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Application Proof of



Savewo Group Limited 救世集團有限公司

(Incorporated in the Cayman Islands with limited liability)

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IMPORTANT

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Savewo Group Limited 救世集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: [●]

[REDACTED] GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF [REDACTED]

**Number of [REDACTED] : [REDACTED] Shares (subject to the
[REDACTED])**

Number of [REDACTED] : [REDACTED] Shares (subject to reallocation)

**Number of [REDACTED] : [REDACTED] Shares (subject to reallocation
and the [REDACTED])**

**[REDACTED] : Not more than HK\$[REDACTED] per
[REDACTED] and expected to be not less
than HK\$[0.4] per [REDACTED], plus
brokerage of 1%, SFC transaction levy of
0.0027%, the AFRC transaction levy of
0.00015% and Stock Exchange trading fee of
0.00565% (payable in full on application in
Hong Kong dollars and subject to refund)**

Nominal value : HK\$0.01 per Share

Stock code : [●]

Sole Sponsor, [REDACTED], the [REDACTED] and [REDACTED]

 **百惠金控 PATRONS
Patrons Capital Limited**

[REDACTED]

[●]

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The [REDACTED] is expected to be determined by agreement between the [REDACTED] (for itself and on behalf of the [REDACTED]) and us on the [REDACTED], which is expected to be on or around 12:00 noon on [●], [●] 2026 (Hong Kong time). The [REDACTED] will be not more than HK\$ [●] per [REDACTED] and is currently expected to be not less than HK\$ [0.4] per [REDACTED] unless otherwise announced. Investors applying for the Hong Kong [REDACTED] may be required to pay, on the [REDACTED] (subject to [REDACTED] channels), the maximum [REDACTED] of HK\$[REDACTED] per [REDACTED] together with brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of [REDACTED] and Stock Exchange trading fee of 0.00565%, subject to refund if the [REDACTED] as finally determined is lower than HK\$ [0.4] per [REDACTED]. If, for any reason, the [REDACTED] (for itself and on behalf of the [REDACTED]) and us are unable to reach an agreement on the [REDACTED] by [●] on [●] 2026 (Hong Kong time), the [REDACTED] will not become unconditional and will not proceed.

The [REDACTED] (for itself and on behalf of the [REDACTED]) may, with our consent, reduce the number of [REDACTED] being [REDACTED] in the [REDACTED] and/or the indicative [REDACTED] range below that stated in this document at any time on or prior to the morning of the last day for lodging applications under the [REDACTED]. In such a case, notices of such reduction in the number of [REDACTED] in the [REDACTED] and/or the indicative [REDACTED] range will be published on the Stock Exchange's website at www.hkexnews.hk and our Company's website at <https://www.savewo.com>. Further details are set out in the sections headed “Structure and Conditions of the [REDACTED]” and “How to Apply for [REDACTED]” in this document.

Prior to making any investment decision, prospective investors should carefully consider all of the information set out in this document, including the risk factors set out in the section headed “Risk Factors” in this document.

The obligations of the [REDACTED] under the [REDACTED] to subscribe are subject to termination by the [REDACTED] (for itself and on behalf of the Hong Kong [REDACTED]) if certain grounds arise prior to 8:00 a.m. (Hong Kong time) on the [REDACTED]. Further details of the circumstances are set out in the paragraph headed “[REDACTED] — [REDACTED] Arrangements and Expenses — Grounds for termination” in this document.

The [REDACTED] have not been and will not be registered under the [REDACTED] or any state securities law in the United States and may not be [REDACTED], sold, pledged or transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the [REDACTED] and in accordance with any applicable U.S. state securities laws. The [REDACTED] are being [REDACTED] and sold only outside the United States in offshore transactions in reliance on Regulation S under the [REDACTED].

[REDACTED]

[REDACTED]

IMPORTANT

[REDACTED]

IMPORTANT

[REDACTED]

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies [REDACTED] on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that companies [REDACTED] on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

EXPECTED TIMETABLE

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

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IMPORTANT NOTICE TO INVESTORS

This document is issued by us solely in connection with the [REDACTED] and does not constitute an [REDACTED] to sell or a solicitation of an [REDACTED] to buy any security other than the [REDACTED] [REDACTED] by this document pursuant to the [REDACTED]. This document may not be used for the purpose of, and does not constitute, an [REDACTED] or a solicitation of an [REDACTED] to subscribe for or buy, any security in any other jurisdiction or in any other circumstances. No action has been taken to permit a [REDACTED] of the [REDACTED] or the distribution of this document in any jurisdiction other than Hong Kong. The distribution of this document and the [REDACTED] and sale of the [REDACTED] in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this document to make your investment decision. Our Company, the Sole Sponsor, the [REDACTED], the Sole [REDACTED], the [REDACTED], the [REDACTED] and the [REDACTED] have not authorized anyone to provide you with information that is different from what is contained in this document. Any information or representation not made in this document must not be relied on by you as having been authorized by our Company, the Sole Sponsor, the [REDACTED], the Sole [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], any of their respective directors, officers, employees, advisers, agents, representatives or affiliates of any of them or any other person or party involved in the [REDACTED]. Information contained on our website, located at <https://www.savewo.com> does not form part of this document.

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SUMMARY

This summary aims to give you an overview of the information contained in this document and is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial information appearing elsewhere in this document. As it is a summary, it does not contain all the information that may be important to you, and we urge you to read the entire document carefully before making your investment decision. Various expressions used in this summary are defined in the sections headed “Definition” and “Glossary of Technical Terms” in this document. There are risks associated with any investment. Some of the particular risks in investing in the [REDACTED] are set out in the section headed “Risk Factors” in this document. You should read that section carefully before you decide to invest in the [REDACTED]. You should read the entire document before you decide to invest in the [REDACTED].

OVERVIEW

We are a Hong Kong-based, research and development-driven manufacturer and multi-channel distributor of personal protective and healthcare products, specialising in disposable face masks under our SAVEWO® brand. According to the Frost & Sullivan Report, we ranked first in the face masks and respirators market in Hong Kong with a market share of approximately 14.1% in terms of revenue for FY2026, and third in the self-test respiratory RAT kits market in Hong Kong with a market share of approximately 11.4% for FY2026.

We derived a substantial portion of our revenue during the Track Record Period from the design, manufacture and sale of disposable face masks under our proprietary Savewo® brand. Leveraging our integrated R&D, design and manufacturing platform together with our product commercialisation and scale-up capabilities, we have expanded our product reach into RAT kits, mobility products and other healthcare-related products. Our name “Savewo” is derived from “Save the World” (救世), reflecting our founding aspiration to protect health through innovation in personal protective and healthcare products.

Our operations involve the key stages of (i) market research and product development, (ii) procurement, (iii) manufacturing, (iv) sales and (v) the collection of customer feedback. We manufacture certain Self-Branded Products at our production facility in Tsuen Wan, Hong Kong, and source certain materials from third-party suppliers or arrange production of certain Self-Branded Products through third-party qualified subcontractors in accordance with our specifications and/or proprietary formulae.

REVENUE GENERATION AND BUSINESS SEGMENTS

During the Track Record Period, we generated revenue through three product categories:

- **Face masks, RAT kits and consumables** — our primary category, comprising disposable face masks, RAT kits and wound care consumables;
- **Healthcare equipment and complementary accessories** — comprising a range of healthcare equipment products and mobility products; and
- **Others** — comprising other personal healthcare-related products and certain ancillary and promotional products.

SUMMARY

Our face masks, RAT kits and consumables category contributed approximately 87.0% and 79.7% of our total revenue in FY2025 and FY2026, respectively. Our healthcare equipment and complementary accessories category contributed approximately 11.2% and 15.5%, respectively, while our others category contributed approximately 1.8% and 4.8%, respectively.

The following table sets out the breakdown of our revenue by product category during the Track Record Period:

	FY2025 <i>(HK'000)</i>	FY2025 <i>(%)</i>	FY2026 <i>(HK'000)</i>	FY2026 <i>(%)</i>
Face masks, RAT kits and consumables	63,699	87.0	60,223	79.7
Healthcare equipment and complementary accessories	8,175	11.2	11,675	15.5
Others	<u>1,339</u>	<u>1.8</u>	<u>3,645</u>	<u>4.8</u>
Total	<u>73,213</u>	<u>100.0</u>	<u>75,543</u>	<u>100.0</u>

OUR BUSINESS MODEL

We operate an integrated business model covering product development, procurement, manufacturing and sales. We manufacture our face mask products in-house at our Hong Kong facility, while also sourcing selected Self-Branded Products and engaging qualified third-party suppliers and subcontractors for certain products produced to our specifications and/or proprietary formulae. Our products are sold through a diversified multi-channel network comprising self-operated retail stores and exhibition channels, our e-commerce platforms, wholesale partners and government and institutional tender channels.

DEVELOPMENT MILESTONES

Key milestones in our development include:

April 2020	Incorporation of Savewo Limited in Hong Kong
June 2020	Commencement of operations of our first factory and launch of the SAVEWO® 3DMASK
September 2020	Launch of the SAVEWO® 3DMASK ULTRA
October 2020	Set up of our Tsuen Wan flagship factory
March 2021	Our SAVEWO® 3DMASK EXTREME PRO passed the EU EN149 FFP3 test; and thereafter the progressive expansion of our product portfolio into RAT kits, electric wheelchairs and carbon fibre folding canes.
April 2022	Our COVID-19 Antigen Test Kit was listed under the MDACS administered by the Department of Health of Hong Kong.

SUMMARY

May 2023	We launched our first mobility products, including carbon fibre and aluminium alloy electric wheelchairs of our SAVEWO HealthChair series.
November 2024	Our wound care product, TRANSKIN waterproof dressing film, was launched.
December 2025	Our ultra-light carbon fibre folding cane of the SAVEWO MasterCane series was selected as a Mark winner of the 2025 Golden Pin Design Award in Taiwan.
January 2026	We were once again awarded the “2025 Top Sales Champion Certificate of Honor” by the Hong Kong Mask & PPE Organization.

Major Mergers and Acquisitions

Save as disclosed in the section headed “History, Reorganisation and Corporate Structure”, we did not conduct any acquisitions, disposals or mergers that were material to our Group during the Track Record Period.

OUR PRODUCTION AND BRANDS

We offer a multi-category portfolio of self-branded personal protective and healthcare products under our proprietary brands, including SAVEWO®, TranSkin® and RAINEC®.

Our core product categories broadly include: (i) disposable face masks; (ii) RAT kits; (iii) mobility products, including Healthchair electric wheelchairs, MasterCane carbon fibre folding canes and complementary accessories; and (iv) other personal healthcare products, including RAINEC® performance umbrellas and FreshQ portable sterilisation devices.

The principal raw material for our face mask production is non-woven filter fabric incorporating our proprietary TypeCool+ filtration technology, produced for us by qualified third party suppliers in accordance with our specifications.

OUR SALES AND CUSTOMERS

We sell our products primarily in Hong Kong through a multi-channel distribution network comprising: (i) our self-operated retail stores and exhibition channels; (ii) our own e-commerce store and selected third-party online platforms; (iii) wholesale customers, including major chain retailers, supermarkets, convenience stores and pharmacy chains; and (iv) government and institutional tender channels. Our wholesale, online, self-operated retail stores and exhibition, and government and tender channels contributed approximately 37.8%, 31.2%, 26.0% and 5.0%, respectively of our revenue in FY2025, and approximately 49.0%, 23.1%, 22.1% and 5.8%, respectively in FY2026.

Our customers are principally retailers and institutional purchasers in Hong Kong. For FY2025 and FY2026, our five largest customers in aggregate accounted for approximately 20.6% and 24.3% of our total revenue, respectively, and our largest customer accounted for approximately 10.1% and 8.9%, respectively. Save as disclosed in respect of Zeta, all of our five largest customers during the Track Record Period were Independent Third Parties.

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OUR PRODUCTION FACILITIES

We conduct our in-house manufacturing and warehousing operations at our production facility in Tsuen Wan, Hong Kong, where we operated 13 automated production lines as at the Latest Practicable Date. Our utilisation for our disposable face masks was generally stable during the Track Record Period. Our “Made in Hong Kong” positioning applies specifically to our face mask products, which are manufactured at our Tsuen Wan facility, and supports our premium pricing strategy, market differentiation and perceived product quality. We did not experience any material or prolonged interruptions to our production process during the Track Record Period and up to the Latest Practicable Date.

OUR SUPPLIERS AND SUBCONTRACTORS

Our key raw materials, principally non-woven filter fabric and TPU-based materials, are sourced primarily from suppliers based in Mainland China, and we also engage qualified subcontractors for the production of certain products. For FY2025 and FY2026, our five largest suppliers and subcontractors in aggregate accounted for approximately 34.7% and 54.8% of our total purchases, respectively, and our largest supplier accounted for approximately 9.9% and 22.6%, respectively.

One of our suppliers, Zeta Limited, is a connected person of our Company. Zeta is wholly owned by Mr. Ding, our executive Director, chief executive officer and a Controlling Shareholder, and was both a supplier and a customer of our Group during the Track Record Period. We procured certain non-core products from Zeta for resale through our retail network; Zeta was not one of our five largest suppliers. These transactions will constitute continuing connected transactions of our Company upon [REDACTED], as further described in the sections headed “Business — Overlapping customers and suppliers” and “Connected Transactions”. We typically maintain approximately two months of raw material inventory and approximately four months of finished face mask inventory. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material production delays attributable to supplier issues.

OUR COMPETITIVE STRENGTHS

We believe that the following competitive strengths contribute to our success and differentiate us from our competitors: (i) our “Made in Hong Kong” positioning and automated production base in Hong Kong, which support product quality, brand differentiation and operational efficiency; (ii) our commercialisation capabilities and integrated research and development, design and manufacturing platform across our three product categories; (iii) our brand recognition under our SAVEWO® brand and our portfolio of international product certifications; (iv) our diversified multi-channel distribution network, which reduces reliance on any single channel; (v) our stable supply chain and prudent inventory management; and (vi) our experienced management team. See “Business — Our Competitive Strengths” for details.

OUR BUSINESS STRATEGIES

Our overall objective is to consolidate our leading position in the Hong Kong personal protective and healthcare products market. We aim to achieve this by pursuing the following strategies: (i) continuing to invest in market-driven research and development to expand our product portfolio and pipeline; (ii) broadening our product portfolio across our three product categories; (iii) strengthening our

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multi-channel distribution network and pursuing selective downstream expansion; (iv) optimising our manufacturing footprint by maintaining core operations in Hong Kong while pursuing selective overseas production arrangements; and (v) strengthening our sales and operational capabilities through exhibition participation, overseas certification and overseas market development. See “Business — Our Business Strategies” for details.

MARKET POTENTIAL AND COMPETITIVE LANDSCAPE

According to the Frost & Sullivan Report, we ranked first in the Hong Kong face masks and respirators market by revenue for FY2026, with an estimated market share of approximately 14.1%. We also ranked third in the Hong Kong self-test respiratory RAT kits market by revenue for FY2026, with an estimated market share of approximately 11.4%, as compared to approximately 4.5% for FY2025.

The Frost & Sullivan Report indicates that the Hong Kong personal protective and diagnostics equipment market and the Hong Kong personal healthcare products market are expected to continue to grow through 2030. The report also identifies industry trends directly relevant to our business, including premiumisation in personal protective equipment, growing demand for multiplex and all-in-one diagnostic kits, increasing interest in broader personal health and wellness products, and the adoption of advanced localised manufacturing techniques, including automated cleanroom production and AI-assisted quality control.

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

Immediately following completion of the [REDACTED] and the [REDACTED], and without taking into account any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] or 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. Ms. Choi is the chairlady of our Board and an executive Director, and Mr. Ding is an executive Director and our chief executive officer. Our Directors consider that we are capable of carrying on our business independently of our Controlling Shareholders following the [REDACTED].

[REDACTED] INVESTMENTS

Between January and May 2026, our [REDACTED] Investors, [REDACTED], [REDACTED], [REDACTED] and [REDACTED], each an Independent Third Party, subscribed for Shares for an aggregate consideration of approximately HK\$[REDACTED]. No special rights were granted to the [REDACTED] Investors, and the consideration was settled in full before the Latest Practicable Date. Immediately following completion of the [REDACTED] and the [REDACTED], the [REDACTED] Investors will together hold approximately [REDACTED] of our issued share capital.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

For FY2025 and FY2026, our revenue amounted to approximately HK\$73.2 million and HK\$75.5 million, respectively, gross profit amounted to approximately HK\$34.3 million and HK\$36.6 million, respectively, and profit for the year amounted to approximately HK\$8.3 million and HK\$16.8 million, respectively.

SUMMARY

Explanation of Fluctuation

Our revenue increased slightly from approximately HK\$73.2 million for FY2025 to approximately HK\$75.5 million for FY2026, primarily reflecting the growth of our healthcare equipment category, which offset the normalisation of demand for face masks, RAT kits and consumables. Our gross profit margin improved from approximately 46.9% to approximately 48.5%, and our profit for the year increased from approximately HK\$8.3 million to approximately HK\$16.8 million, with our net profit margin increasing from approximately 11.3% to approximately 22.2%, primarily due to gain on disposal of plant and machinery and subsidiary.

Selected Items of Combined Statements of Financial Position

As at 31 March 2025 and 31 March 2026, our net assets amounted to approximately HK\$34.7 million and HK\$48.4 million, respectively, and our bank balances and cash amounted to approximately HK\$8.2 million and HK\$14.0 million, respectively.

Key Financial Ratios

	FY2025	FY2026
Gross profit margin	46.9%	48.5%
Net profit margin	11.3%	22.2%
Return on equity	23.8%	34.7%
Return on assets	12.1%	21.5%
Current ratio	1.3	2.2
Gearing ratio	N/A	N/A
Interest coverage	25.8 times	67.9 times

Sensitivity Analysis

Our results are sensitive to fluctuations in certain key cost components, particularly raw materials, subcontracting fees and employee expenses. A hypothetical $\pm 5\%$ change in raw material costs would have affected profit before tax by approximately HK\$0.5 million in FY2025 and HK\$0.5 million in FY2026, while a $\pm 10\%$ change would have affected profit before tax by approximately HK\$0.9 million and HK\$1.0 million, respectively.

A hypothetical $\pm 10\%$ change in subcontracting fees would have affected profit before tax by approximately HK\$0.5 million in FY2025 and HK\$0.9 million in FY2026, while a $\pm 20\%$ change would have affected profit before tax by approximately HK\$1.1 million and HK\$1.9 million, respectively.

A hypothetical $\pm 5\%$ change in employee expenses would have affected profit before tax by approximately HK\$0.5 million in FY2025 and HK\$0.4 million in FY2026; a $\pm 10\%$ change would have affected profit before tax by approximately HK\$1.0 million and HK\$0.9 million; and a $\pm 15\%$ change would have affected profit before tax by approximately HK\$1.5 million and HK\$1.3 million, respectively.

DIVIDENDS

For FY2025 and FY2026, our Company declared and paid dividends of approximately HK\$4.1 million and HK\$3.0 million, respectively, to its then shareholders. We do not have a formal dividend policy or predetermined dividend payout ratio, and any future declaration and payment of dividends will be at the discretion of our Directors and subject to the Articles of Association and applicable laws.

SUMMARY

[REDACTED] STATISTICS

Our Company is seeking a [REDACTED] on GEM by way of a [REDACTED] comprising initially [REDACTED] [REDACTED], consisting of [REDACTED] [REDACTED] and [REDACTED] [REDACTED] Shares, subject to reallocation and the [REDACTED]. The [REDACTED] is expected to be not less than HK\$[REDACTED] per [REDACTED] and not more than HK\$[REDACTED] per [REDACTED].

Immediately following completion of the [REDACTED] and the [REDACTED], and assuming the [REDACTED] is not exercised, the [REDACTED] will represent [REDACTED] of the issued share capital of the Company, and approximately [REDACTED] of the issued Shares are expected to be held by the public and counted towards the [REDACTED] requirement.

