product expansion or regional expansion is unsuccessful, delayed or more costly than expected, our business, financial condition and results of operations may be materially and adversely affected.

Failure by subcontractors to meet our requirements may adversely affect our operations and financial results

We rely on subcontractors for certain raw materials (including non-woven fabric for our face masks) during the Track Record Period, and we also subcontract or work with partner for the mass production of certain products such as electric wheelchairs, folding canes and wound dressings. Our subcontracting arrangements principally involve manufacturers based in Mainland China, and we incurred subcontracting costs of approximately HK$5.3 million and HK$9.4 million for FY2025 and FY2026, respectively.

If our subcontractors fail to meet our quality, technical, regulatory, delivery or cost requirements, experience operational disruptions, or are unable or unwilling to continue to provide services to us on commercially acceptable terms, our production schedules, product quality and ability to fulfil customer orders may be adversely affected. We may also face increased costs, delays, damage to our reputation, loss of business opportunities, customer claims or disputes.

Suitable subcontractors may not always be readily available, and there can be no assurance that we will be able to maintain our existing relationships or identify alternative subcontractors with the requisite knowledge, expertise, capacity and capability on a timely basis and at competitive prices. If we are unable to engage suitable subcontractors or replace them promptly, our business, financial condition and results of operations may be materially and adversely affected.

Higher operating costs in Hong Kong and capacity constraints for certain new products may adversely affect our growth and profitability

We conduct a substantial portion of our in-house manufacturing and warehousing operations in Hong Kong, and our Directors are of the view that maintaining a significant part of our face mask manufacturing operations in Hong Kong supports our premium pricing strategy. However, our principal cost components include labour, rent and electricity, which may place pressure on our margins and cost competitiveness. The Frost & Sullivan Report notes that operating costs in Hong Kong are affected by rising labour expenses, warehousing and commercial real estate costs, and fluctuations in raw material prices, and that Hong Kong's high warehousing costs may intensify inventory and logistics pressures.

Certain new products may also not be suitable for mass production in Hong Kong due to practical or regulatory constraints. The Frost & Sullivan Report notes that advanced local manufacturing may require specialised production capabilities and investment in technologies such as automated cleanrooms, robotics and AI-driven quality control, and that medical-grade protective gear and diagnostic products are subject to stringent quality standards and certification requirements that may increase costs and extend time-to-market. If we are unable to expand capacity, install suitable equipment or secure appropriate alternative production arrangements in a timely and cost-effective manner, our ability to commercialise certain new products may be delayed or constrained. As a result, our business, financial condition and results of operations may be materially and adversely affected.

Changes in laws, regulations and government policies may increase our compliance costs and adversely affect our operations

Many aspects of our business operations are governed by laws, regulations and government policies in Hong Kong, including those relating to product safety, medical devices, import and export and environmental protection. There can be no assurance that we will be able to respond to future changes in such laws, regulations or policies in a timely manner, or at all.

If more stringent requirements are introduced in relation to licensing, certification, environmental protection or other compliance matters, we may be required to obtain additional approvals, modify our products, production processes or facilities, enhance our compliance systems, or incur additional capital expenditure and operating costs. Our operations are subject to environmental and labour safety requirements in Hong Kong, including laws relating to air pollution, water pollution, occupational safety and industrial undertakings.

If we fail to meet new or revised requirements in a timely manner or at all, our operations may be disrupted and we may be exposed to fines, penalties, licence restrictions, remediation obligations or other regulatory action. Even if we are able to comply, the costs and management burden of doing so may be substantial, which may materially and adversely affect our business, financial condition and results of operations.

Failure to obtain or continue to benefit from the enhanced tax deduction for qualifying research and development expenditure may adversely affect our results of operations

We have applied for the enhanced tax deduction for expenditure incurred by enterprises on a qualifying research and development activity in respect of our R&D expenses, and the application is currently under review by the Inland Revenue Department of Hong Kong. If the relevant tax authorities do not accept our position, determine that any of our R&D expenses do not qualify for the enhanced deduction, or if there is any change in the applicable tax laws, regulations, interpretation or administrative practice, our tax expense may increase and our profitability may be adversely affected. As a result, our business, financial condition and results of operations may be materially and adversely affected.

Damage to our brand image or reputation may reduce customer trust and adversely affect our sales

We market and sell our products under a portfolio of proprietary brands, and our business depends in part on the continued strength, recognition and reputation of such brands, particularly our Savewo® brand. Our Directors believe that we have established brand recognition under the Savewo® brand and a market presence in the Hong Kong disposable face mask market.

Any negative publicity involving us, our brands, our products, our management, our channel partners or the healthcare and personal protective products industry generally may adversely affect our brand image, reputation and customer trust. Any actual or perceived deterioration in product quality, safety, performance, certification status, customer experience or after-sales service, or any complaints, product-related incidents, regulatory scrutiny or other adverse publicity, could reduce demand for our products and harm our relationships with customers and business partners. In particular, if any defective or non-conforming raw materials are supplied to us, or if any contamination, defects or other failures occur in our production or quality control processes, the quality or safety of our products may be adversely affected, which could in turn result in product complaints, returns, recalls, liability claims or reputational damage.

If we fail to maintain or enhance our brand image and reputation, customer confidence in our products may decline and our sales, market position and results of operations may be materially and adversely affected.

Tariffs, non-tariff barriers and geopolitical developments affecting our Hong Kong-manufactured products may adversely affect our overseas expansion

Our "Made in Hong Kong" positioning applies specifically to our face mask products manufactured at our Tsuen Wan facility, and we intend to selectively expand into overseas markets, including Japan, the United States, the Middle East and Mainland China.

As we expand outside Hong Kong, our Hong Kong-manufactured products may be subject to tariffs, import or export restrictions, product registration requirements, certification requirements, customs measures or other non-tariff barriers in overseas markets. Changes in trade policies, political or regulatory conditions, diplomatic relations or other geopolitical developments affecting Hong Kong or the relevant overseas markets may increase costs, delay shipments, restrict market access or reduce the competitiveness of our products.

If any such tariffs, barriers or geopolitical risks materialise, we may incur additional compliance, certification, logistics or distribution costs, or may need to delay, limit or adjust our overseas expansion plans. As a result, our business, financial condition and results of operations may be materially and adversely affected.

RISKS RELATING TO THE [REDACTED]

There has been no prior public market for the Share and the liquidity, market price and trading volume of the Share may be volatile

Prior to the **[REDACTED]**, there has been no public market for our Shares. Following the completion of the **[REDACTED]**, the Stock Exchange will be the only market on which our Shares are **[REDACTED]**. There is no guarantee that an active public trading market for our Shares will develop or be sustained after the **[REDACTED]**. In addition, we cannot assure you that the Shares will trade in the public market subsequent to the **[REDACTED]** at or above the **[REDACTED]**. The **[REDACTED]** will be determined by agreement between us and the **[REDACTED]** (for itself and on behalf of the **[REDACTED]**), and may not be indicative of the **[REDACTED]** of the **[REDACTED]** following the completion of the **[REDACTED]**. If an active trading market for our Shares does not develop or is not sustained after the **[REDACTED]**, the market price and liquidity of our Shares may be materially and adversely affected.

The trading price and volume of our Shares may be volatile, which may result in substantial losses for our investors

The trading price of our Shares may be volatile and may fluctuate widely in response to factors beyond our control, including variations in the level of liquidity of our Shares, changes in securities analysts'(if any) estimates of our financial performance, investors' perceptions of us and the general investment environment, changes in laws, regulations and taxation systems which affect our operations, and general market conditions of the securities markets. These broad market and industry factors may significantly affect the market price and volatility of our Shares, regardless of our actual operating performance.

In addition to market and industry factors, the price and trading volume for our Shares may be highly volatile for specific business reasons. In particular, factors such as variations in our revenue, net income and cash flow, success or failure of our efforts in implementing business and growth strategies, involvement in material litigation as well as recruitment or departure of our key personnel, may cause the trading price and volume of our Shares to change drastically and unexpectedly.

Further, there will be a gap of several days between the price determination and commencement of trading of the **[REDACTED]**. The **[REDACTED]** of our **[REDACTED]** is expected to be determined on the **[REDACTED]** while our **[REDACTED]** will not commence trading on the Stock Exchange until the **[REDACTED]**. As a result, investors may not be able to sell or otherwise deal in our **[REDACTED]** during the period between the **[REDACTED]** and the **[REDACTED]** and hence are subject to the risk that the price of our **[REDACTED]** could fall during the period before trading of our **[REDACTED]** begins.

Our financial performance for the period in which the [REDACTED] occurs may be materially and adversely affected by non-recurring [REDACTED]

We expect to incur significant non-recurring expenses in connection with the **[REDACTED]**. Based on the mid-point of the indicative **[REDACTED]** range and assuming the **[REDACTED]** is not exercised, our total **[REDACTED]** are estimated to be approximately HK$**[REDACTED]**, of which approximately HK$**[REDACTED]** has been or will be charged to profit or loss, and approximately HK$**[REDACTED]** is directly attributable to the issue of the **[REDACTED]** and is to be accounted for as a deduction from equity.

As these expenses are non-recurring in nature, they do not reflect the underlying operating performance of our business. However, the portion charged to profit or loss may materially reduce our profit and profit margin for the relevant period and may affect comparisons of our financial performance between periods. In particular, our Group expects a substantial decrease in net profit for FY2026 as compared to FY2025, which is mainly due to the impact of higher **[REDACTED]**.