[REDACTED] AND [REDACTED]

Based on the [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the indicative [REDACTED] range, and assuming the [REDACTED] is not exercised, the [REDACTED] of the [REDACTED] are estimated to be approximately HK\$[REDACTED]. We currently intend to apply the [REDACTED] in the following manner:

Approximate amount of [REDACTED]	Intended [REDACTED]	Expected timing of utilisation
Approximately HK\$[REDACTED] or [REDACTED]	Strengthening R&D capabilities and expanding our product pipeline	From the [REDACTED] to 31 March 2029
Approximately HK\$[REDACTED] or [REDACTED]	Expanding product capacity and manufacturing capabilities	From the [REDACTED] to 30 September 2027
Approximately HK\$[REDACTED] or [REDACTED]	Deepening downstream market presence and expansion of sales channels	From the [REDACTED] to 31 March 2027
Approximately HK\$[REDACTED] or [REDACTED]	Recruitment of additional personnel and market development	31 March 2029
Approximately HK\$[REDACTED] or [REDACTED]	General working capital	From the [REDACTED] to 31 March 2027

[REDACTED]

Our [REDACTED] primarily consist of [REDACTED] and professional fees. Based on the mid-point of the indicative [REDACTED] range and assuming the [REDACTED] is not exercised, total [REDACTED] are estimated to be approximately HK\$[REDACTED] million, representing approximately [REDACTED]% of the estimated gross [REDACTED] of the [REDACTED], of which approximately HK\$[REDACTED] has been or will be charged to profit or loss and approximately HK\$[REDACTED] will be accounted for as a deduction from equity. Prospective investors should note that our financial performance for FY2027 is expected to be affected by the [REDACTED].

SUMMARY

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Our Directors confirm that our business operations and business model have remained stable after the Track Record Period and up to the date of this document, and that there has been no material adverse change in our financial or trading position since 31 March 2026.

NON-COMPLIANCE AND LITIGATION

Our Directors confirm that we have not experienced any material non-compliance with applicable laws and regulations during our operating history. Save for the work injury matter described in “Business — Employees”, as at the Latest Practicable Date there was no material litigation, arbitration or administrative proceeding pending or threatened against our Group or any of our Directors which could have a material adverse effect on our financial condition or results of operations.

SUMMARY OF MATERIAL RISK FACTORS

Our business, results of operations and financial condition are subject to risks, including, among others:

- seasonal and cyclical demand for our face mask and test kit products;
- disruption in the supply of key raw materials and raw material price volatility;
- intense competition from low-cost manufacturers and larger competitors;
- risks relating to product development, certifications, product expansion and overseas expansion;
- higher operating costs in Hong Kong and capacity constraints for certain new products; and
- the absence of a prior public market for the Shares and potential volatility in the trading price and liquidity of the Shares following [REDACTED].

DEFINITIONS

“Accountants’ Report”	the accountants’ report set out in Appendix I to this document
“affiliate(s)”	any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
“AFRC”	Accounting and Financial Reporting Council
“Articles” or “Articles of Association”	the amended and restated articles of association of our Company conditionally adopted on [●] 2026 and will come into effect upon [REDACTED] (as amended, supplemented or otherwise modified from time to time), a summary of which is set out in Appendix III to this document
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	our board of Directors
“Business Day(s)” or “business day(s)”	day(s) on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
“BVI”	British Virgin Islands
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“Cayman Companies Act”	the Companies Act, Cap 22 (as revised) of the Cayman Islands, as amended, modified and supplemented from time to time
“[REDACTED]”	[REDACTED]
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules

DEFINITIONS

“China” or “PRC”	the People’s Republic of China including but not limited to Hong Kong, Macau and Taiwan region but in the context of financial reporting purposes in this document only, refers to the geographical regions under direct PRC regulatory jurisdiction commonly known as mainland China excluding Hong Kong, Macau and Taiwan region
“close associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“Company” or “our Company”	Savewo Group Limited 救世集團有限公司, an exempted company with limited liability incorporated in the Cayman Islands on 17 April 2026 and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on [●], and holding company of all other companies in the Group
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“connected transaction(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Controlling Shareholders”	has the meaning ascribed to it under the GEM Listing Rules and, in the context of this document, refers to Index PI, Water Fun, Ms. Choi, Mr. Ding and Mr. Wong
“core connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Deed of Indemnity”	the deed of indemnity dated [●] 2026 entered into by our Controlling Shareholders in favour of our Company (on its own behalf and as the trustee for each of its subsidiaries) to provide certain indemnities, further information on which is set forth in the paragraph headed “Statutory and General Information — F. Other Information — 1. Tax and indemnity” in Appendix IV to this document
“Deed of Non-competition”	the deed of non-competition dated [●] 2026 entered into by our Controlling Shareholders in favour of our Company (for ourselves and for the benefit of each of our subsidiaries) regarding the non-competition undertakings, details of which are set out in the paragraph headed “Relationship with our Controlling Shareholders — Deed of Non-competition” in this document
“Director(s)” or “our Director(s)”	director(s) of our Company

DEFINITIONS

“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“ESG”	environmental, social and governance
“Exchange Participant(s)”	a person: (a) who, in accordance with the GEM Listing Rules, may trade on or through the Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Stock Exchange as a person who may trade on or through the Stock Exchange
“Extreme Conditions”	the occurrence of “extreme conditions” as announced by any government authority of Hong Kong due to serious disruption of public transport services, extensive flooding, major landslides, large-scale power outage or any other adverse conditions before Typhoon Signal No. 8 or above is replaced with Typhoon Signal No. 3 or below
“Free 8”	Free 8 Limited, a company incorporated in Hong Kong with limited liability on 14 April 2022 and was our indirect wholly owned subsidiary before the Reorganisation
“Frost & Sullivan”	Frost & Sullivan Limited, an independent industry research consultant commissioned to prepare the Frost & Sullivan Report
“Frost & Sullivan Report”	the market research report prepared by Frost & Sullivan
“FINI”	“Faster Interface for New Issuance”, an online platform operated by [REDACTED] that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all new listing of securities
“FY2025”	the financial year ended 31 March 2025
“FY2026”	the financial year ended 31 March 2026
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“General Rules of [REDACTED]”	the General Rules of [REDACTED] and as may be amended, supplemented or otherwise modified from time to time and where the context so permits, shall include the [REDACTED] Operational Procedures
“Group”, “our Group”, “we”, “our” or “us”	our Company and its subsidiaries or, where the context so requires, in respect of the period before our Company becoming the holding company of our present subsidiaries, the present subsidiaries of our Company and the businesses carried out by them or their predecessors (as the case may be), and “we”, “our” or “us” shall be construed accordingly
“Guide for New Listing Applicants”	the Guide for New Listing Applicants issued by the Stock Exchange in December 2023, with effect from 1 January 2024, as amended and supplemented from time to time
“HK\$” or “HK dollars”	Hong Kong dollars
“[REDACTED]”	[REDACTED], a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
“[REDACTED] channel”	the [REDACTED] for the [REDACTED] to be issued in the name of [REDACTED] and deposited directly into [REDACTED] to be credited to your designated [REDACTED] Participant’s stock account through causing [REDACTED] to apply on your behalf, including by instructing your broker or custodian who is a [REDACTED] Participant to submit an [REDACTED] on your behalf through FINI in accordance with your instruction
“[REDACTED]”	[REDACTED]
“[REDACTED] Operational Procedures”	the operational procedures of [REDACTED], containing the practices, procedures and administrative or other requirements relating to [REDACTED]’s services and the operations and functions of [REDACTED], FINI or any other platform, facility or system established, operated and/or otherwise provided by or through [REDACTED], as from time to time in force
“[REDACTED] Participant”	a participant admitted to participate in [REDACTED] as a direct clearing participant, a general clearing participant or a custodian participant
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“[REDACTED]”	[REDACTED]

DEFINITIONS

“IFRSs”	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards and interpretation issued by the International Accounting Standards Board
“Independent Third Party(ies)”	individual(s) or company(ies) who is (are) not a connected person(s) of our Company within the meaning ascribed under the GEM Listing Rules
“Index PI”	Index PI Limited, a company incorporated in the BVI with limited liability on 20 March 2026 and a Controlling Shareholder, the entire issued share capital of which is owned by Mr. Ding
“JDM Products”	products jointly developed by our Group and its manufacturing or material partners under a joint developing manufacturing arrangement
“Latest Practicable Date”	10 June 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this document prior to its publication
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“Memorandum” or “Memorandum of Association”	the amended and restated memorandum of association of our Company adopted on [●] and effective from the [REDACTED] or where the context requires, as amended, supplemented or otherwise modified from time to time
“Mr. Ding”	Mr. Ding Zhen (丁圳), our executive Director, chief executive officer and one of our Controlling Shareholders
“Mr. Wong”	Mr. Wong Yuet Yeung Harry (黃越洋), our sales manager and factory manager, and the spouse of Ms. Choi and one of our Controlling Shareholders
“Ms. Choi”	Ms. Choi Sze Man (蔡詩敏), our executive Director, chairlady of the Board, compliance officer and one of our Controlling Shareholders

DEFINITIONS

“[REDACTED]”	[REDACTED]
“ODM Products”	products which our Group designs and manufactures for a customer under an original design manufacturing arrangement and which are sold under the customer’s brand
“OEM Products”	original equipment manufacturing, where a manufacturer manufactures a product in accordance with the customer’s design and specifications and is marketed and sold under the customer’s brand name or under no specific brand
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]

DEFINITIONS

“[REDACTED]”	[REDACTED]
“PRC”	the People’s Republic of China and, except where the context otherwise requires and for the purpose of this document only, does not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“[REDACTED] Investment”	the investment in our Company made by the [REDACTED] Investors, details of which are set out in “History, Reorganisation and Corporate Structure — [REDACTED] Investment” in this document
“[REDACTED] Investors”	[REDACTED], [REDACTED], [REDACTED] and [REDACTED]
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]

DEFINITIONS

“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“Reorganisation”	the Reorganisation of the group of companies now comprising our Group conducted in preparation for the [REDACTED], details of which are set out in the section headed “History, Reorganisation and Corporate Structure” in this document
“Savewo Distribution”	Savewo Distribution Limited, a limited company incorporated in Hong Kong on 21 February 2022
“Savewo Energy”	Savewo Energy Limited (formerly known as Savewo Japan Limited), a company incorporated in Hong Kong with limited liability on 1 December 2021 and is an indirect wholly owned subsidiary of the Company
“Savewo HK”	Savewo Hong Kong Limited 救世香港有限公司, a company incorporated in Hong Kong with limited liability on 2 September 2020 and is an indirect wholly owned subsidiary of the Company
“Savewo Limited”	Savewo Limited 救世有限公司, a company incorporated in Hong Kong with limited liability on 22 April 2020 and is an indirect wholly owned subsidiary of the Company
“Savewo International”	Savewo International Limited, a company incorporated in Hong Kong with limited liability on 12 August 2020 and is an indirect wholly owned subsidiary of the Company
“Savewo Korea”	Savewo Korea Limited, a company incorporated in Hong Kong with limited liability on 17 November 2021
“Savewo Retail”	Savewo Retail Limited, a company incorporated in Hong Kong with limited liability on 15 July 2021 and is an indirect wholly owned subsidiary of the Company
“Self-Branded Products”	the products that are sold under our own brands (namely SAVEWO [®] , RAINEC [®] and TRANSKIN [®])
“SFC”	the Securities and Futures Commission of Hong Kong

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“Share(s)”	the ordinary share(s) with par value of HK\$0.01 each in the share capital of our Company
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“Shareholder(s)”	holder(s) of Share(s)
“Sole Sponsor” or “[REDACTED]” or “Sole [REDACTED]” or “[REDACTED]”	Patrons Capital Limited, the sole sponsor for the [REDACTED], the [REDACTED] and the [REDACTED] for the [REDACTED] and a corporation licensed under the SFO and permitted to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the GEM Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buybacks, as amended, modified and supplemented from time to time
“Track Record Period”	FY2025 and FY2026
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“US” or “U.S.” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“[REDACTED]”	[REDACTED]
“US\$” or “U.S. dollars”	United States dollars, the lawful currency of the United States

DEFINITIONS

“[REDACTED]”	[REDACTED]
“Water Fun”	Water Fun International Investment Limited, a company incorporated in the BVI with limited liability on 20 March 2026 and a Controlling Shareholder, the entire issued share capital of which is owned by Ms. Choi
“[REDACTED]”	[REDACTED]
“[REDACTED]”	[REDACTED]
“Zeta”	Zeta Limited, a company incorporated in Hong Kong with limited liability which is wholly owned by Mr. Ding, one of our Controlling Shareholders
“%”	per cent.

Unless otherwise expressly stated or the context otherwise requires, in this document:

- *all references to times and dates refer to Hong Kong times and dates;*
- *all data in this document is as at the Latest Practicable Date;*
- *certain amounts and percentage figures included in this document have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts [REDACTED] are due to rounding; and*
- *all relevant information in this document assumes no exercise of the [REDACTED].*

GLOSSARY OF TECHNICAL TERMS

This glossary contains certain definitions and technical terms used in this document in connection with our business. As such, some terms and definitions may not correspond to standard industry definitions or usage of such terms.

“ASTM”	American Society for Testing and Materials, the international standards organization that develops and publishes voluntary consensus technical standards for a wide range of materials, products, systems and services
“ASTM F2100”	a performance standard published by ASTM International for medical face masks, including requirements relating to filtration efficiency, breathability and fluid resistance
“B2B”	business-to-business, referring to transactions or business conducted between companies, such as institutional buyers, hospitals, and government agencies, rather than between a company and individual consumers
“B2C”	business-to-consumer, referring to transactions or business conducted directly between a company and individual consumers through retail channels
“BFE”	bacterial filtration efficiency, a measure used to assess the ability of a face mask material or finished product to filter bacteria-containing droplets
“CADR”	clean air delivery rate, a performance metric used for air purifiers to measure the volume of filtered air delivered over a specified period
“CAGR”	compound annual growth rate, being the annualised rate of growth of a particular metric over a specified period, assuming the metric grows at a constant rate on a compounded basis over that period
“carbon fibre”	a lightweight and high-strength composite material made from thin strands of carbon, commonly used in structural and mobility-support products
“CE MDR”	The European Union Medical Devices Regulation, being the regulatory framework governing medical devices marketed in the European Union
“COVID-19”	coronavirus disease 2019, an infectious disease caused by the SARS-CoV-2 virus
“EN 12184”	a European standard which specifies requirements and test methods for electrically powered wheelchairs, scooters and their chargers
“EN 14683”	a European standard that specifies the construction, design, performance requirements, and test methods for medical face masks

GLOSSARY OF TECHNICAL TERMS

“EN 149”	a European standard that specifies the minimum requirements, testing, and marking for filtering half masks used as respiratory protective devices against particles
“FDA”	The United States Food and Drug Administration, a federal agency of the Department of Health and Human Services
“FFP2/FFP3”	a high filtration-class respiratory protection standard under EN149 for filtering facepiece respirators
“GMP”	good manufacturing practice, being the applicable manufacturing standards, controls and procedures designed to ensure that products are consistently produced and controlled to appropriate quality standards
“HEPA”	high-efficiency particulate air, referring to a class of air filtration media used to remove fine airborne particles from air streams
“hMPV”	Human Metapneumovirus, a common respiratory virus that causes upper and lower respiratory tract illnesses
“hydrocolloid”	a moisture-retentive dressing material commonly used in wound-care products to help protect wounds and support healing
“hypochlorous acid”	a disinfecting solution commonly used for sterilisation and sanitation purposes
“IEC”	International Electrotechnical Commission, international standards for electrical, electronic, and related technologies
“Industry 4.0”	the integration of advanced technologies, such as automated cleanrooms, robotics, and artificial intelligence-driven quality control, into manufacturing and industrial processes
“ISO”	International Organization for Standardization
“JDM”	a collaborative manufacturing arrangement under which parties jointly develop a product, including aspects such as design, prototyping, certification and production set-up
“KF94”	a Korean-standard filtering facepiece respirator with approximately 94% particulate filtration performance
“KF99”	a Korean-standard filtering facepiece respirator with approximately 99% particulate filtration performance
“KN95”	a PRC-standard filtering facepiece respirator with approximately 95% filtration performance for non-oily particulates under GB 2626
“meltblown”	a type of non-woven fabric commonly used as a filtration layer in personal protective products such as face masks

GLOSSARY OF TECHNICAL TERMS

“MERS”	Middle East Respiratory Syndrome, a viral respiratory illness caused by a coronavirus (MERS-CoV) that was first identified in Saudi Arabia in 2012
“MTR”	the Mass Transit Railway, the major public transport network serving Hong Kong
“non-woven filter fabric”	a fabric made without weaving, commonly used as a filtration medium in mask products
“ODM”	original design manufacturing, where a manufacturer designs and manufactures a product which is specified by the customer and eventually marketed and sold under the customer’s brand name or under no specific brand
“OEM”	original equipment manufacturing, where a manufacturer manufactures a product in accordance with the customer’s design and specifications and is marketed and sold under the customer’s brand name or under no specific brand
“Over-the-counter”/ “OTC”	in the context of healthcare products, refers to products that can be sold directly to a consumer without a requirement for a prescription
“PFE”	particulate filtration efficiency, or sub-micron particulate filtration efficiency, being a measure used to assess the ability of a face mask material or finished product to filter fine particles
“RAT”	rapid antigen test
“R&D”	research and development
“RSV”	Respiratory Syncytial Virus, a highly transmissible respiratory virus that usually causes mild, cold-like symptoms but can lead to severe infections in vulnerable populations
“SARS”	Severe Acute Respiratory Syndrome, a viral respiratory illness caused by a coronavirus (SARS-CoV) that was first identified in Asia in 2003
“TPU”	thermoplastic polyurethane, a polymer material used in a range of healthcare and consumer product applications, including wound dressings, adhesives and films
“TypeCool+ filtration technology”	our proprietary filtration technology used in the non-woven filter fabric of certain of our face mask products. Provides 24-hour high-efficiency filtration
“USB-C”	Universal Serial Bus Type-C, an industry-standard connector for transmitting both data and power on a single cable, commonly used in modern personal healthcare and electronic devices

FORWARD-LOOKING STATEMENTS

This document includes forward-looking statements. All statements other than statements of historical facts contained in this document, including, without limitation, those regarding our future financial position, our strategy, plans, objectives, goals, targets and future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include the words “believe”, “expect”, “estimate”, “predict”, “aim”, “intend”, “will”, “may”, “plan”, “consider”, “anticipate”, “seek”, “should”, “could”, “would”, “continue” or similar expressions or the negative thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Important factors that could cause our actual performance or achievements to differ materially from those in the forward-looking statements include, among other things, the following:

- our ability to successfully implement our business plans and strategies;
- future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand;
- our business operations and prospects;
- our capital expenditure plans;
- the actions and developments of our competitors;
- our financial condition and performance;
- capital market developments;
- any changes in the laws, rules and regulations of the government in Hong Kong and other relevant jurisdictions and the rules, regulations and policies of the relevant governmental authorities relating to all aspects of our business and our business plans; and
- various business opportunities that we may pursue.

Additional factors that could cause our actual performance or achievements to differ materially include, but are not limited to, those disclosed in the section headed “Risk Factors” in this document and elsewhere in this document. We caution you not to place undue reliance on these forward-looking statements, which reflect our management’s view only as at the date of this document. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document might not occur. All forward-looking statements contained in this document are qualified by reference to the cautionary statements set out in this section.

RISK FACTORS

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

RISK FACTORS

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.

RISK FACTORS

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.

RISK FACTORS

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.

RISK FACTORS

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.

RISK FACTORS

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.

RISK FACTORS

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

RISK FACTORS

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.

RISK FACTORS

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

RISK FACTORS

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.

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Residential Address	Nationality
<i>Executive Directors</i>		
Ms. Choi Sze Man (蔡詩敏)	Flat B, 5/F, Block 1, Highland Park, 11 Lai Kong Street, Kwai Chung, New Territories, Hong Kong	Hong Kong
Mr. Ding Zhen (丁圳)	Flat B, 21/F, Tower 1, 339 Lai Chi Kok Road, Trinity Towers, Sham Shui Po, Kowloon, Hong Kong	Hong Kong
<i>Independent non-executive Directors</i>		
Ir. Daniel Lai, BBS, JP (賴錫璋)	6/F., Block F, Hilltop Mansion, 60 Cloud View Road, North Point, Hong Kong	Hong Kong
Mr. Lai Tsz Kit Danny (黎子傑)	Room 1415, Fuk On House, Ka Fuk Estate, Fanling, Hong Kong	Hong Kong
Mr. Chan But Ping (陳不平)	Flat 8A, Block 11, Royal Ascot, Fotan, Shatin, Hong Kong	Hong Kong

Please also refer to the section headed “Directors and Senior Management” for further details of our Directors.

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

PARTIES INVOLVED IN THE [REDACTED]

**Sole Sponsor, [REDACTED] and
[REDACTED]**

Patrons Capital Limited

A licensed corporation under the SFO to engage in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities

Unit 3214, 32/F, Cosco Tower
183 Queen’s Road Central
Sheung Wan
Hong Kong

[REDACTED]

Patrons Securities Limited

A licensed corporation under the SFO to engage in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities

Unit 3214, 32/F, Cosco Tower
183 Queen’s Road Central
Sheung Wan
Hong Kong

[●]

Legal advisers to the Company

As to Hong Kong Law

China Commercial (Hong Kong) Law Firm

Suite 3203A, 32nd Floor, Tower 2
Lippo Centre, 89 Queensway
Admiralty
Hong Kong

As to Cayman Islands Law

Ogier

11th Floor
Central Tower
28 Queen’s Road Central
Hong Kong

**Legal advisers to the Sole Sponsor
and the [REDACTED]**

As to Hong Kong Law

CLKW Lawyers LLP

1901A, 1902 & 1902A, 19/F
New World Tower I
16–18 Queen’s Road Central
Central
Hong Kong

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Auditors and Reporting Accountants	SHINEWING (HK) CPA Limited <i>Certified Public Accountants</i> 17/F, Chubb Tower, Windsor House 311 Gloucester Road Causeway Bay Hong Kong
[REDACTED]	[●]
Compliance Adviser	Patrons Capital Limited <i>A licensed corporation under the SFO to engage in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities</i> Unit 3214, 32/F, Cosco Tower 183 Queen’s Road Central Sheung Wan Hong Kong
Internal control consultant	M00 Robust Evolution Limited Unit 2103, 21/F, Austin Plaza No. 83, Austin Road Tsim Sha Tsui Kowloon Hong Kong
Industry Consultant	Frost & Sullivan Limited Unit 3006, 30/F Two Exchange Square 8 Connaught Place Central Hong Kong
Barrister-at-law	Tam Chun Kit Denis Chang’s Chambers Room 4301, One Lippo Centre 89 Queensway Admiralty Hong Kong

CORPORATE INFORMATION

Registered office in the Cayman Islands	Ogier Global (Cayman) Limited 89 Nexus Way Camana Bay, Grand Cayman KY1-9009 Cayman Islands
Principal place of business in Hong Kong under Part 16 of the Companies Ordinance	1/F–2/F, 266–270, Texaco Road, Tsuen Wan, New Territories, Hong Kong
Company’s website address	https://savewo.com <i>(information on this website does not form part of this document)</i>
Company Secretary	Ms. Lau Mei Wah <i>Chartered Secretary</i> <i>Chartered Governance Professional</i> Unit 906, 9/F, Haleson Building 1 Jubilee Street Central Hong Kong
Authorised representatives	Ms. Choi Sze Man 1/F–2/F, 266–270 Texaco Road Tsuen Wan New Territories Hong Kong Ms. Lau Mei Wah <i>Chartered Secretary</i> <i>Chartered Governance Professional</i> Unit 906, 9/F, Haleson Building 1 Jubilee Street Central Hong Kong
Audit Committee	Mr. Lai Tsz Kit Danny (<i>Chairman</i>) Ir. Daniel Lai, BBS, JP Mr. Chan But Ping
Remuneration Committee	Mr. Chan But Ping (<i>Chairman</i>) Ir. Daniel Lai, BBS, JP Mr. Lai Tsz Kit Danny

CORPORATE INFORMATION

Nomination Committee

Ms. Choi Sze Man (*Chairlady*)
 Mr. Chan But Ping
 Mr. Lai Tsz Kit Danny

**Cayman Islands principal share
 [REDACTED] and transfer office**

[●]

Hong Kong Share [REDACTED]

[●]

Principal Banks

**The Hongkong and Shanghai Banking
 Corporation Limited**
 1 Queen’s Road Central
 Hong Kong

Hang Seng Bank
 83 Des Voeux Road Central
 Hong Kong

INDUSTRY OVERVIEW

The information and statistics set out in this section and other sections of this Document were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by Frost & Sullivan (the “Frost & Sullivan Report”). We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the [REDACTED]. The information from official government sources has not been independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED], the [REDACTED], any of the [REDACTED], any of their respective directors and advisers, or any other persons or parties involved in the [REDACTED], and no representation is given as to its accuracy.

SOURCE OF INFORMATION

We [REDACTED] Frost & Sullivan, an independent market research and consulting company, to analyze and prepare a report regarding the Hong Kong personal protective and diagnostics equipment, wheelchair, and personal healthcare product market. Frost & Sullivan is an independent global consulting firm founded in 1961 in New York that offers industry research and market strategies and provides growth consulting and corporate training. We agreed to pay a [REDACTED] fee of HK\$350,000 to Frost & Sullivan pursuant to a service agreement reached by arm’s length negotiation. Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Frost & Sullivan Report. We have also referred to certain information in the “Summary”, “Risk Factors”, “Business” and “Financial Information” sections to provide a more comprehensive presentation of the industry in which we operate.

In preparing the report, Frost & Sullivan conducted both primary and secondary research and relied on various sources. The primary research was conducted via interviews with key industry experts and leading industry participants. The secondary research involved analysis of market data obtained from several publicly available data sources, such as the Census and Statistics Department of Hong Kong and other industrial associations. The market projections in the Frost & Sullivan Report are based on the following key assumptions: (i) the overall social, economic and political environment in Hong Kong is expected to remain stable during from 2026 to 2030; (ii) Hong Kong’s economic and industrial development is likely to maintain a steady growth in the forecast period; (iii) related industry key drivers are likely to drive the growth of Hong Kong personal protective and diagnostics equipment, wheelchair, and personal healthcare product market in the forecast period; and (iv) there is no extreme force majeure or industry regulation which may affect the market dramatically or fundamentally.

OVERVIEW OF HONG KONG’S PUBLIC HEALTH AND DEMOGRAPHIC LANDSCAPE

Key Trends and Outlook

Expanding elderly demographic — Hong Kong is experiencing a profound demographic shift, with the population aged 60 and above expanding rapidly from 2.06 million in 2021 to a projected 2.83 million by 2030, representing a CAGR of approximately 3.6%. As this aging segment inherently faces higher vulnerabilities to respiratory infections and severe disease complications, there is an elevated necessity for stringent infection control within the community. Consequently, this structural aging trend.

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Prolonged resurgence of seasonal influenza — Following the lifting of mask mandate, Hong Kong has recorded a pronounced resurgence in seasonal influenza (Influenza A and B). According to World Health Organization (“WHO”) benchmarks, seasonal flu typically infects 10% to 15% of Hong Kong’s population annually (approximately 0.75 to 1.1 million individuals), with pediatric rates reaching 20% to 30%. During Pre-pandemic years (2017–2019), flu exhibited distinct seasonal peaks, averaging 570 to 601 severe adult cases and 356 to 430 deaths per season. In stark contrast, exacerbated by waning population immunity, the 2024 season merged into an unbroken 28-week wave, resulting in 1,167 severe adult cases, 791 deaths, and 32 severe pediatric cases. The elevated burden persisted in 2025 with 995 severe cases recorded. The prolonged shift closely parallels post-pandemic epidemiological trends observed globally, with the WHO estimating that annual seasonal influenza epidemics result in an estimated 1 billion infections, roughly 3 to 5 million cases of severe illness and over 300,000 respiratory deaths globally, highlighting the severe baseline threat of the pathogen. Accordingly, the shift from seasonal peaks to a year-round public health challenge cements the ongoing necessity for diagnostic rapid tests and high-filtration masks.

Diversification of the epidemiological threat landscape — A historical review of major global health crises, such as the 2003 SARS, 2009 H1N1, 2012 MERS, and 2019 COVID-19, demonstrates that large-scale pandemics are erupting periodically. Driven by global urbanization and international air travel, these outbreaks are no longer isolated anomalies but inevitable public health threats. Compounding this, Hong Kong faces an increasingly complex mix of circulating airborne pathogens. These range from highly lethal viruses like hantavirus (exceeding 50% mortality) to highly transmissible infections such as RSV, adenovirus, mycoplasma pneumoniae, and hMPV. As the clinical symptoms of these diverse respiratory infections heavily overlap, multi-panel self-test RAT kits have become essential. Precise early detection allows patients to pinpoint the exact causative agent and receive targeted clinical interventions, such as specific antivirals for Influenza A. The continuous, multi-pathogen threat solidifies multi-panel diagnostic rapid tests and high-filtration masks as standard household staples.

Enduring behavioral shifts and pandemic preparedness — A defining characteristic of Hong Kong’s public health landscape is the enduring shift towards voluntary personal protection. Although the city’s mask mandate ended in March 2023, residents maintain a strong commitment to respiratory hygiene. While everyday street-level usage has naturally decreased, situational mask-wearing remains robust during high-risk scenarios, such as peak flu seasons, when symptomatic, or in crowded indoor environments. Driven by ingrained cultural norms rather than legal mandates, mask-wearing has transitioned from an emergency measure into a readily deployed, accepted practice. The heightened civic awareness solidifies a permanent, community-driven market for personal protective and diagnostics equipment, ensuring households consistently keep these items in stock.

OVERVIEW OF PERSONAL PROTECTIVE AND DIAGNOSTICS EQUIPMENT MARKET

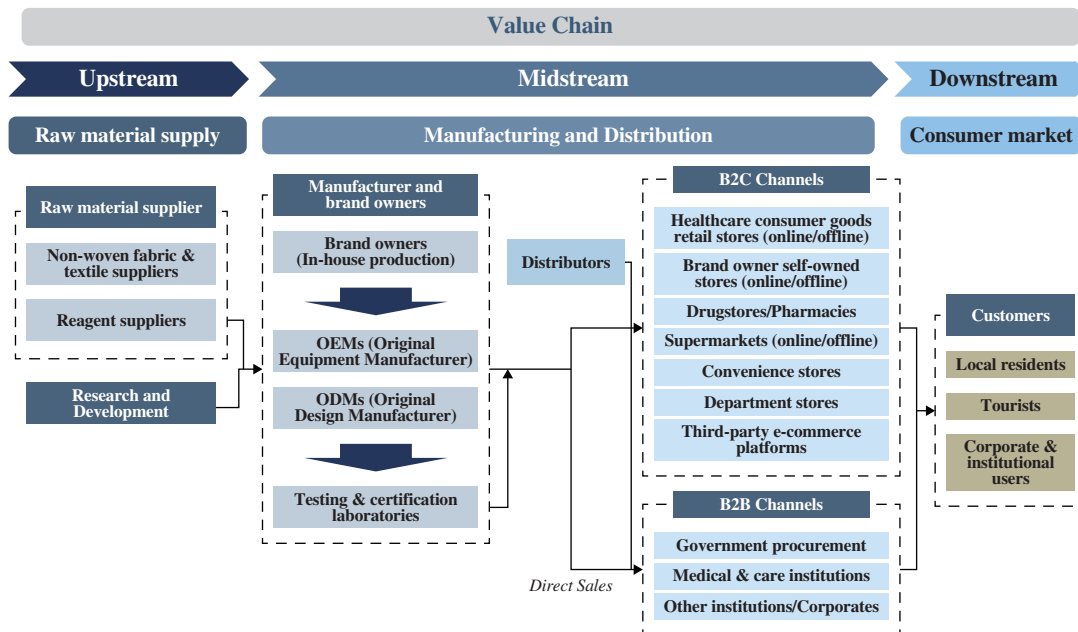
The personal protective and diagnostics equipment market refers to the industry focused on products designed to prevent the transmission of infectious agents and enable immediate, at-home disease screening. The market encompasses physical barrier products used to minimize exposure to airborne particulates and pathogens, alongside rapid testing tools that allow individuals to independently detect viral infections or monitor specific physiological conditions. These products are utilized for personal safety, infection control, and proactive disease management in both daily consumer life and professional settings. It encompasses the following categories:

INDUSTRY OVERVIEW

- **Face masks and respirators** comprise products designed to cover the nose and mouth to filter airborne particles, pollutants, and pathogens. Key products include face masks (such as ASTM, EN14683 standard medical and surgical masks, high-filtration respirators (such as the EN149 FFP2/3, KMOEL KF94, GB2626 KN95 standard).
- **Personal diagnostic kits** include accessible, at-home medical devices and testing solutions that empower individuals to monitor their health status and detect potential illnesses early. The most prominent products are: (i) Self-Test RAT kits for rapid detection of COVID-19, Influenza A/B, RSV and other respiratory viruses; and (ii) other types of RAT kits etc.

Value Chain

The value chain of the personal protective and diagnostics equipment market is highly integrated across three primary segments: upstream raw material supply, midstream manufacturing and distribution, and downstream consumer market. The upstream segment supplies foundational raw materials, including non-woven fabrics for masks, biological reagents for diagnostic kits. The midstream segment encompasses manufacturing, executed by brand owners, OEMs, and ODMs, and mandatory quality assurance by certification laboratories. Finished products are then routed through authorized or direct distribution networks bifurcated into B2C (such as omnichannel retail, pharmacies, and e-commerce) and B2B (such as government, medical and care institutions, and corporate procurement) channels. The downstream segment comprises the end-users: individual consumers and tourists purchasing via B2C channels for personal use, and institutional clients utilizing B2B channels for large-scale workplace safety and infection control.



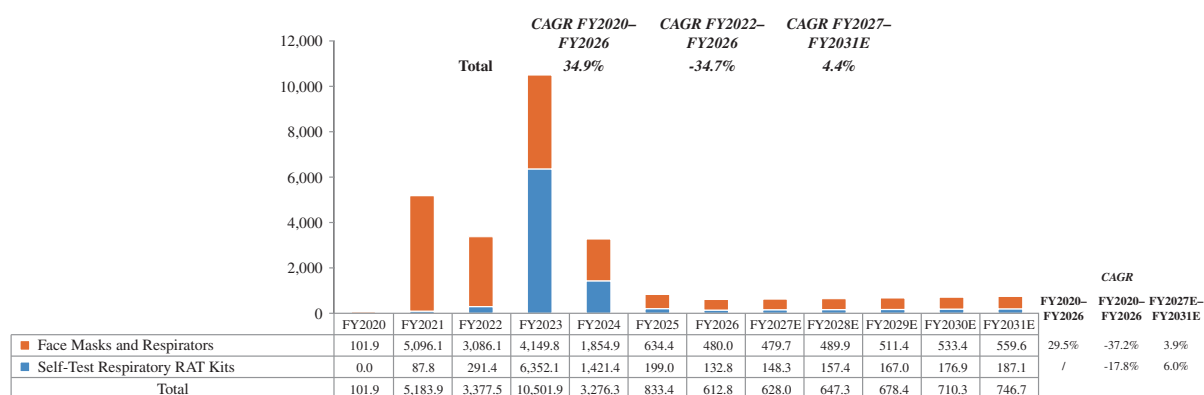
Source: Frost & Sullivan

INDUSTRY OVERVIEW

Market Size by Retail Sales Value

- Starting from a modest pre-pandemic baseline of HK\$101.9 million in FY2020, the overall personal protective and diagnostics market underwent a massive transformation, registering a robust total CAGR of 34.9% from FY2020 to FY2026 as public health habits fundamentally shifted. Driven by strict government mandates, the Face Masks and Respirator segment recorded HK\$3,086.1 million in FY2022 before contracting sharply to HK\$634.4 million by FY2025, and HK\$480.0 million in FY2026. However, when viewed across the broader FY2020 to FY2026 period, the segment still achieved a robust CAGR of 29.5%, illustrating an enduring elevation in baseline demand compared to pre-2020 levels. Moving forward, the market is projected to stabilize and grow at a 3.9% rate from FY2027 to reach HK\$559.6 million by FY2031, supported by ongoing seasonal influenza awareness and established post-pandemic hygiene routines. Notably, consumer behavior is shifting toward premiumization. Despite lower overall sales volumes, buyers increasingly prioritize high-filtration efficacy, breathability, and aesthetic design, which creates sustained value-creation opportunities for innovative brands.
- Emerging from a virtually non-existent retail presence in FY2020, the self-test respiratory RAT kits market was established at HK\$87.8 million in FY2021 before experiencing extreme volatility, surging from HK\$291.4 million in FY2022 to a peak of HK\$6,352.1 million in FY2023 due to severe infection waves and mandatory testing requirements. Following the end of these mandates, sales plummeted to HK\$199.0 million by FY2025, resulting in a negative CAGR of 17.8% from FY2022 to FY2026 as consumers utilized existing household stockpiles rather than making new retail purchases. The segment is expected to normalize at a lower baseline for occasional symptomatic testing, projected to reach HK\$187.1 million by FY2031 with a CAGR of 6.0% from FY2027. Crucially, the pandemic has permanently established consumer familiarity at-home diagnostics, embedding these tools into routine household health management and establishing a strong foundation for future retail demand in broader, multi-panel health screening kits.

Market Size of Personal Protective and Diagnostics Equipment by Retail Sales Value (Hong Kong), FY2020–FY2031E



Source: Trade Interview with Industry Experts and publicly available market information, Frost & Sullivan

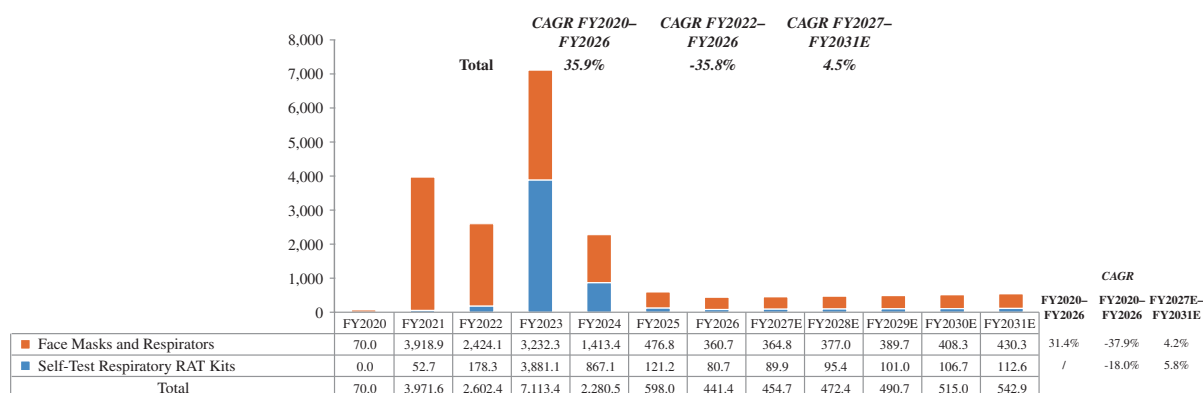
Note: FY denotes the financial year ended 31 March (e.g., FY2026 represents year ended 31 March 2026). Unless otherwise specified, all amounts are stated in HK\$ million.