There can be no assurance that investors, analysts or other market participants will not place undue emphasis on our reported profit, profit margin or other financial measures for the relevant period without adjusting for these non-recurring **[REDACTED]**. As a result, our financial performance for the relevant period may not be indicative of our future operating results following completion of the **[REDACTED]**.

Any disposal by our Controlling Shareholders of a substantial number of Shares in the public market could materially and adversely affect the [REDACTED] of the [REDACTED]

There is no guarantee that our Controlling Shareholders will not dispose of their **[REDACTED]** following the expiration of their respective lock-up periods after the **[REDACTED]**. Our Group cannot predict the effect, if any, of any future sales of the **[REDACTED]** by any Controlling Shareholders, or that of the availability of the **[REDACTED]** for sale by any Controlling Shareholders may have on the market price of the Shares. Sale of a substantial number of **[REDACTED]** by any Controlling Shareholders or the market perception that such sale may occur could materially and adversely affect the prevailing **[REDACTED]** of the **[REDACTED]**.

The [REDACTED] is entitled to terminate the [REDACTED]

Prospective investors should note that the **[REDACTED]** (for itself and on behalf of the **[REDACTED]**) are entitled to terminate its obligations under the **[REDACTED]** by giving notice in writing to us upon the occurrence of any of the events set out in the paragraph headed "**[REDACTED]** — **[REDACTED]** arrangements and expenses — The **[REDACTED]** — Grounds for termination" in this document at any time prior to 8:00 a.m. (Hong Kong time) on the **[REDACTED]**. Such event may include, without limitation, any act of God, military action, riot, public disorder, civil commotion, fire, flood, tsunami, explosion, epidemic, terrorism, strike or lock-out.

You may not have the same protection of your shareholder rights under Cayman Islands law comparing to what you would have under Hong Kong law

Our corporate affairs are governed by our Memorandum and Articles, the Cayman Companies Act, and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, the rights of minority shareholders to institute actions and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The rights of our Shareholders and the fiduciary responsibilities of our Directors under Cayman Islands law may not be the same as they would be under statutes or judicial precedent in Hong Kong. In particular, the Cayman Islands have different securities laws as compared to Hong Kong and may not provide the same protection to investors. Furthermore, a Hong Kong court may not have jurisdiction to entertain a derivative action brought by shareholders for and on behalf of the Company.

The interests of our Controlling Shareholders may not always coincide with the interests of our Group and those of our other Shareholders

Immediately following the completion of the **[REDACTED]** and the **[REDACTED]** (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the **[REDACTED]** or any options which may be granted under the **[REDACTED]**), our Controlling Shareholders will be entitled to exercise, or control the exercise of, voting rights in respect of **[REDACTED]** of our issued share capital. As a result, our Controlling Shareholders will have significant influence over our business, strategy and corporate actions, including matters requiring Shareholders' approval.

The interests of our Controlling Shareholders may not always be aligned with the interests of our Group or our other Shareholders. If the interests of our Controlling Shareholders conflict with those of our other Shareholders, or if they cause our Group to pursue business strategies or take corporate actions that are not aligned with the interests of our other Shareholders, the interests of our Group and our other Shareholders may be adversely affected. This risk is expressly identified in this document.

RISKS RELATING TO STATEMENTS MADE IN THIS DOCUMENT

Investors should read the entire document and should not rely on any information contained in press articles or other media coverage regarding us and the [REDACTED]

There may be press articles, media coverage and/or research analyst reports regarding, among others, our Group, our business, our industry, our Controlling Shareholders, our Directors and employees or the **[REDACTED]**, which may include certain financial information, financial projections and other information about us that do not appear in this document. We have not authorised the disclosure of any such information in the relevant publications and we do not accept any responsibility for any such press articles, media coverage and/or research analyst reports or the accuracy or completeness or reliability of any such information or publications. To the extent that any such information appearing in publications other than this document is inconsistent or conflicts with the information contained in this document, we disclaim it. Accordingly, prospective investors should not rely on any such information. In making your decision as to whether to purchase our Shares, you should rely only on the financial, operational and other information included in this document.

Forward-looking statements in this document are subject to risks and uncertainties

This document contains forward-looking statements that are based on the current expectations, assumptions, estimates and projections of our management. These statements, which are discussed further in the section headed "Forward-Looking Statements" in this document, relate to, among other things, our future business prospects, strategy, operations, liquidity and capital resources.

Forward-looking statements are subject to risks, uncertainties and assumptions, many of which are beyond our control, and actual results may differ materially from those expressed or implied by such statements. Subject to the requirements of the Listing Rules, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Accordingly, investors should not place undue reliance on any forward-looking statements contained in this document.