INDUSTRY OVERVIEW

Market Size by Revenue in Hong Kong

- Mirroring retail trends, brand revenues expanded rapidly from FY2020, registering a total CAGR of 35.9% through FY2026 as public health habits fundamentally shifted. The market has now have moved past the volatility of pandemic-era procurement, stabilizing at elevated baselines in FY2026 to set the stage for steady, margin-driven growth. In the Face Masks and Respirators segment, the FY2020 to FY2026 period yielded a strong CAGR of 31.4%, reflecting a permanent upward shift in baseline demand, revenue normalized at HK\$360.7 million in FY2026 and is forecast to reach HK\$424.8 million by FY2031, representing a CAGR of 4.2% from FY2027, driven by ongoing voluntary usage during seasonal flu periods as well as premiumization where brands capture higher margins through premium, aesthetically driven products. Similarly, the self-test respiratory RAT kits segment reached HK\$80.7 million in FY2026 and is projected to grow at a 5.8% CAGR to HK\$112.6 million by FY2031 as leading brands are pivoting toward broader, multi-panel respiratory screening to meet ongoing healthcare needs.

Market Size of Personal Protective and Diagnostics Equipment by Revenue (Hong Kong), FY2020–FY2031E



Source: Trade Interview with Industry Experts and publicly available market information, Frost & Sullivan

Note: FY denotes the financial year ended 31 March (e.g., FY2026 represents year ended 31 March 2026). Unless otherwise specified, all amounts are stated in HK\$ million.

Key Growth Drivers

Permanent shift in consumer hygiene behavior and awareness — The fundamental change in public health awareness remains a primary B2C market driver, heavily amplified by Hong Kong’s extreme population density and reliance on crowded transit networks such as the MTR. The demand is further reinforced by institutional policies, with hospitals and schools often mandating mask-wearing to mitigate cross-infection among vulnerable groups. Preventive measures are now permanently normalized. Wearing masks during flu seasons, using sanitizers, and self-administering rapid tests before cross-border travel or visiting vulnerable relatives are standard habits. The elevated baseline of health consciousness ensures that personal protective and diagnostics equipment are now treated as essential, fast-moving consumer goods across local pharmacies, supermarkets, and e-commerce platforms.

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Continuous epidemiological shifts and the threat of novel pathogens — The biological evolution of infectious diseases, including COVID-19 variants, seasonal Influenza A/B, and respiratory pathogens such as RSV, creates a persistent need for infection control. As a major international aviation and financial hub with intense cross-border mobility, Hong Kong remains highly susceptible to rapid viral transmission. The dynamic epidemiological landscape ensures demand will not retract to pre-2020 levels. Furthermore, it drives continuous sales and innovation in the diagnostics sector, as consumers and medical institutions require updated, multiplex rapid testing kits frequently to differentiate between evolving strains.

Normalization of corporate and occupational health best practices — Infection control has transitioned from a temporary crisis response to a normalized aspect of corporate risk management. Corporations, educational institutions, and residential care homes continue to follow heightened hygiene guidelines advised by the Centre for Health Protection. Consequently, maintaining a baseline inventory of personal protective and diagnostic equipment is now a routine facility management expense rather than an ad-hoc emergency purchase. The sustained institutional awareness supports steady B2B demand, as organizations place periodic orders to promote workplace safety and minimize staff absenteeism.

Sustained government mandates and strategic stockpiling — Following past supply chain disruptions, the Hong Kong government and major healthcare networks have implemented strict strategic stockpiling policies. Entities such as the Department of Health and the Hospital Authority mandate robust minimum inventories of critical medical supplies to prepare for seasonal respiratory threats. Because these products have strict expiration dates, particularly diagnostic reagents and the electrostatic layers in filtration masks, these stockpiles require continuous, cyclical replenishment. The mandatory replacement cycle provides a robust, guaranteed baseline of demand for upstream manufacturers and midstream distributors.

Future Trends and Outlook of the Industry

Strategic cross-category expansion via technological and brand synergies — Increasingly, innovative and competent manufacturers in the sector are capitalizing on the strong consumer trust and brand recognition they established in the personal protective and diagnostic equipment space to expand into broader lifestyle and wellness categories. Having built a robust reputation for stringent quality assurance, safety, and reliability, these entities are effectively transferring this consumer trust to newly introduced, non-adjacent product lines. The expansion encompasses other high-value categories such as home environmental health devices, smart appliances, and personal care electronics. For consumers and institutional buyers alike, a proven track record in health protection serves as a strong indicator of overall engineering excellence and product safety. By leveraging this established credibility, some competent manufacturers have successfully transitioned from specialized suppliers of medical consumables into comprehensive household wellness brands.

Transition to multiplex and all-in-one diagnostic kits — In the diagnostics sector, consumer preference has rapidly shifted toward multiplex testing kits. With various respiratory pathogens co-circulating during Hong Kong’s flu seasons, consumers and clinics prefer the efficiency of a single swab that can simultaneously detect Influenza A/B, COVID-19, RSV and adenovirus or mycoplasma. Driven by the desire for quick, comprehensive symptom analysis without the need to buy multiple separate tests, these all-in-one kits are now the standard on pharmacy shelves.

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Premiumization and lifestyle-oriented personal protective equipment — In the B2C retail space, personal protective equipment has evolved from clinical supplies into lifestyle accessories. Hong Kong consumers, known for prioritizing aesthetics and quality, are driving a strong premiumization trend. There is a high willingness to pay for enhanced comfort, including 3D ergonomic designs, hypoallergenic layers, and breathable materials suited for Hong Kong’s humid climate. Furthermore, aesthetic customization, such as varied colors, and value-added features, such as aromatherapy patches or moisturizing sanitizers, allow brands to capture higher profit margins.

Diversification into the broader personal health technology ecosystem — As baseline demand for traditional personal protective and diagnostics equipment stabilizes; forward-thinking players are leveraging their brand equity to expand into the broader personal health sector. Manufacturers are diversifying portfolios to include products such as smart wearables, blood pressure monitors, oxygen concentrators, air purifiers and environmental monitors. The horizontal expansion allows companies to transition from consumable medical suppliers to comprehensive lifestyle wellness brands, capturing a larger share of the modern consumer’s health-focused budget.

Advanced localized manufacturing and Industry 4.0 automation — Despite global supply chain stabilization, there is a strong consumer and institutional preference for high-quality, locally manufactured health products. A key opportunity lies in leveraging Industry 4.0 technologies, such as automated cleanrooms, robotics, and AI-driven quality control. Advanced local production ensures stringent quality assurance, builds brand trust, and provides the agility to rapidly launch new designs based on local trends. This high-tech manufacturing approach appeals strongly to quality-conscious consumers and corporate procurement teams prioritizing reliable domestic supply chains.

Market Challenges

Intense competition and the need for brand differentiation — As demand for protective and diagnostic equipment normalizes, intense competition from generic alternatives has emerged. To maintain market share, companies must leverage established brand trust and robust marketing and distribution channels. Furthermore, prioritizing product innovation—such as ergonomic comfort, aesthetic appeal, and lifestyle integration, is crucial to stand out and retain customer loyalty in a saturated market.

Fluctuating seasonal demand and inventory management — Consumer purchasing behaviour has shifted from continuous stockpiling to seasonal buying, peaking during flu seasons and travel periods. The cyclical demand creates significant logistical challenges due to the limited shelf life of diagnostic reagents and degrading mask filtration materials over time. Coupled with Hong Kong’s high warehousing costs, companies must precisely balance inventory to prevent costly obsolescence while ensuring adequate supply for sudden demand spikes.

Cost Analysis

Operating costs in Hong Kong are affected principally by labour costs, commercial rental levels and raw material prices. Driven by inflation and labor shortages, median monthly wages for wholesale and retail staff grew steadily from 2021 to 2025, with CAGRs of 3.7% and 2.5%, respectively, and are projected to continue rising through 2030. Conversely, office and warehouse rental indices contracted historically, with CAGR of -2.4% for 2021 to 2025, but are expected to see a mild recovery, with a

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CAGR of 0.7% from 2026 to 2030. Meanwhile, raw material costs for non-woven fabrics experienced significant post-pandemic volatility but are now normalizing, projecting a stable, long-term equilibrium with a CAGR of 1.0% from 2026 to 2030.

Median Monthly Wage of Labour Engaged in Wholesale and Retail (Hong Kong), 2021–2030E

HK\$	2021	2022	2023	2024	2025	2026E	2030E	CAGR (21–25)	CAGR (26–30)
Wholesale	16,100	16,600	17,000	17,900	18,600	19,200	21,800	3.7%	3.2%
Retail	14,500	14,700	15,000	15,500	16,000	16,500	18,000	2.5%	2.2%

Rental Price Index of Private Offices and Warehouses (Hong Kong), 2021–2030E

Price Index (2021= 100)	2021	2022	2023	2024	2025	2026E	2030E	CAGR (21–25)	CAGR (26–30)
Private Office	100.0	98.5	97.6	94.2	90.6	90.8	93.4	–2.4%	0.7%
Warehouses	100.0	97.1	99.4	96.0	90.9	90.5	93.1	–2.4%	0.7%
Private Retail	100.0	101.5	104.7	103.3	100.2	100.5	100.8	0.0%	0.1%

Raw Material Price Index of Face Masks and Respirator (Hong Kong), 2021–2030E

Price Index (2021= 100)	2021	2022	2023	2024	2025	2026E	2030E	CAGR (21–25)	CAGR (26–30)
Non-woven Fabric	100.0	50.0	58.9	70.5	87.5	89.4	93.2	–3.3%	1.0%

Source: Census and Statistics Department, Rating and Valuation Department, Trade Map, Frost & Sullivan

Note: Data presented in this section is reported on a standard calendar year basis (January 1 to December 31), reflecting the reporting format adopted by the official publications

COMPETITIVE LANDSCAPE

For FY2026, the Hong Kong face masks and respirators market has transitioned from a pandemic-driven surge into a mature, quality-driven, and moderately competitive landscape. Following a period of market consolidation, the industry has shifted away from extreme fragmentation. While the overall market still contains numerous participants, a significant portion of the retail sales value is now concentrated among top-tier brands that have successfully built enduring consumer trust and adapted to post-pandemic lifestyle needs.

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For FY2026, the overall face masks and respirators market in Hong Kong was relatively consolidated, with the top five retailers, including accounting for an aggregate market share of 54.1% in terms of brand revenue. The Group ranked first in the face masks and respirators market in Hong Kong, accounting for a market share of 14.1% in terms of revenue generated from the sales of face masks and respirators for FY2026. Compared to FY2025, the market share of the Group has increased from 12.2% to 14.1% for FY2026.

Ranking and Market Share of Top Five Face Masks and Respirators Brands in terms of Revenue (Hong Kong), For FY2026

Rank	Company	Description	Estimated Revenue (HK\$ Million)	Market Share
1	The Group	Savewo is a Hong Kong-based manufacturer that specialises in the design, development and sale of personal protective equipment, certified diagnostic rapid test kits, and innovative health and wellness products.	50.8	14.1%
2	Company A	The Company is a global manufacturer specializing in medical-grade infection control products and personal protective equipment for both healthcare professionals and consumers.	44.2	12.3%
3	Company B	The Company is a health brand that focuses on producing aesthetically designed face masks in various colors and patterns for everyday consumer use.	38.5	10.7%
4	Company C	The Company is a local healthcare brand traditionally known for first-aid supplies that has expanded its product portfolio to include everyday face masks and hygiene products.	34.2	9.5%
5	Company D	The Company is a multinational conglomerate that manufactures industrial and healthcare personal protective equipment, including a wide range of particulate respirators.	27.3	7.6%
Top Five subtotal			195.0	54.1%
Others			165.7	45.9%
Total Market Size by Revenue			360.7	

Source: Trade Interview with Industry Experts, Frost & Sullivan

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For FY2026, the self-test respiratory RAT kits in Hong Kong were highly consolidated, with the top five retailers, accounting for an aggregate market share of 75.5% in terms of revenue.

The Group ranked third in the self-test respiratory RAT kits in Hong Kong, accounting for a market share of 11.4% in terms of revenue generated from the sales of self-test RAT kits for FY2026. Compared to FY2025, the market share of the Group has increased from 4.5% to 11.4% for FY2026.

Ranking and Market Share of Top Five Self-Test Respiratory RAT kits Brands in terms of Revenue (Hong Kong), For FY2026

Rank	Company	Description	Estimated Revenue (HK\$ Million)	Market Share
1	Company E	The Company is a biotechnology firm that develops and manufactures rapid diagnostic and antigen test kits for screening infectious diseases.	19.8	24.5%
2	Company F	The Company is a biotech brand that develops internationally certified RAT kits utilized by both institutional buyers and individual households.	17.9	22.2%
3	The Group	Savewo is a Hong Kong-based manufacturer that specialises in the design, development and sale of personal protective equipment, certified diagnostic rapid test kits, and innovative health and wellness products.	9.2	11.4%
4	Company C	The Company is a local healthcare brand traditionally known for first-aid supplies that has expanded its product portfolio to include everyday face masks and hygiene products.	8.6	10.7%
5	Company G	The Company is a diagnostics manufacturer focusing on multi-panel rapid test kits that allow users to simultaneously screen for various respiratory infections	5.4	6.7%
Top Five subtotal			60.9	75.5%
Others			19.8	24.5%
Total Market Size by Revenue			80.7	

Source: Trade Interview with Industry Experts, Frost & Sullivan

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Entry Barrier

Stringent regulatory compliance and quality assurance standards — Protective gear and diagnostic products must meet rigorous quality standards and secure certifications from local and international health authorities, such as ISO13485 or CE markings. Furthermore, securing procurement contracts with government bodies demands operations in line with local regulatory frameworks. For instance, diagnostic products, ranging from single-target to advanced multiplex rapid tests must secure specific approvals and listings from the Hong Kong Department of Health. Achieving these credentials requires extensive clinical validation and continuous compliance monitoring, presenting new entrants with formidable financial costs, extended time-to-market, and severe legal risks for non-compliance of quality assurance.

Established distribution networks — Success in this industry relies heavily on entrenched B2B and B2C distribution channels. Institutional buyers like hospitals and government agencies heavily favor established suppliers with proven track records, while retail success requires securing premium shelf space in major pharmacy chains. Incumbents possess long-standing vendor relationships, making it exceptionally difficult for new entrants to penetrate the market without offerings unsustainably deep discounts.

High capital requirements for supply chain resilience and R&D — Operating in this industry demands substantial capital for continuous research and development to ensure product safety, ergonomic design, and technological accuracy. Additionally, companies must maintain highly resilient supply chains and significant inventory buffers to manage sudden demand surges. New entrants typically lack the extensive working capital required to simultaneously fund complex R&D initiatives and sustain the inventory costs necessary for uninterrupted supply.

Brand equity in health and wellness — In the medical and personal wellness sectors, brand equity is intrinsically linked to perceived reliability and safety. Established companies benefit from years of positive clinical outcomes and brand loyalty. As these products directly impact human health and physical safety, both institutional buyers and individual consumers are highly risk-averse and generally reluctant to switch to unproven brands, regardless of competitive pricing.

OVERVIEW OF WHEELCHAIR MARKET

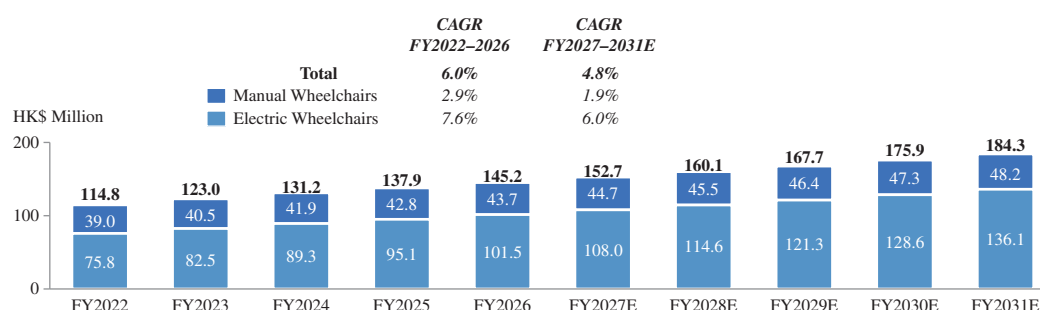
The Wheelchair market comprises assistive equipment designed to provide mobility support, postural stability, and safe transit for individuals who are unable to walk or stand for extended periods. The market encompasses products that facilitate seated movement, primarily manual wheelchairs, and electric wheelchairs. The core function of these devices is to enable indoor and outdoor navigation, assist in activities of daily living, and provide secure mechanical solutions for moving users between different resting positions, thereby supporting the user’s independence and ensuring the caregiver’s operational safety. Products in this market are generally classified into (i) Electric Wheelchairs; (ii) Manual Wheelchairs.

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Market Size by Retail Sales Value

Driven by a rapidly aging demographic and rising demand for home-based care, the overall retail sales value of wheelchairs in Hong Kong is experiencing swift growth. The total market grew from HK\$114.8 million in FY2022 to HK\$145.2 million in FY2026 at a CAGR of 6.0%, and is projected to reach HK\$184.3 million by FY2031, representing a CAGR of 4.8%. Within this expanding market, there is a definitive trend of electric wheelchairs replacing traditional manual models to become the dominant segment of the future. Over the 10-year period from FY2022 to FY2031, the electric wheelchair segment is projected to achieve a remarkable growth of 79.6% (rising from HK\$75.8 million to an estimated HK\$136.1 million), significantly outpacing the 23.6% growth of manual wheelchairs over the same period. By FY2031, electric wheelchairs are forecasted to capture a commanding 73.8% market share. This rapid adoption and market takeover are further accelerated by Hong Kong’s dense urban environment, which necessitates the ultra-lightweight and foldable designs increasingly found in modern electric models.

Retail Sales Value of Wheelchair by Product Type (Hong Kong), FY2022–FY2031E



Source: Trade Interview with Industry Experts, Frost & Sullivan

Note: FY denotes the financial year ended 31 March (e.g., FY2026 represents year ended 31 March 2026).

OVERVIEW OF PERSONAL HEALTHCARE PRODUCT MARKET

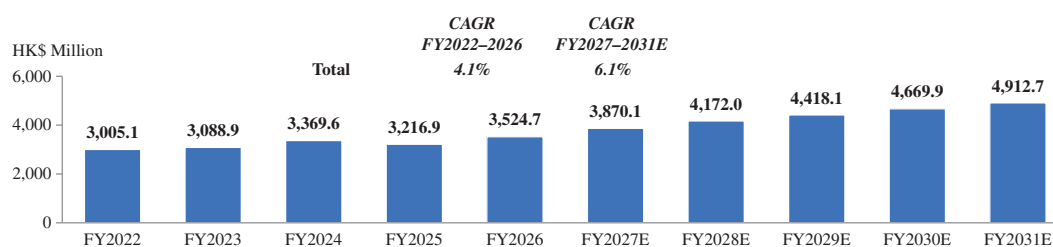
Personal healthcare products market represent a broad and evolving consumer goods market encompassing devices, accessories, and consumables designed to maintain, monitor, and enhance individual well-being outside of traditional clinical settings. Driven by the rising consumer focus on preventative health, environmental wellness, and active living, this market bridges the gap between traditional medical supplies and lifestyle-oriented consumer electronics. Products in this market are generally classified into (i) personal health and wellness devices, such as oxygen concentrators and electric massagers; (ii) environmental wellness device, such as air purifiers, humidifiers, portable cooling/heating devices etc.; (iii) personal care & grooming electronics, such as haircare dryer, Tens & EMS devices; (iv) wound care products, such as dressings, bandages; and (v) health monitoring devices, such as blood pressure monitors, thermometers and pulse oximeters.

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Market Size by Retail Sales

The retail sales value of personal healthcare products demonstrated resilient growth, expanding from HK\$3,005.1 million in FY2022 to HK\$3,524.7 million in FY2026 at a CAGR 4.1%. Fueled by renewed consumer spending on preventative wellness, an aging demographic seeking therapeutic devices, and rising environmental awareness boosting climate-comfort goods, the market is projected to accelerate. Crucially, the continuous expansion of personal healthcare product is catalyzed by advancements in battery technology and the European Union’s Common Charger Directive. Mobile medical devices including blood pressure monitors and oxygen concentrators were once limited by disposable batteries and proprietary chargers. Universal USB-C compatibility lets them run on standard chargers and power banks for seamless outdoor use. Greater convenience motivates consumers to upgrade to modern portable health devices, removing key usage barriers and significantly expanding the market size of portable medical equipment. Expanding at a CAGR of 6.1% from FY2027, the sector is estimated to reach HK\$4,912.7 million by FY2031, further supported by the ongoing integration of digital health tracking into daily life.

Retail Sales Value of Personal Healthcare Product (Hong Kong), FY2022–FY2031E



Source: Trade Interview with Industry Experts, Frost & Sullivan

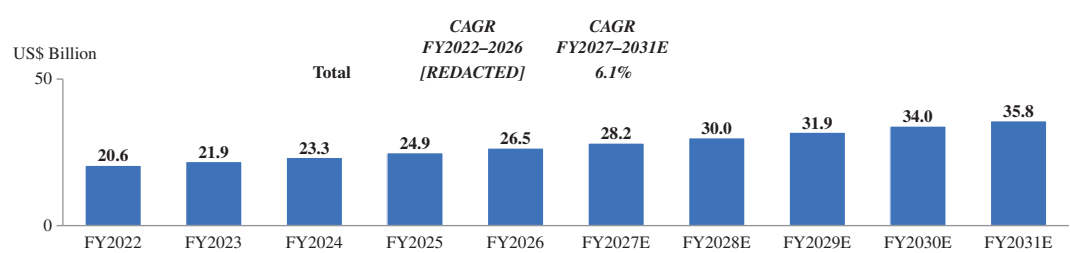
Note: FY denotes the financial year ended 31 March (e.g., FY2026 represents year ended 31 March 2026).

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Market Size of Wound Care Products Globally

The global wound care products industry encompasses a spectrum of medical dressings essential for patient treatment and recovery. The market includes traditional foundational materials, such as standard gauzes, alongside advanced technological solutions designed to accelerate healing. These advanced offerings feature Thermoplastic Polyurethane (“TPU”)-based technologies, which utilize absorbent foams and breathable, waterproof films to optimize exudate management, as well as other sophisticated alternatives such as hydrocolloids, alginates, and biological dressings. Reflecting steady global demand across this diverse product portfolio, the total market value expanded from US\$20.6 billion in FY2022 to US\$26.5 billion in FY2026, registering a CAGR of 6.5%. Looking ahead, the industry is projected to maintain a stable upward trend, driven by the continuous need for standard medical procedures and the growing adoption of advanced healing technologies across various clinical applications, the overall market is forecast to reach US\$35.8 billion by FY2031, representing a steady CAGR of 6.1% from FY2027.

Retail Sales Value of Wound Care Products (Global), FY2022–FY2031E



Source: Trade Interview with Industry Experts and publicly available market information, Frost & Sullivan

Note: FY denotes the financial year ended 31 March (e.g., FY2026 represents year ended 31 March 2026).

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This section sets out an overview of material laws and regulations applicable to the operations of the Group in Hong Kong, being the primary jurisdiction in which we have carried out our operations and business and from which we have derived our revenue during the Track Record Period and up to the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, the Group has been primarily engaged in the development, manufacturing and multi-channel distribution of personal protective and healthcare products in Hong Kong. As such, the Group is subject to the relevant laws and regulations in Hong Kong as set out below in this section.

Information contained in this section should not be construed as a comprehensive summary of all the laws and regulations applicable to the Group.

A. LAWS AND REGULATIONS IN RELATION TO THE MANUFACTURE, SALE AND DISTRIBUTION OF OUR PRODUCTS

Consumer Goods Safety Ordinance (Chapter 456 of the Laws of Hong Kong) (the “CGSO”)

The CGSO imposes a statutory duty on manufacturers, importers and suppliers of consumer goods to ensure the reasonable safety having considered all the relevant circumstances of their products, which applies to certain consumer goods (such as disposable face masks, wound care consumables, RAT kits, mobility products and, other personal protective and healthcare products) manufactured, sold and/or distributed by the Group in Hong Kong.

The following goods are not covered by the CGSO: (a) food and water; (b) pleasure craft and similar vessels; (c) aircraft (other than hang-gliders); (d) motor vehicles; (e) gas, liquefied petroleum gas containers, gas appliances, gas fittings and flexible gas tubing, as defined under the Gas Safety Ordinance (Chapter 51 of the Laws of Hong Kong); (f) electrical products; (g) pesticides; (h) tobacco and tobacco products; (i) pharmaceutical products, poisons and antibiotics; (j) traditional Chinese medicines; (k) toys and children’s products within the meaning of the Toys and Children’s Products Safety Ordinance (Chapter 424 of the Laws of Hong Kong); and (l) any other goods the safety of which is regulated by specific legislation.

Section 4(1) of the CGSO sets out a general safety requirement, which requires consumer goods to be reasonably safe having regard to all of the circumstances including: (a) the manner in which, and the purpose for which the products are presented, promoted or marketed; (b) the use of any mark in relation to the consumer goods and instructions or warnings given for the keeping, use or consumption of the consumer goods; (c) reasonable safety standards published by a standards institute or similar body for consumer goods of the description which applies to the consumer goods or for matters relating to consumer goods of that description; and (d) the existence of any reasonable means (taking into account the cost, likelihood and extent of any improvement) to make the consumer goods safer.

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Section 6 of the CGSO provides that a person shall not supply, manufacture, or import into Hong Kong any consumer goods unless the consumer goods comply with the general safety requirements or, where applicable, the particular safety standards and specifications prescribed by the Secretary for Commerce and Economic Development of Hong Kong.

Under section 22 of the CGSO, a person who contravenes section 6 of the CGSO commits an offence and the offender is liable on first conviction to a fine at HK\$100,000 and to imprisonment for one year, and on subsequent conviction to a fine of HK\$500,000 and to imprisonment for two years. The Commissioner of Customs and Excise also has the power to serve a recall notice requiring the immediate withdrawal of any consumer goods or products which are believed to be unsafe and may cause serious injury.

Consumer Goods Safety Regulations (Chapter 456A of the Laws of Hong Kong) (the “CGSR”)

The CGSR requires that any warning or caution related to the safe keeping, use, consumption or disposal of any consumer goods must be given in both the English and Chinese languages. The warning or caution label must be legible and placed in a conspicuous position on the consumer goods, or any package of the consumer goods, or on a label securely affixed to the packaging, or a document enclosed in the package.

Any person who supplies consumer goods which do not comply with the above requirements commits an offence and is liable on first conviction to a fine at HK\$100,000 and to imprisonment for one year, and on subsequent conviction to a fine of HK\$500,000 and to imprisonment for two years.

Electricity Ordinance (Chapter 406 of the Laws of Hong Kong) (the “Electricity Ordinance”) and Electrical Products (Safety) Regulation (Chapter 406G of the Laws of Hong Kong) (the “EPSR”)

Electrical products are regulated by the Electricity Ordinance, which imposes statutory duty on suppliers to ensure that the electrical products supplied comply with the prescribed safety requirements.

The EPSR, made under the Electricity Ordinance, provides statutory control over the safety of household electrical products supplied in Hong Kong with the objective to enhance public safety in the use of these products.

The EPSR applies to all electrical products which are: (a) designed for household use; or (b) supplied in Hong Kong (including those imported, manufactured locally or intended for use outside Hong Kong). However, the EPSR does not apply to an electrical product which is: (i) under transshipment or in transit through Hong Kong; (ii) manufactured in Hong Kong for export; (iii) supplied for reconditioning; (iv) supplied as scrap; (v) a travel adaptor; (vi) supplied in a place other than Hong Kong under a sale agreement entered into in Hong Kong; or (vii) supplied as part of or in connection with a disposition of any premises unless the disposition is the first disposition made prior to the first occupation of the premises (where “disposition” includes a sale, lease, licence and permission to occupy). In addition, the EPSR does not apply to electrical products which are operated at voltage not exceeding 50V a.c. or 120V d.c. (as the case may be).

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The EPSR requires that all household electrical products shall comply with the “essential safety requirements” to protect users from hazards arising from the electrical products and hazards which may be caused by external influences on the electrical products. Certain types of household electrical products which are of special nature and more liable to cause hazards are classified as “prescribed products”, which shall comply with the “specific safety requirements” in addition to the “essential safety requirements”. Prescribed products include plugs, adaptors, lampholders, flexible cords, extension units and unvented thermal storage type electric water heaters. For some specific types of electrical products, certain additional safety requirements will also apply. For instance, a 110V a.c. electrical product shall carry a warning label.

The EPSR requires suppliers to ensure that a certificate of safety compliance has been issued in respect of an electrical product designed for household use before it can be supplied in the market. The EPSR also empowers the Director of Electrical and Mechanical Services to require the supplier of any electrical product, which is found not complying with the applicable safety requirements, to notify those to whom he has supplied the product of the hazardous defects in the product, to accept a return of the product, to refund the purchasers, and to notify the public of the matter through television, newspapers and other effective means.

The Medical Device Administrative Control System (the “MDACS”)

There is currently no specific legislation to regulate the manufacture, import, distribution, supply and use of medical devices in Hong Kong. However, the MDACS has been implemented by the Medical Device Division of the Department of Health (the “DOH”) as a risk-based framework for the management and supervision of medical devices in Hong Kong to ensure that medical devices supplied in Hong Kong meet the relevant safety, quality and performance requirements.

The MDACS consists of a voluntary listing system for Classes II, III and IV general medical devices and Classes B, C and D in vitro diagnostic (“IVD”) medical devices, as well as a post-market monitoring system.

Scope of the MDACS

Per Guidance Notes: GN-00, Definitions and Abbreviations for the Medical Device Administrative Control System issued by the DOH, for the purpose of the MDACS, “medical device” means any instrument, apparatus, implement, machine, appliance, implant, *in vitro* reagent or calibrator, software, material or other similar or related article, intended by the manufacturer to be used, alone or in combination, for human beings for one or more of the specific purpose(s) of: (a) diagnosis, prevention, monitoring, treatment or alleviation of disease; (b) diagnosis, monitoring, treatment, alleviation of or compensation for an injury; (c) investigation, replacement, modification, or support of the anatomy or of a physiological process; (d) supporting or sustaining life; (e) control of conception; or (f) disinfection of medical devices; or (g) providing information for medical or diagnostic purposes by means of in vitro examination of specimens derived from the human body and which does not achieve its primary intended action in or on the human body by pharmacological, immunological, or metabolic means, but which may be assisted in its intended function by such means.

REGULATORY OVERVIEW

Per Guidance Notes: GN-01, Overview of the Medical Device Administrative Control System issued by DOH, the importer, local manufacturer and the distributor may be listed in the MDACS per GN-07, GN-08 and GN-09 respectively. If an oversea manufacturer of the medical devices does not have an office in Hong Kong, a Local Responsible Person is required, and will need to take the obligations of application for listing medical devices, complaint handling, reporting of adverse events and other field actions as per GN-01.

Although the listing of a medical device under the MDACS is voluntary, in accordance with the procurement requirements of the DOH and the Hospital Authority (the “HA”) of Hong Kong, such listing under the MDACS will generally be required in order for a medical device to be approved for supply to the DOH or the HA.

Classification and listing of medical devices

Medical device classification in Hong Kong adopts the classification rules promulgated by the International Medical Device Regulator Forum.

According to Technical Reference: TR-003, Classification Rules for Medical Devices, general medical devices are classified as Class I, Class II, Class III and Class IV for low-risk devices, low-moderate risk devices, moderate-high risk devices, and high-risk devices, respectively.

According to Technical Reference: TR-006, Classification of In Vitro Diagnostic Medical Devices (IVDMDs), IVD medical devices are classified as Class A, Class B, Class C and Class D for low individual risk and low public health risk, moderate individual risk and/or low public risk, high individual risk and/or moderate public health risk, and high individual risk and high public health risk, respectively.

Class I general medical devices and Class A IVD medical devices are outside the scope of the listing system of the MDACS. Other devices shall follow either: (a) in the case of general medical devices, GN-02: Guidance Notes for [REDACTED] Class II/III/IV General Medical Devices; or (b) in the case of IVD medical devices, GN-06: Guidance Notes for Listing Class B, C and D In Vitro Diagnostic Medical Device, to prepare the application with supporting documents, and then submit the same to the Medical Device Division. The Medical Device Division will review the application and issue a certificate of listing after completing the review. The certificate will be valid for 5 years and application for renewal of the certificate shall be submitted no later than 12 weeks before the expiry date as per GN-01.

Certain of our products, in particular RAT kits for COVID-19 and other pathogens, have been listed as Class C medical devices under the MDACS as per GN-06.

Sale of Goods Ordinance (Chapter 26 of the Laws of Hong Kong) (the “SOGO”)

The contract sale of our products in Hong Kong is governed by the SOGO which provides that where a seller sells goods in the course of a business, there are implied conditions, inter alia, that:

- (a) where there is a contract for the sale of goods by description, the goods shall correspond with the description;

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- (b) the goods supplied are of merchantable quality, except that there is no such condition (i) as regards defects specifically drawn to the buyer’s attention before the contract is made, or (ii) if the buyer examines the goods before the contract is made, as regards defects which that examination ought to reveal, or (iii) if the contract is a contract by sample, as regards defects which would have been apparent on a reasonable examination of the sample;
- (c) where the seller sells goods in the course of a business and the buyer, expressly or by implication, makes known to the seller any particular purpose for which the goods are being bought, the goods supplied under the contract shall be reasonably fit for that purpose, except where the circumstances are such as to show that the buyer does not rely, or that it is unreasonable for him to rely, on the seller’s skill or judgment; and
- (d) where there is a contract for sale by sample, there are implied conditions that (i) the bulk shall correspond with the sample in quality, (ii) the buyer shall have a reasonable opportunity of comparing the bulk with the sample, and (iii) the goods shall be free from any defect, rendering them unmerchantable, which would not be apparent on reasonable examination of the sample.

In the event of breach of any such implied conditions, the buyer has the right to repudiate the contract, reject the goods and demand a full refund. However, any right, duty or liability which arises under a contract of sale of goods by implication of law may be negated or varied by express agreement, or by course of dealings between the parties, or by usage if the usage is such as to bind both parties to the contract, subject to the Control of Exemption Clauses Ordinance (Chapter 71 of the Laws of Hong Kong), which will be further elaborated below.

As the business of our Group involves selling goods to our customers, our operations are subject to the provisions of SOGO.

Import and Export Ordinance (Chapter 60 of the Laws of Hong Kong) (the “IEO”)

The IEO provides for the regulation and control of the import of articles into Hong Kong, the export of articles from Hong Kong, the handling and carriage of articles within Hong Kong which have been imported into Hong Kong or which may be exported from Hong Kong, and any matter incidental to or connected with the foregoing.

The import and export of certain articles are prohibited unless with the relevant licences under sections 6C and 6D which are issued under section 3 of the IEO. These regulated articles include, among other things, certain pharmaceutical products and medicines, controlled chemicals, hydrofluorocarbons and ozone depleting substances, dutiable commodities and strategic commodities.

During the Track Record Period and as at the Latest Practicable Date, our Group had not imported any articles which would contravene section 6C of the Import and Export Ordinance nor exported any articles which would contravene section 6D of the Import and Export Ordinance, and is not required to obtain a licence under section 3 of the Import and Export Ordinance.

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Import and Export (Registration) Regulations (Chapter 60E of the Laws of Hong Kong) (the “IER”)

Pursuant to regulation 4 of the IER, every person who imports any article (other than an exempted article) shall lodge with the Commissioner of Customs and Excise an accurate and complete import declaration relating to such article using services provided by a specified body, in accordance with the requirements that the Commissioner of Customs and Excise may specify. Every declaration required to be lodged shall be lodged within 14 days after the importation of the article to which it relates.

Pursuant to regulation 5 of the IER, every person who exports or re-exports any article (other than an exempted article) shall lodge with the Commissioner of Customs and Excise an accurate and complete export declaration relating to such article using services provided by a specified body, in accordance with the requirements that the Commissioner of Customs and Excise may specify. Every declaration required to be lodged shall be lodged within 14 days after the exportation of the article to which it relates.

Any person who fails or neglects to lodge such declaration as required under regulations 5 of the IER within 14 days after the importation or exportation (as the case may be) of the article to which it relates without any reasonable excuse shall be liable to a fine of HK\$1,000 upon summary conviction, and commencing from the date of conviction, a fine of HK\$100 in respect of everyday during which his failure or neglect to lodge such declaration continues. Further, any person who knowingly or recklessly lodges any declaration with the Commissioner of Customs and Excise that is false or inaccurate in any material particular shall be liable on summary conviction to a fine of HK\$10,000.

Regulation 3 of the IER sets out certain exemptions in respect of regulations 4 and 5 of the IER. Pursuant to Regulation 3 of the IER, exempted articles include, among other things, any article: (a) which consists solely of, and is marked clearly as, advertising material and which is supplied free of charge; (b) which consists solely of, and is marked clearly as, a sample of any product and which is intended, to the satisfaction of the Commissioner, to be distributed free of charge for the purpose of advertising the article of which it is a sample; (c) which is imported solely for the purpose of exhibition and which is intended, to the satisfaction of the Commissioner, to be exported after it has been exhibited and is neither sold nor disposed of in any other way in Hong Kong; (d) which is exported solely for the purpose of exhibition and which is intended, to the satisfaction of the Commissioner, to be imported after exhibition; and (e) gifts of a personal nature where no payment is or is to be made by the receiver thereof.

Export (Certificates of Origin) Regulations (Chapter 60H of the Laws of Hong Kong) (the “ECOR”)

Pursuant to the ECOR, manufacturers are required to register under Factory Registration (“FR”) system of the Trade and Industry Department of Hong Kong to demonstrate that they possess sufficient capacity to produce the products concerned before they may: (a) apply for a certificate of origin in respect of their relevant exports; or (b) participate in (i) the Outward Processing Arrangement (OPA), which enables registered manufacturers to subcontract the subsidiary or minor finishing processes outside Hong Kong without affecting the eligibility of such goods for attaining Hong Kong origin status and/or the Local Subcontracting Arrangement

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(LSA), which allows manufacturers to employ local subcontractors to carry out either the principal or origin-conferring process(es) of manufacture or the entire production of goods to be covered in an application for a certificate of origin.

To be eligible as a registrable manufacturing concern, the manufacturer must: (a) be registered with the Business Registration Office of the Inland Revenue Department; (b) have fixed, self-contained premises (which may be self-owned or rented); (c) have machinery installed in the factory premises suitable for the manufacture of the product to be registered; (d) have labour force employed by the factory to produce the goods to be registered (the labour may be regular or casual workers on monthly, daily-paid or piece-rate basis); and (e) maintain up-to-date and accurate books and records on the factory’s operations.

A manufacturer’s FR is valid for one year. A registration fee is chargeable for annual renewal of the FR with the Trade and Industry Department, and a manufacturer’s FR will become invalid if it is not renewed before its expiry. The Customs and Excise Department conducts pre-registration inspection and re-inspections on registered factories periodically to ensure that the registration information is accurate.

Throughout the Track Record Period and up to the Latest Practicable Date, we have held a valid FR in respect of our factory premises operated in Hong Kong and have in all material respects complied with the applicable requirements under the ECOR.

Control of Exemption Clauses Ordinance (Chapter 71 of the Laws of Hong Kong) (the “CECO”)

The contracts that we enter into with our customers governed by the laws of Hong Kong are subject to the CECO, which aims to limit the extent to which civil liability for breach of contract, or for negligence or other breach of duty, can be avoided by means of contract terms and otherwise.

Under section 7 of the CECO, a person cannot by reference to any contract term or to a notice given to persons generally or to particular persons exclude or restrict his liability for death or personal injury resulting from negligence. Further, in the case of other loss or damage, a person cannot so exclude or restrict his liability for negligence except in so far as the term or notice satisfies the requirement of reasonableness.

Under section 9 of the CECO, a person dealing as consumer cannot by reference to any contract term be made to indemnify another person (whether a party to the contract or not) in respect of liability that may be incurred by the other for negligence or breach of contract, except in so far as the contract term satisfies the requirement of reasonableness.

Under section 11 of the CECO, as against a person dealing as consumer, liability for breach of the obligations arising from sections 15, 16 or 17 of the SOGO (including seller’s implied undertakings as to conformity of goods with description or sample, or as to their quality or fitness for a particular purpose) cannot be excluded or restricted by reference to any contract term, and as against a person dealing otherwise than as consumer, the liability arising from sections 15, 16 or 17 of the SOGO can be excluded or restricted by reference to a contract term, but only in so far as the term satisfies the requirement of reasonableness.

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In relation to a contract term, the requirement of reasonableness for the purposes of the CECO is satisfied only if the court or arbitrator determines that the term was a fair and reasonable one to be included having regard to the circumstances which were, or ought reasonably to have been, known to or in the contemplation of the parties when the contract was made.

Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) (the “PDPO”)

The PDPO aims to safeguard the privacy of individuals in relation to the collection, processing and use of personal data. Section 2 of the PDPO defines “personal data” as any data (a) relating directly or indirectly to a living individual; (b) from which it is practicable for the identity of the individual to be directly or indirectly ascertained; and (c) in a form in which access to or processing of the data is practicable. The PDPO regulates the conduct of a data user, namely a person who, either alone or jointly or in common with other persons, controls the collection, holding, processing or use of the personal data.

During the Track Record Period and as at the Latest Practicable Date, we operated an e-commerce platform (<https://store.savewo.com>) for the sale of our products. Users and/or visitors of our online store may choose to register as our members. During the registration process, we collect our member’s personal information or other data some of which may constitute “personal data” under the PDPO. We may also monitor the online behavior of our users so as to gather data for market trend analysis. As such, our collection, handling and use of such personal data are regulated by the PDPO and in such context, our Group would fall within the definition of “data user” as defined under the PDPO.

Thus, in carrying out our Group’s operations, we are required to comply with the PDPO and its six Data Protection Principles (DPPs), namely: (a) principle 1 — purpose and manner of collection of personal data; (b) principle 2 — accuracy and duration of retention of personal data; (c) principle 3 — use of personal data; (d) principle 4 — security of personal data; (e) principle 5 — information to be generally available; and (f) principle 6 — access to personal data.

B. LAWS AND REGULATIONS IN RELATION TO ADVERTISING AND PROMOTION

In the course of our Group’s operations, we may engage in advertising activities and practices to promote our products, which is subject to various ordinances and regulations in relation to advertising and promotion of products and services in Hong Kong.

Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) (the “TDO”)

The TDO aims to prohibit false trade descriptions, false, misleading or incomplete information, false marks and misstatements in respect of goods provided in the course of trade or supply of such goods, which shall be applicable to our Group in respect of the sale, distribution and promotion of our products. All of the products supplied by our Group may be required to comply with the relevant provisions of the TDO.

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Section 2 of the TDO provides, inter alia, that “trade description” in relation to goods means an indication, direct or indirect, and by whatever means given, of certain matters (including, among other things, quantity, method of manufacture, composition, fitness for purpose, availability, compliance with a standard specified or recognised by any person, price, their being of the same kind as goods supplied to a person, price, place or date of manufacture, production, processing or reconditioning, and person by whom manufactured, produced, processed or reconditioned), with respect to any goods or parts of the goods; and in relation to services means an indication, direct or indirect, and by whatever means given, of certain matters (including, among other things, nature, scope, quantity, fitness for purpose, method and procedures, availability, the person by whom the service is supplied, after-sale service assistance, and price).

Section 7 of the TDO makes it an offence for any person who, in the course of any trade or business, applies a false trade description to any goods or supplies or offer to supply any goods to which a false description is applied. Section 7A of the TDO extends this prohibition to services, making it an offence for a trader to apply a false trade description to a service supplied or offered to a consumer, or to supply or offer such a service.

Section 12 of the TDO prohibits the import or export of goods to which a false trade description or a forged trademark has been applied.

Sections 13E, 13F, 13G, 13H and 13I of the TDO provide that a trader who engages in relation to a consumer in a commercial practice that is a misleading omission, or is aggressive, or constitutes bait advertising, or constitutes a bait and switch, or constitutes wrongly accepting payment for a product, commits an offence.

A person who commits an offence under sections 7, 7A, 12, 13E, 13F, 13G, 13H or 13I of the TDO shall be subject, on conviction on indictment, to a fine of HK\$500,000 and to imprisonment for 5 years, and on summary conviction, to a fine at HK\$100,000 and to imprisonment for 2 years.

Undesirable Medical Advertisements Ordinance (Chapter 231 of the Laws of Hong Kong) (the “UMAO”)

The UMAO aims to protect public health through prohibiting or restricting the publication of advertisements for medicine, surgical appliance or treatment that may induce the seeking of improper management of certain health conditions.

In particular, the UMAO prohibits the use of any advertisements that will likely lead to the use of any surgical appliance or treatment, including the use of medicine and surgical appliances, of certain diseases or conditions, including, among others, any disease of the heart or cardiovascular system, including rheumatic heart disease, arteriosclerosis, coronary artery disease, arrhythmias, hypertension, cerebrovascular disease, congenital heart disease, thrombosis, peripheral artery disease, oedema, retinal vascular change and peripheral venous disease.

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C. LAWS AND REGULATIONS IN RELATION TO INTELLECTUAL PROPERTIES

Trade Marks Ordinance (Chapter 559 of the Laws of Hong Kong) (the “TMO”)

The TMO provides for the registration of trademarks, the use of registered trademarks and connected matters. Hong Kong provides territorial protection for trademarks. Therefore, trademarks registered in other countries or regions are not automatically entitled to protection in Hong Kong. In order to enjoy protection by the laws of Hong Kong, trademarks must be registered with the Trade Marks Registry of the Intellectual Property Department under the TMO and the Trade Marks Rules (Chapter 559A of the Laws of Hong Kong).

According to section 10 of the TMO, a registered trademark is a property right obtained by registration under the TMO, and the owner of a registered trademark has the rights and is entitled to the remedies provided by the ordinance. Section 14 of the TMO further provides that the owner of a registered trademark has exclusive rights in the trademark which are infringed by use of the trademark in Hong Kong without his consent.

For details of the trademarks which are material to the operations of the Group, please refer to the section headed “Statutory and General Information — B. Further Information About the Business of Our Group — Intellectual property rights of our Group” in Appendix IV to this document.

Under section 18 of the TMO, a person infringes a registered trademark if: (a) he uses in the course of trade or business a sign which is identical to the trademark in relation to goods or services which are similar to those for which it is registered; and (b) the use of the sign in relation to those goods or services is likely to cause confusion on the part of the public.

Subject to the exceptions in sections 19 to 21 of the TMO, any use of the trademark by third parties without the consent of the owner is an infringement of the trademark.

An infringement of a registered trademark is actionable by the registered owner of the trademark who may apply to the court for orders to deal with the infringing goods, material or articles, such as an order for delivery up, forfeiture, destroy, disposal or an order as the court may decide.

Patents Ordinance (Chapter 514 of the Laws of Hong Kong) (the “PO”)

The PO provides the legal framework for the grant, registration, protection and related administration of patents in Hong Kong. Hong Kong provides territorial protection, meaning that patent rights obtained in other jurisdictions are not automatically enforceable in Hong Kong. Accordingly, where the Group seeks patent protection in Hong Kong for any relevant inventions or technological improvements, such protection would generally need to be sought through the Hong Kong patent system under the PO and related rules and procedures.

Under the PO, a patent constitutes a statutory property right granted by the relevant authority, and the patent owner is entitled to the rights and remedies provided by the PO.

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For details of the patents which are material to the operations of the Group, please refer to the sub-section headed “B. Further Information About the Business of Our Group — 2. Intellectual property rights of our Group” in Appendix IV to this document.

Under section 80 of the PO, civil proceedings may be brought in the court by the proprietor of a patent in respect of any act of infringement for which he alleges he is entitled to seek remedies including injunctions, damages or an account of profits.

D. LAWS AND REGULATIONS IN RELATION TO LABOUR, HEALTH AND SAFETY

Employment Ordinance (Chapter 57 of the Laws of Hong Kong) (the “EO”)

The EO applies to every employee engaged under a contract of employment in Hong Kong to an employer of such employee, and to a contract of employment between such employer and employee. The EO provides, inter alia, the following entitlements or protections to an employee: (a) year-end payments; (b) maternity and paternity protection; (c) rest days; (d) protection against anti-union discrimination; (e) severance payment; (f) long service payment; (g) employment protection; (h) sickness allowance; (i) holidays with pay; and (j) annual leave with pay. Apart from these protections, the EO also provides standard duties and obligations to be implied in contracts between employers and employees, as well as the formalities to be observed for employment contracts.

Employees’ Compensation Ordinance (Chapter 282 of the Laws of Hong Kong) (the “ECO”)

Under the ECO, no employer shall employ any employee in any employment unless there is in force in relation to such employee a policy of insurance issued by an insurer for an amount not less than the applicable amount specified in the ordinance in respect of the employer’s liability. An employer who fails to comply with the above commits an offence and is liable, on conviction upon indictment, to a fine at HK\$100,000 and imprisonment of two years and, on summary conviction, to a fine at HK\$100,000 and imprisonment for one year.

Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) (the “MPFSO”)

The MPFSO provides for the establishment and regulation of non-governmental mandatory provident fund schemes, enabling for members of the workforce to accumulate financial benefits for retirement.

Pursuant to the MPFSO, unless otherwise exempted, employers are required to arrange their employees who are aged between 18 and 64 and employed for not less than 60 days to be enrolled as a member of a mandatory provident fund scheme (“**MPF Scheme**”). Employers and employees are both required to contribute 5% of the employee’s monthly relevant income as mandatory contribution to the MPF Scheme, subject to the minimum and maximum level of relevant income for contribution purpose. An employer who without reasonable excuse fails to enroll his employees in a MPF Scheme commits an offence and is liable on conviction to a fine of HK\$350,000 and to imprisonment for 3 years, while an employer who without reasonable excuse fails to comply with the contribution requirement is liable on conviction to a fine of HK\$450,000 and to imprisonment for 4 years.

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Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong) (the “MWO”)

The MWO provides that an employee is entitled to be paid wages not less than the minimum wage in respect of any wage period. The prescribed minimum hourly wage rate at present is HK\$42.1 per hour, effective from 1 May 2025, and will increase to HK\$43.1 with effect from 1 May 2026.

Pursuant to section 15 of the MWO, a provision of a contract of employment that purports to extinguish or reduce any right, benefit or protection conferred on the employee by the MWO is void. The MWO applies to every employee being engaged under a contract of employment to which the EO applies, except those who are employed as a domestic worker in, or in connection with, a household and who dwells in that household free of charge, a student intern, or a work experience student during a period of exempt student employment.

Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong) (the “OSHO”)

The purpose of the OSHO is to ensure the safety and health of employees when they are at work; to prescribe measures that will contribute to making the workplaces of employees safer and healthier for them; to improve the safety and health standards applicable to certain hazardous process, plant and substances used or kept in workplaces; and generally to improve the safety and health aspects of working environments of employees.

The employer shall ensure the safety and health at work of all his employees by: (a) providing and maintaining plant and work systems that are safe and without risks to health; (b) making arrangements for ensuring safety and absence of risks to health in connection with the use, handling, storage or transport of plant or substances; (c) providing all necessary information, instruction, training and supervision as may be necessary to ensure the safety and health at work of his employees; (d) maintaining the workplace in a condition that is safe and without risks to health; (e) providing or maintaining safe means of access to and egress from the workplace; and (f) providing and maintaining a working environment that is safe and without risks to health.

Occupiers Liability Ordinance (Chapter 314 of the Laws of Hong Kong) (the “OLO”)

The OLO regulates the obligations of a person occupying or having control of premises on injury resulting to persons or damage caused to goods or other property lawfully on the land.

The OLO imposes a common duty of care on an occupier of premises to take such care as in all the circumstances of the case is reasonable to see that the visitor will be reasonably safe in using the premises for the purposes for which he is invited or permitted by the occupier to be there.

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Factories and Industrial Undertakings Ordinance (Chapter 59 of the Laws of Hong Kong) (the “FIUO”)

The FIUO provides for the safety and health protection to workers in the industrial sector. It imposes a duty on a proprietor of an industrial undertaking to ensure, so far as is reasonably practicable, the health and safety at work of all persons employed by him at the industrial undertaking. The general duties of a proprietor include:

- (a) providing and maintaining plant and work systems that do not endanger safety or health;
- (b) making arrangement for ensuring safety and health in connection with the use, handling, storage and transport of plant or substances;
- (c) providing all necessary information, instruction, training and supervision for ensuring safety and health;
- (d) providing and maintaining safe access to and egress from the workplaces; and
- (e) providing and maintaining a safe and healthy working environment.

A proprietor of an industrial undertaking who contravenes any of these duties may be liable to a fine of HK\$3,000,000 on summary conviction, or on conviction on indictment to a fine of HK\$10,000,000; if found to have contravened wilfully and without reasonable excuse, to a fine of HK\$3,000,000 and to imprisonment for six months on summary conviction, or on conviction on indictment to a fine of HK\$10,000,000 and to imprisonment for two years.

E. LAWS AND REGULATIONS IN RELATION TO ENVIRONMENTAL PROTECTION

Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong) (the “APCO”)

The Air Pollution Control Ordinance is the principal legislation in Hong Kong for controlling emission of air pollutants and noxious odour from industrial, construction and commercial activities and other polluting sources. Subsidiary regulations of the APCO also impose control on air pollutant emissions from certain specified operations and processes through the issue of licences and permits.

Under section 10 of the APCO, where the emission of air pollutants from a polluting process (which includes any activity, process or the operation of a chimney, furnace, engine, oven, industrial plant, machinery or equipment (each a “**Relevant Source**”) that evolves air pollutant) is causing or contributing to air pollution which exists or which is imminent, the Director of the Environmental Protection Department (the “**EPD Director**”) may serve an air pollution abatement notice to the owner of the premises or to the person carrying out the activity requiring him: (a) to cease the emission of air pollutants from the premises or to cease the operation of the polluting process; (b) to reduce the emission of air pollutants from the premises or polluting process; and/or (c) to take other steps to abate the emission of air pollutants from the premises or polluting process.

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Under section 30 of the APCO, where it appears to the EPD Director that the emission of air pollutants from any Relevant Source is caused by unsuitable design, defective construction or lack of maintenance; excessive wear and tear; use of unsuitable fuel or other material; or improper operation, the EPD may serve a notice on the owner of the premises in which the Relevant Source is found to require him to rectify such deficiencies and/or to prohibit the use of such unsuitable fuel or other material.

A person who fails to comply with a notice given to him under section 10 or section 30 of the APCO commits an offence. In the case of failure to cease the operation of a polluting process as specified in a notice served under section 10 of the APCO, the offender is liable to a fine of HK\$500,000 and to imprisonment for 12 months, and a further fine of HK\$100,000 for each day that the court is satisfied that the failure to cease the operation has continued. In any other case, the offender is liable to a fine at level 6 on first conviction and to a fine of HK\$200,000 and to imprisonment for 6 months on a second or subsequent conviction and, on a first or subsequent conviction, to a further fine of HK\$20,000 for each day that the court is satisfied that the failure to comply with the air pollution abatement notice has continued.

Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong) (the “NCO”)

The NCO regulates nuisance caused by noise from, among other things, industrial or commercial premises, as well as individual items of plant or equipment.

Under section 13 of the NCO, where the EPD Director is noise is emanating from certain industrial or commercial premises and that such noise is a source of annoyance or does not comply with any prescribed standard or limit, the EPD Director may serve a noise abatement notice on the person making the noise or causing or permitting the noise to be made, or on the owner, tenant, occupier or person in charge of the place from which the noise is emanating, to require the person on whom such notice is served to, among other things, abate the noise within the period specified in the notice, such as ensuring that the noise emanating from such place does not exceed any limit or standard specified in the notice.

Any person who fails to comply with a noise abatement notice commits an offence and is liable on first conviction to a fine of HK\$100,000 and, on second or subsequent conviction, to a fine of HK\$200,000, and in any case to a fine of HK\$20,000 for each day during which the offence continues.

Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong) (the “WPCO”)

The WPCO controls the effluent discharged from all types of industrial, commercial, institutional and construction activities into public sewers, rainwater drains, river courses or water bodies. All discharges, other than domestic sewage to a foul sewer or unpolluted water to a storm drain, must be covered by an effluent discharge licence. The licence specifies the permitted physical, chemical and microbial quality of the effluent and the general guidelines are that the effluent does not damage sewers or pollute inland or inshore marine waters.

Under the WPCO, unless being licensed under the WPCO, a person who discharges any waste or polluting matter into the waters or discharges any matter into a communal sewer or communal drain in a water control zone commits an offence and is liable to imprisonment for 6

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months and a fine of HK\$200,000 for a first offence or a fine of HK\$400,000 for a second or subsequent offence. In addition, if the offence is a continuing offence, the person is also liable to a fine of HK\$10,000 for each day during which it is proved to the satisfaction of the court that the offence has continued.

Public Health and Municipal Services Ordinance (Chapter 132 of the Laws of Hong Kong) (the “PHMSO”)

Under section 127 of the PHMSO, where a nuisance notice is served on a person by reason of whose act, default or sufferance the nuisance arose or continues, or if that person cannot be found, on the occupier or owner of the premises or vessel on which the nuisance exists, then if either the nuisance to which the notice relates arose by reason of the wilful act or default of that person, or that person fails to comply with any of the requirements of the notice within the period specified therein, that person shall be guilty of an offence. Nuisances which may be dealt with summarily pursuant to section 12 of the PHMSO include, among other things, emission of dust, fumes or effluvia from any premises in such a manner as to be a nuisance and any premises in such a state as to be a nuisance or injurious or dangerous to health.

F. OTHER RELEVANT HONG KONG LAWS AND REGULATIONS

Competition Ordinance (Chapter 619 of the Laws of Hong Kong) (the “Competition Ordinance”)

The Competition Ordinance aims, inter alia, to prohibit conduct that prevents, restricts or distorts competition in Hong Kong, and to prohibit mergers that have the effect of substantially lessening competition in Hong Kong. There are three competition rules under the Competition Ordinance, namely, the First Conduct Rule, the Second Conduct Rule and the Merger Rule.

The First Conduct Rule prohibits anti-competitive agreements if the object or effect of the agreement, concerted practice or decision is to prevent, restrict or distort competition in Hong Kong. The Second Conduct Rule prohibits abuse of market power if the object or effect of the conduct is to prevent, restrict or distort competition in Hong Kong. The Merger Rule prohibits anti-competitive mergers and acquisitions, and currently only applies to mergers involving carrier licence holders within the meaning of the Telecommunications Ordinance (Chapter 106 of the Laws of Hong Kong).

Pursuant to section 67 of the Competition Ordinance, where the Competition Commissioner has reasonable cause to believe that (i) a contravention of the First Conduct Rule has occurred and the contravention involves serious anti-competitive conduct; or (ii) a contravention of the Second Conduct Rule has occurred, the Commissioner may, instead of commencing proceedings, issue an infringement notice to the person against whom it proposes to bring proceedings, offering not to bring those proceedings on the condition that the recipient undertakes to comply with the requirements specified in the said notice. Under section 68 of the Competition Ordinance, the recipient is not obliged to give such commitment to comply with the said requirements set out in the infringement notice, however, if no commitment is made within the compliance period, the Competition Commissioner may commence proceedings against that person in the Competition Tribunal in respect of the contravention of the relevant conduct rule.

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Penalties for infringement of the First Conduct Rule and the Second Conduct Rule that may be imposed by the Competition Tribunal include, inter alia, financial penalty that may amount to 10% of the turnover of the companies concerned for up to 3 years in which the contravention occurs (section 93 of the Competition Ordinance), disqualification order against a director (section 101 of the Competition Ordinance) and prohibition order (section 151A of the Competition Ordinance).

Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong) (the “BRO”)

The BRO requires every entity which carries on a business in Hong Kong to apply for business registration. The Group held valid business registration certificates throughout the Track Record Period and as at the Latest Practicable Date.

Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the “IRO”)

The IRO imposes taxes on property, earnings and profits in Hong Kong. The IRO provides, inter alia, that persons, which include corporations, partnerships, trustees and bodies of persons, carrying on any trade, profession or business in Hong Kong are chargeable to tax on all profits (excluding profits arising from the sale of capital assets) arising in or derived from Hong Kong from such trade, profession or business. The IRO also contains provisions relating to, among others, permissible deductions for outgoings and expenses, set-offs for losses and allowances for depreciation.

Our profits arising in or derived from Hong Kong are subject to the profits tax regime under the IRO. As at the Latest Practicable Date, the standard profits tax rate for corporations in Hong Kong is 16.5%.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

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The history of our Group can be traced back to early 2020 when our co-founders, Ms. Choi and Mr. Ding, identified a critical shortage of high-quality respiratory protection products during the COVID-19 pandemic. For biography details of each of our co-founders, please refer to the section headed “Directors and Senior Management” in this document.

Our Group began as a manufacturer and supplier of disposable face masks, designed and produced using our in-house technologies. Following the lifting of the mask mandate in Hong Kong in March 2023, we strategically diversified and expanded our product offerings to include other personal protective and healthcare products, such as RAT kits, wound care products, electric wheelchairs and folding canes.

As part of the Reorganisation, our Company was incorporated in the Cayman Islands under the Cayman Companies Act as an exempted company with limited liability on 17 April 2026 and became the ultimate holding company of our Group. Please refer to the sub-section headed “Reorganisation” below for details.

OUR KEY MILESTONES

The key milestones in our Group’s development to date are set out below:

Date	Event/Milestone
April 2020	Sawewo Limited was incorporated in Hong Kong by Ms. Choi and Mr. Ding.
June 2020	Our 6,000 sq. ft. factory at Yee Lim Industrial Centre, including a 3,000 square foot cleanroom equipped with four production lines, officially commenced operations.
June 2020	The SAVEWO 3DMASK was launched.
September 2020	The SAVEWO 3DMASK ULTRA was launched.
October 2020	Our Group set up its operations to the Tsuen Wan flagship factory.
October 2020	The SAVEWO 3DMASK meeting ASTM Level 3, EN146832019 Type IIR requirements and KF94 standard.
March 2021	The design patented SAVEWO 3DMASK EXTREME PRO passed the EN149:2001+A1:2009 FFP3 (EU) test, the highest certification level under the EN:149:2001 standard of the European Union.
September 2021	Our ISO13485:2016 certified Tsuen Wan flagship factory was expanded to two floors with total floor area of approximately 79,000 sq. ft., including a 40,000 sq. ft. ISO14644 certified class 7 cleanroom, and a full quality control laboratory.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Date	Event/Milestone
September 2021	We obtained the Facility and Merchandise Authorization issued by a world-leading entertainment conglomerate, known for its iconic characters, blockbuster films, theme parks, which authorized us to manufacture and/or distribute products featuring its iconic characters.
November 2021	Our design patented SAVEWO 3DMASK Smile, our disposable face mask with transparent window for lip-reading was launched. It complies with multiple international medical mask and respirator standards, including EU FFP2, Korea KF94, EU Type IIR and U.S. ASTM Level 3 standards.
December 2021	We became a Hong Kong brand and manufacturer registered with the Ministry of Food and Drug Safety of Korea (the “ KMFDS ”).
December 2021	We launched our first children’s protective mask, the design patented SAVEWO 3DMEOW.
February 2022	Our SAVEWO 3DMEOW passed Japan’s JIS T 9001 test for face masks and receive official recognition from the Japanese Industrial Standards Committee.
April 2022	Our COVID-19 Antigen Test Kit was listed under the MDACS administered by the Department of Health of Hong Kong.
June 2022	We obtained a Certificate of Free Sales for our SAVEWO 3DMask products granted by the KMFDS.
June 2022	Fresh Q Portable Electrolytic Sterilizer was launched.
July 2022	We were listed in the Occupational Safety & Health Council’s 2022–2023 Supplier Guide, with the SAVEWO 3DMASK Ultra being a recommended respirator.
September 2022	The SAVEWO ClassicMask obtained FDA 510(k) clearance.
December 2022	The SAVEWO 3DMASK EXTREME PRO+ respirator was launched and obtained Level 3 GB19083-2010 certification, being the highest level of certification in the PRC.
May 2023	We launched our first mobility products, including carbon fibre and aluminium alloy electric wheelchairs of our SAVEWO HealthChair series.
November 2023	We entered into a license agreement with Twin Catalyst Sdn Bhd, our partner based in Malaysia, to jointly develop wound care materials such as TPU.
January 2024	We were awarded the “2023 Hong Kong Market Sales Champion” by the Hong Kong Mask & PPE Organization.
August 2024	Our first portable oxygen concentrator of our SAVEWO Oxygen series was launched.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Date	Event/Milestone
November 2024	The first launch of our wound care product, TRANSKIN waterproof dressing film.
May 2025	Our ultra-light carbon fibre folding cane of the SAVEWO MasterCane series won the Gold Corporate Award at the Hong Kong Smart Design Awards 2025.
June 2025	We received the “2024 Top Sales Champion Certificate of Honor” award from Hong Kong Mask & PPE Organization.
September 2025	Our SARSCoV-2 & Influenza A+B & RSV & ADV Antigen Combo Test Kit was listed under the MDACS administered by the Department of Health of Hong Kong.
September 2025	A new advanced wound care product TRANSKIN Hydrocolloid Waterproof Bandages Series was launched.
December 2025	Our ultra-light carbon fibre folding cane of the SAVEWO MasterCane series was selected as a Mark winner of the 2025 Golden Pin Design Award in Taiwan.
January 2026	We were once again awarded the “2025 Top Sales Champion Certificate of Honor” by the Hong Kong Mask & PPE Organization.

Details of the key members of our Group and their respective corporate history are set out below:

OUR CORPORATE HISTORY

Our Company

Our Company was incorporated in the Cayman Islands under the Cayman Companies Act as an exempted company with limited liability on 17 April 2026, and became the holding company and [REDACTED] of our Group upon completion of the Reorganisation. The initial authorised share capital of our Company was HK\$[REDACTED] divided into [REDACTED] ordinary shares of par value HK\$[REDACTED] each. For subsequent major shareholding changes of our Company as part of the Reorganisation, please refer to the paragraph headed “— Reorganisation” below.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Our principal subsidiaries

Our Group is headquartered in Hong Kong. Since our establishment, we have established a number of operating subsidiaries in Hong Kong. The following table sets forth the information of our subsidiaries which have made material contribution to our operating results during the Track Record Period:

Name of subsidiary	Date of establishment	Place of establishment	Principal business activities	Percentage shareholding interest held by our Group as at Latest Practicable Date
Sawewo Limited	22 April 2020	Hong Kong	Investment holding, manufacturing and sale of personal protective and healthcare products	100%
Sawewo International	12 August 2020	Hong Kong	Sale of disposable face masks to public organisations	100%
Sawewo HK	2 September 2020	Hong Kong	Holding of trademark and trademark licensing	100%
Sawewo Retail	15 July 2021	Hong Kong	Rental of retail store premises and internal leasing to Group entit(ies)	100%
Sawewo Distribution	21 February 2022	Hong Kong	Sale and distribution of disposable face masks and RAT kits	100%

For details of the changes in shareholding in our principal subsidiaries, please refer to the sub-section headed “— Reorganisation” below.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

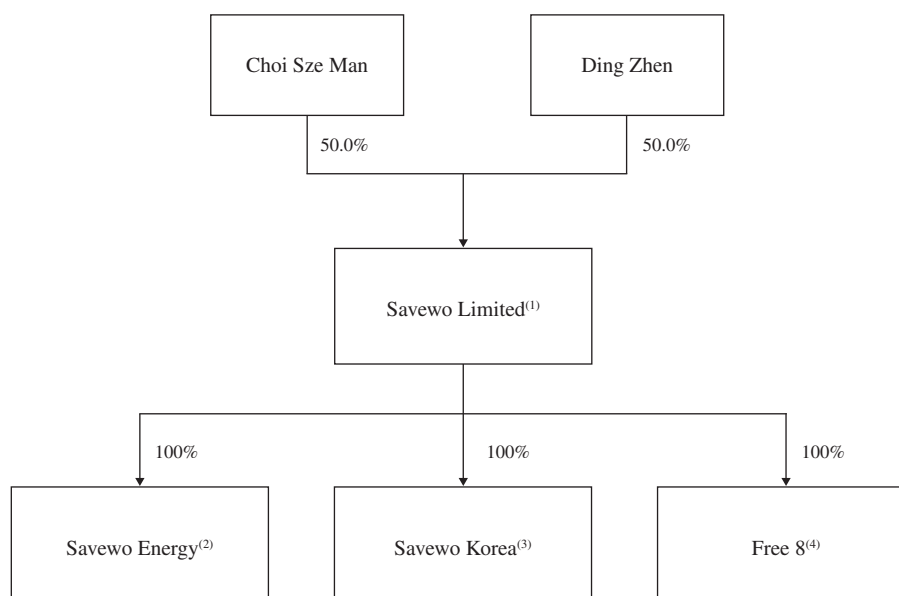
During the Track Record Period and up to the Latest Practicable Date, save as disclosed in “— Reorganisation” below, we had not conducted any acquisitions, disposals or mergers that were material to the Group.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

REORGANISATION

In preparation for the [REDACTED], we undertook the Reorganisation, pursuant to which (a) our Company became the holding company and [REDACTED] of our Group and (b) entities operating the businesses of the Group have been aligned to create a unified shareholding and management structure.

The following chart sets out the shareholding and corporate structure of our Group immediately before the Reorganisation:



Notes:

- (1) Savewo Limited was incorporated as a private company limited by shares under the laws of Hong Kong on 22 April 2020 and has been principally engaged in investment holding, manufacturing and sale of personal protective and healthcare products during the Track Record Period and up to the Latest Practicable Date.
- (2) Savewo Energy was incorporated as a private company limited by shares under the laws of Hong Kong on 1 December 2021 and did not have any business operations during the Track Record Period and up to the Latest Practicable Date.
- (3) Savewo Korea was incorporated as a private company limited by shares under the laws of Hong Kong on 17 November 2021 and did not have any business operations during the Track Record Period and up to the Latest Practicable Date.
- (4) Free 8 was incorporated as a private company limited by shares under the laws of Hong Kong on 14 April 2022 and did not have any business operations during the Track Record Period save for the holding of a motor vehicle.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

The Reorganisation involved the following steps:

1. Disposal of Free 8

Immediately before the Reorganisation: (a) Free 8 was a wholly owned subsidiary of Savewo Limited and had 10,000 ordinary shares in issue, all of which were directly held by Savewo Limited as the sole shareholder; and (b) Free 8 did not conduct any business activities save for the holding of a motor vehicle.

On 12 March 2026, Savewo Limited as transferor and Mr. Yu Pak Hei (“**Mr. Yu**”) as transferee executed the instrument of transfer and bought and sold notes in respect of the transfer by Savewo Limited to Mr. Yu of 10,000 ordinary shares of Free 8, representing the entire issued share capital of Free 8 as at the said date (the “**Disposal**”). The consideration for the Disposal was HK\$2,110,000, which was determined after arm’s length negotiations between the parties with reference to the market value of the motor vehicle held by Free 8, being the sole material asset held by Free 8 as at the date of the Disposal.

The Disposal was conducted by Savewo Limited in view that Free 8 had been inactive and that, as the Group’s business operations did not require the use of the motor vehicle held by Free 8, the Disposal would enable the Group to realise the asset value of Free 8 and provide the Group with additional working capital for payment of its operating expenses, general administrative expenses and professional fees). To the best of the information, knowledge and belief of the Directors, having made reasonable enquiries, Mr. Yu is an Independent Third Party.

Upon the completion of the Disposal, Savewo Limited ceased to hold any share(s) of Free 8, and Free 8 ceased to be a member of the Group.

2. Incorporation of Water Fun and Index PI

On 20 March 2026, Water Fun was incorporated in the BVI as a company with limited liability. Upon its incorporation, Water Fun had an issued share capital of USD10,000.00 comprising 10,000 ordinary shares of USD1.00 each, all of which were held by Ms. Choi as the sole shareholder.

On 20 March 2026, Index PI was incorporated in the BVI as a company with limited liability. Upon its incorporation, Index PI had an issued share capital of USD10,000.00 comprising 10,000 ordinary shares of USD1.00 each, all of which were held by Mr. Ding as the sole shareholder.

3. Incorporation of the Company

On 17 April 2026, the Company was incorporated in the Cayman Islands as an exempted company with limited liability. As at the date of its incorporation, the Company had an authorised share capital of HK\$100,000,000.00 divided into 10,000,000,000 Shares with a par value of HK\$0.01 per Share.

On the date of its incorporation, the Company allotted and issued one (1) Share, credited as fully paid at par, to the initial subscriber. On 30 April 2026: (a) the one (1) Share held by the initial subscriber was transferred to Water Fun for cash at nominal consideration; and (b) 49 shares and 50

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Shares, each credited as fully paid, were allotted and issued to Water Fun and Index PI, respectively, upon which the Company had an issued share capital of HK\$1.00 comprising 100 Shares of HK\$0.01 each, including 50 Shares held by Water Fun and 50 Shares held by Index PI.

4. Incorporation of Savewo Holdings

On 4 May 2026, Savewo Holdings was incorporated in the BVI as a company with limited liability. As at the date of its incorporation, Savewo Holdings was authorised to issue a maximum share capital of US\$50,000.00 divided into 50,000 ordinary shares with a par value of US\$1.00 per share.

On the date of its incorporation, Savewo Holdings allotted and issued to the Company 100 ordinary shares with a par value of US\$1.00 each, credited as fully paid at par, such that all the issued shares of Savewo Holdings were wholly owned by the Company.

5. Completion of the [REDACTED] Investments and allotment of shares by Savewo Limited to the [REDACTED] Investors

Entry into subscription agreements with the [REDACTED] Investors

Pursuant to a subscription agreement dated 29 January 2026 entered into between Savewo Limited and [REDACTED] (as modified by a supplemental agreement entered into between the parties dated 11 May 2026), [REDACTED] subscribed for [REDACTED] ordinary shares of Savewo Limited at an aggregate subscription price of HK\$[REDACTED], which shall represent approximately [REDACTED] of the total number of shares of Savewo Limited in issue as at the date of completion of the said subscription. The said subscription price was paid and settled by [REDACTED] in full and received by Savewo Limited on 23 March 2026.

Pursuant to a subscription agreement dated 24 February 2026 entered into between Savewo Limited and [REDACTED] (as modified by a supplemental agreement entered into between the parties dated 11 May 2026), [REDACTED] subscribed for [REDACTED] ordinary shares of Savewo Limited at an aggregate subscription price of HK\$[REDACTED], which shall represent approximately [REDACTED] of the total number of shares of Savewo Limited in issue as at the date of completion of the said subscription. The said subscription price was paid and settled by [REDACTED] in full and received by Savewo Limited on 17 April 2026.

Pursuant to a subscription agreement dated 26 February 2026 entered into between Savewo Limited and [REDACTED] (as modified by a supplemental agreement entered into between the parties dated 11 May 2026), [REDACTED] subscribed for [REDACTED] ordinary shares of Savewo Limited at an aggregate subscription price of HK\$[REDACTED], which shall represent approximately [REDACTED] of the total number of shares of Savewo Limited in issue as at the date of completion of the said subscription. The said subscription price was paid and settled by [REDACTED] in full and received by Savewo Limited on 21 April 2026.

Pursuant to a subscription agreement dated 2 March 2026 entered into between Savewo Limited and [REDACTED] (as modified by a supplemental agreement entered into between the parties dated 11 May 2026), [REDACTED] subscribed for [REDACTED] ordinary shares of Savewo Limited at an aggregate subscription price of HK\$[REDACTED], which shall represent

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

approximately [REDACTED] of the total number of shares of Savewo Limited in issue as at the date of completion of the said subscription. The said subscription price was paid and settled by [REDACTED] in full and received by Savewo Limited on 20 April 2026.

The subscription price under each of the above-mentioned subscription agreements entered into between our Group and the [REDACTED] Investors was based on a post-money valuation of our Group of HK\$[REDACTED], which had been determined after arm’s length negotiations between the parties thereto with reference to the financial performance and the business valuation of our Group, the timing of the investments, the status of our business and operation, and our future prospects at the time of the execution of the subscription agreements.

Completion of the [REDACTED] Investments and allotment of shares by Savewo Limited to the [REDACTED] Investors

On 11 May 2026, upon receipt of payment of the relevant subscription price by each of the [REDACTED] Investors as set out above, Savewo Limited allotted and issued [REDACTED] ordinary shares, [REDACTED] ordinary shares, [REDACTED] ordinary shares and [REDACTED] ordinary shares to [REDACTED], [REDACTED], [REDACTED] and [REDACTED], respectively.

Immediately after the said allotment and issue of shares by Savewo Limited to the [REDACTED] Investors, Ms. Choi, Mr. Ding, [REDACTED], [REDACTED], [REDACTED] and [REDACTED] held [REDACTED] ordinary shares, [REDACTED] ordinary shares, [REDACTED] ordinary shares, [REDACTED] ordinary shares, [REDACTED] ordinary shares and [REDACTED] ordinary shares of Savewo Limited, respectively, representing approximately [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED] and [REDACTED] of the total number of shares of Savewo Limited then in issue, respectively.

6. Acquisition of Savewo International, Savewo HK, Savewo Retail and Savewo Distribution by Savewo Limited from Ms. Choi and Mr. Ding

Immediately before the Reorganisation:

- (a) Savewo International had 10,000 ordinary shares in issue, of which 5,000 ordinary shares and 5,000 ordinary shares were legally and beneficially owned by Ms. Choi and Mr. Ding, respectively, representing 50.0% and 50.0% of the issued share capital of Savewo International, respectively;
- (b) Savewo HK had 10,000 ordinary shares in issue, of which 5,000 ordinary shares and 5,000 ordinary shares were legally and beneficially owned by Ms. Choi and Mr. Ding, respectively, representing 50.0% and 50.0% of the issued share capital of Savewo HK, respectively;
- (c) Savewo Retail had 10,000 ordinary shares in issue, of which 5,000 ordinary shares and 5,000 ordinary shares were legally and beneficially owned by Ms. Choi and Mr. Ding, respectively, representing 50.0% and 50.0% of the issued share capital of Savewo Retail, respectively; and
- (d) Savewo Distribution had 10,000 ordinary shares in issue, of which 5,000 ordinary shares and 5,000 ordinary shares were legally and beneficially owned by Ms. Choi and Mr. Ding, respectively, representing 50.0% and 50.0% of the issued share capital of Savewo Distribution, respectively.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

On 2 June 2026, Ms. Choi and Mr. Ding (as vendors) and Savewo Limited (as purchaser) entered into a sale and purchase agreement and executed the relevant instruments of transfer and bought and sold notes, pursuant to which Savewo Limited acquired 5,000 ordinary shares and 5,000 ordinary shares in each of Savewo International, Savewo HK, Savewo Retail and Savewo Distribution from Ms. Choi and Mr. Ding, respectively, representing 50.0% and 50.0% of the issued share capital of each of Savewo International, Savewo HK, Savewo Retail and Savewo Distribution, respectively. In consideration of the aforementioned transfers of shares of Savewo International, Savewo HK, Savewo Retail and Savewo Distribution by Ms. Choi and Mr. Ding to Savewo Limited, Savewo Limited paid to each of Ms. Choi and Mr. Ding HK\$1.00 in respect of each of the aforementioned share transfers.

Upon completion of the above transactions, each of Savewo International, Savewo HK, Savewo Retail and Savewo Distribution became a wholly-owned subsidiary of Savewo Limited.

7. Acquisition of Savewo Limited by Savewo Holdings and the Share Swap

On 9 June 2026, the ordinary shares of Savewo Limited held by Ms. Choi, Mr. Ding, [REDACTED], [REDACTED], [REDACTED] and [REDACTED] were exchanged for the Shares (the “Share Swap”), as follows:

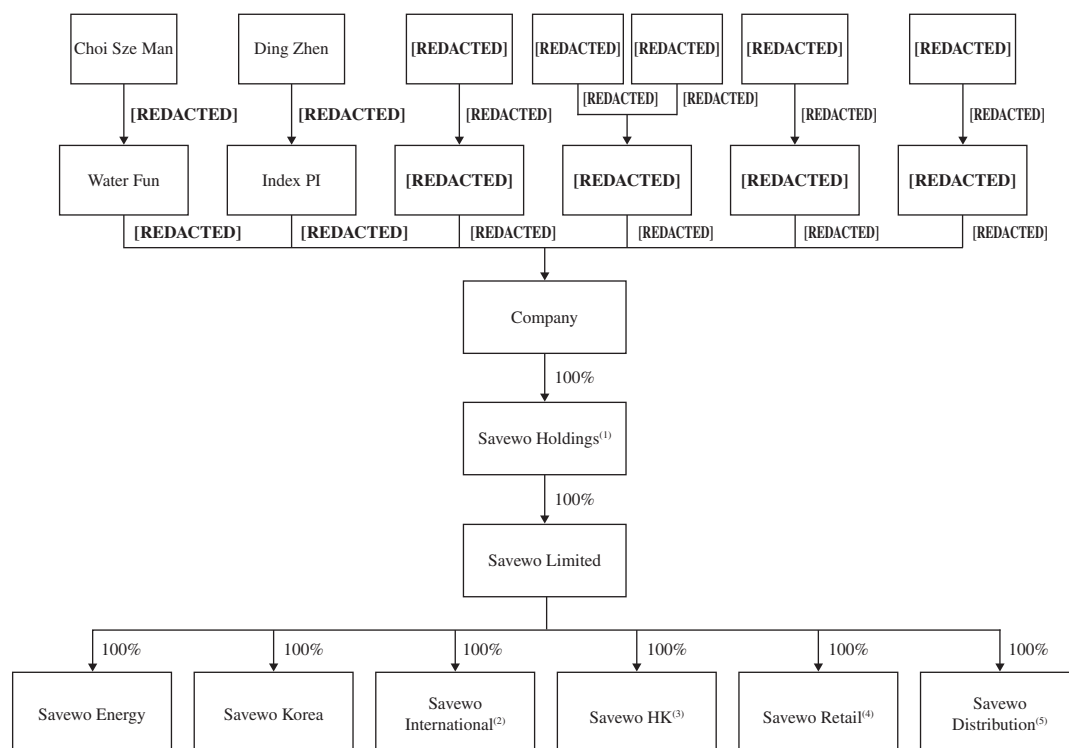
- (a) Savewo Holdings as purchaser and Ms. Choi, Mr. Ding, [REDACTED], [REDACTED], [REDACTED] and [REDACTED] as vendors executed the relevant instruments of transfer and bought and sold notes, pursuant to which Savewo Holdings acquired 5,000 ordinary shares, 5,000 ordinary shares, [REDACTED] ordinary shares, [REDACTED] ordinary shares, [REDACTED] ordinary shares and [REDACTED] ordinary shares of Savewo Limited from Ms. Choi, Mr. Ding, [REDACTED], [REDACTED], [REDACTED] and [REDACTED], respectively, upon which Savewo Limited became wholly owned by Savewo Holdings; and
- (b) in consideration of the aforementioned transfers of shares of Savewo Limited by Ms. Choi, Mr. Ding, [REDACTED], [REDACTED], [REDACTED] and [REDACTED] to Savewo Holdings, our Company allotted and issued 499,970 Shares, 499,970 Shares, [REDACTED] Shares, [REDACTED] Shares, [REDACTED] Shares and [REDACTED] Shares of HK\$[REDACTED] each, credited as fully paid, to Water Fun, Index PI, [REDACTED], [REDACTED], [REDACTED] and [REDACTED], respectively, such that the Shares were owned as to [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED] and [REDACTED] by Ms. Choi, Mr. Ding, [REDACTED], [REDACTED], [REDACTED] and [REDACTED], respectively.

8. Registration of the Company as a non-Hong Kong company

On [●] 2026, the Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance, with principal place of business in Hong Kong at 1/F–2/F, 266–270, Texaco Road, Tsuen Wan, New Territories, Hong Kong. In connection with the said registration as a non-Hong Kong company, Ms. Lau Mei Wah, the company secretary of our Company appointed pursuant to the resolutions of the Directors passed on [●], was appointed as the authorised representative of the Company for acceptance of service of process and notices on behalf of the Company in Hong Kong pursuant to the requirements of Part 16 of the Companies Ordinance.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

The following diagram sets out the corporate structure of the Group immediately after the completion of the Reorganisation but before the [REDACTED] and the [REDACTED]:



Notes:

- (1) Savewo Holdings was incorporated with limited liability under the laws of the BVI on 4 May 2026 and has been wholly owned by the Company since the date of its incorporation. Immediately after the Reorganisation and as at the Latest Practicable Date, Savewo Holdings was an investment holding company which held the entire issued share capital of Savewo Limited.
- (2) Savewo International was incorporated as a private company limited by shares under the laws of Hong Kong on 12 August 2020 and has been principally engaged in the sale of disposable face masks to public organisations during the Track Record Period and up to the Latest Practicable Date.
- (3) Savewo HK was incorporated as a private company limited by shares under the laws of Hong Kong on 2 September 2020 and has been principally engaged in the holding of trademark and trademark licensing during the Track Record Period and up to the Latest Practicable Date.
- (4) Savewo Retail was incorporated as a private company limited by shares under the laws of Hong Kong on 15 July 2021 and has been principally engaged in the rental of retail store premises and internal leasing to Group entit(ies) during the Track Record Period and up to the Latest Practicable Date.
- (5) Savewo Distribution was incorporated as a private company limited by shares under the laws of Hong Kong on 21 February 2022 and has been principally engaged in sale and distribution of disposable face masks and rapid antigen test-kits during the Track Record Period and up to the Latest Practicable Date.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

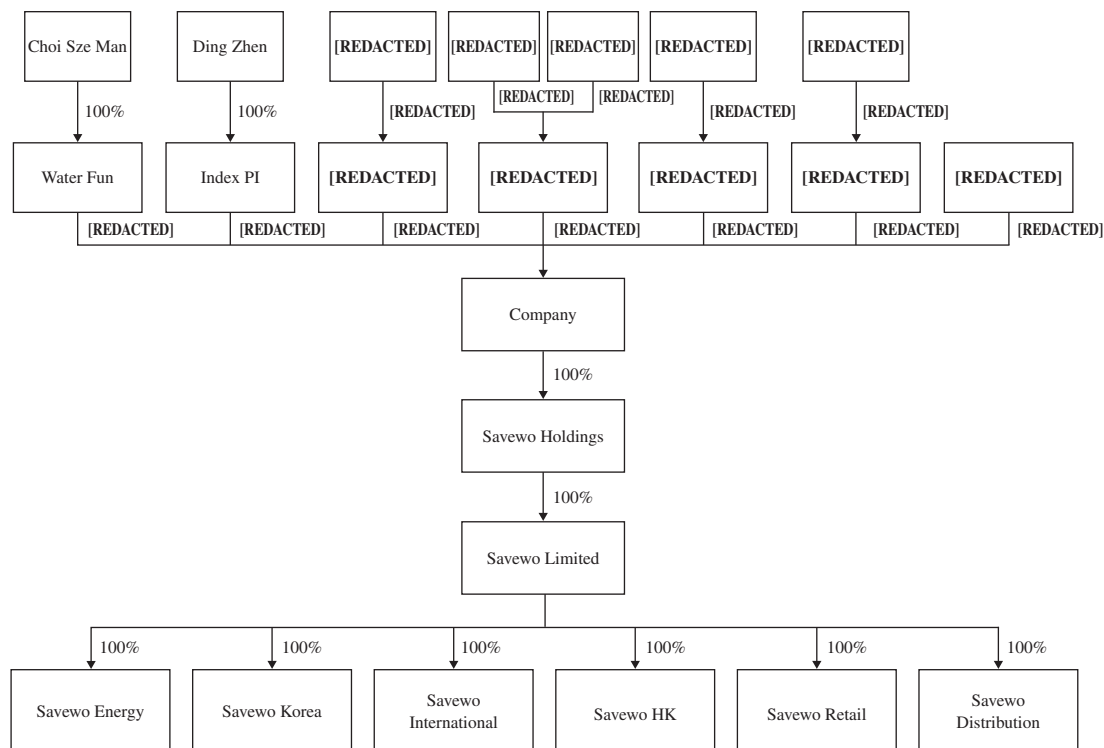
[REDACTED] AND [REDACTED]

Conditional upon the grant of the approval for the [REDACTED] of and [REDACTED] in the Shares on GEM of the Stock Exchange, the Company will [REDACTED] [REDACTED] Shares, representing [REDACTED] of its issued share capital (as enlarged by the Shares [REDACTED] under the [REDACTED] and the [REDACTED] issued under the [REDACTED]), without taking into account any [REDACTED] which may be allotted and issued upon exercise of the options which may be granted under the [REDACTED]) for subscription by way of the [REDACTED].

Conditional upon the crediting of the Company’s share premium account as a result of the new issue of Shares pursuant to the [REDACTED], an amount of HK\$[REDACTED] standing to the credit of the [REDACTED] premium [REDACTED] of the Company will be capitalised by applying such sum to pay up in full at par a total of [REDACTED] [REDACTED] to be allotted and issued (the “[REDACTED]”), immediately prior to the [REDACTED], to Water Fun, Index PI, [REDACTED], [REDACTED], [REDACTED] and [REDACTED] (as existing holders of the Shares immediately prior to the [REDACTED] (collectively, the “Existing Shareholders”)), in proportion as nearly as may be possible without involving fractions to the then existing shareholdings of the Existing Shareholders in the Company, each ranking *pari passu* in all respects with the then existing issued Shares, so that the number of Shares so allotted and issued, when aggregated with the number of Shares already owned by the Existing Shareholders, will constitute [REDACTED] of the issued share capital of the Company immediately after completion of the [REDACTED] and the [REDACTED] (without taking into account any Share that may be allotted and issued upon exercise of the [REDACTED] or any option which may be granted under the [REDACTED]).

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

The following diagram sets forth the shareholding structure of our Group immediately following the [REDACTED] and the [REDACTED] (without taking into account of any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and the options that may be granted under the [REDACTED]):



[REDACTED]

Our Company has conditionally adopted the [REDACTED] pursuant to the written resolutions of our Shareholders passed on [●]. For further details of the [REDACTED], please refer to the sub-section headed “D. [REDACTED]” in Appendix IV to this document.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

[REDACTED] INVESTMENTS

Our Group has received certain equity financing from the following [REDACTED] Investors since the commencement of our business. The table below sets forth the principal terms of the [REDACTED] Investments:

[REDACTED] Investor	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Date of the subscription agreement	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Shares of Savewo Limited acquired	[REDACTED] ordinary shares	[REDACTED] ordinary shares	[REDACTED] ordinary shares	[REDACTED] ordinary shares
Shares of our Company acquired upon completion of the Share Swap	[REDACTED] Shares	[REDACTED] Shares	[REDACTED] Shares	[REDACTED] Shares
Number of Shares held and percentage shareholding after [REDACTED] and upon [REDACTED] (Note 1)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total consideration paid	HK\$[REDACTED]	HK\$[REDACTED]	HK\$[REDACTED]	HK\$[REDACTED]
Date on which consideration was fully settled	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Basis of consideration	The relevant consideration was determined after arm’s length negotiations between our Group and each of the [REDACTED] Investors with reference to the financial performance and the business valuation of our Group, the timing of the investments, the status of our business and operation and our future prospects.			
Approximate cost of investment per Share upon [REDACTED]	HK\$[REDACTED]	HK\$[REDACTED]	HK\$[REDACTED]	HK\$[REDACTED]
Post-money valuation of our Company	HK\$[REDACTED]	HK\$[REDACTED]	HK\$[REDACTED]	HK\$[REDACTED]
Approximate percentage of discount to the [REDACTED] of HK\$[REDACTED] being the mid-point of the [REDACTED] range (Note 2)	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Lock-up	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

[REDACTED] Investor	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	Not applicable	Not applicable	Not applicable	Not applicable
Strategic benefits of the investments brought to our Company	At the time of the [REDACTED] Investments, our Directors were of the view that our Group would benefit from the [REDACTED] Investments as such investments would provide working capital for our Group’s continued growth and also demonstrated the confidence of the [REDACTED] Investors in the business and operations of our Group, serving as an endorsement of our Group’s performance, strength and prospects.			
Approximate shareholding in our Company immediately before the [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Approximate shareholding in our Company immediately after the [REDACTED] assuming the [REDACTED] and options which may be granted under the [REDACTED] are not exercised	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Whether the Shares held will count towards the [REDACTED] under Rule 11.23 of the GEM Listing Rules upon [REDACTED]	Yes	Yes	Yes	Yes
Special rights	Nil	Nil	Nil	Nil

Notes:

1. Assuming completion of the [REDACTED] and the [REDACTED], without taking into account any Shares to be issued upon the exercise of the [REDACTED] and any option which may be granted under the [REDACTED].
2. For illustration only. Based on the indicative [REDACTED] range, representing a discount of [REDACTED] to HK\$[REDACTED] per Share, being the lower end of the stated [REDACTED] range, and a discount of [REDACTED] to HK\$[REDACTED] per Share, being the upper end of the stated [REDACTED] range.

Background of the [REDACTED] Investors

[REDACTED]

[REDACTED] is a private company limited by shares incorporated under the laws of Hong Kong. As at the Latest Practicable Date, [REDACTED] is wholly owned by Ms. [REDACTED], an Independent Third Party.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Ms. [REDACTED] has more than 10 years of experience in the financial services and insurance industries. Through her work experiences, Ms. [REDACTED] has established a network of connections with clinics, health screening and wellness centers under health insurance plans in Hong Kong, and it is expected that such connections could help our Group expand our customer base in the private medical sector and accelerate the market penetration of our products.

[REDACTED]

[REDACTED] is a private company limited by shares incorporated under the laws of Hong Kong. As at the Latest Practicable Date, the shares of [REDACTED] are owned as to [REDACTED] by Mr. [REDACTED] and as to [REDACTED] by Mr. [REDACTED], each of whom is an Independent Third Party.

Mr. [REDACTED] is an experienced investor in private equity and secondary stock markets. Mr. [REDACTED] has also served as vice president of business intelligence at [REDACTED] (stock code: [REDACTED]), a clinical-stage ophthalmology biotechnology company listed under Chapter 18A of the Rules Governing the Listing of Securities on the Stock Exchange in July 2025.

Mr. [REDACTED] has a strong business network in Southeast Asia, which we believe could help our Group to extend our business reach to the overseas market and bring in opportunities to cooperate with overseas industry players and promote technological developments.

[REDACTED]

[REDACTED] is a company incorporated with limited liability under the laws of the BVI. As at the Latest Practicable Date, [REDACTED] is wholly owned by Mr. [REDACTED], an Independent Third Party.

Mr. [REDACTED] possesses extensive experience in securities trading and asset management. He is a founder, director and responsible officer of [REDACTED], a securities brokerage and asset management firm licensed by the SFC (CE number: [REDACTED]) for Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO.

[REDACTED]

[REDACTED] is a private company limited by shares incorporated under the laws of the BVI. As at the Latest Practicable Date, [REDACTED] is wholly owned by Ms. [REDACTED], an Independent Third Party.

Ms. [REDACTED] possesses more than 11 years of experience as a senior registered nurse in Hong Kong and has worked at various public and private medical institutions and clinics. It is expected that Ms. [REDACTED]’s knowledge and understanding of the medical and healthcare industries in Hong Kong as well as her connections in these sectors would help our Group establish new sales channels and promote our initiatives to further strengthen our presence in the market.

Save for the [REDACTED] Investments, each of the [REDACTED] Investors: (i) was not involved in and did not have any role in the management, operation or the [REDACTED] of our Group up to the Latest Practicable Date; and (ii) did not have any past or present relationships (including,

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

without limitation, family, trust, business, employment relationships) or any agreements, arrangements, understanding or undertakings with our Company, our subsidiaries, Shareholders, Directors or senior management and any of their respective associates and is an Independent Third Party as at the Latest Practicable Date.

To the best of our Directors’ knowledge, information and belief and having made all reasonable enquiries, each of the [REDACTED] Investors has invested in our Group because of appreciation of and confidence in the prospects and potential growth of our Group. Given that none of the [REDACTED] Investors is a core connected person of our Company, the Shares held by the [REDACTED] Investors will be counted towards the [REDACTED] upon the [REDACTED].

Sponsor’s confirmation

The Sponsor has confirmed that each of the [REDACTED] Investments is in compliance with (i) paragraphs 3 and 4 of the [REDACTED] Investment Guidance (as defined in Chapter 4.2 of the Guide for New [REDACTED] Applicants) as the consideration for each of the [REDACTED] Investments was settled more than 28 clear days before the date of the first submission of the [REDACTED] [REDACTED] to the Stock Exchange in relation to the [REDACTED]; and (ii) paragraph 11 of the [REDACTED] Investment Guidance as there are no special rights granted to any of the [REDACTED] Investors that will survive the [REDACTED].

[REDACTED]

Rule 11.23 of the GEM Listing Rules requires that there must be an open market in the securities for which listing is sought. This will normally mean that for a class of securities new to listing, at least a minimum prescribed percentage of that class of securities must be held by the public at the time of listing.

Pursuant to Rule 11.23(7) of the GEM Listing Rules, where the expected market value at the time of [REDACTED] does not exceed HK\$[REDACTED], at least [REDACTED] of the total issued share capital of our Company must at all times be held by the [REDACTED]. Based on: (a) the indicative [REDACTED] range of HK\$[REDACTED], HK\$[REDACTED] and HK\$[REDACTED] per [REDACTED] (being the low end, mid-point and high end of the [REDACTED] range, respectively); and (b) [REDACTED] Shares are expected to be in issue immediately upon completion of [REDACTED], it is expected that the market value of the Shares at the time of the [REDACTED] will be HK\$[REDACTED], HK\$[REDACTED], and HK\$[REDACTED] based on such low end, mid-point and high end of the [REDACTED] range, respectively.

Immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and the exercise of any options which may be granted under the [REDACTED]), the following Shareholders will be core connected persons of our Company and accordingly, Shares held by them will not be counted towards the [REDACTED] for the purpose of Rule 11.23(7) of the GEM Listing Rules:

- Water Fun, a Controlling Shareholder which is a company wholly owned by Ms. Choi, the chairlady of our Board, an executive Director and a Controlling Shareholder; and
- Index PI, a Controlling Shareholder which is a company wholly owned by Mr. Ding, an executive Director, the chief executive officer of our Company and a Controlling Shareholder.

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Save as disclosed above, no other Shareholder is a core connected person of our Company as defined in the GEM Listing Rules.

Accordingly, immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and the exercise of any options which may be granted under the [REDACTED]), approximately [REDACTED] of our issued Shares will be held by the public and be counted towards the [REDACTED] for the purpose of Rule 11.23(7) of the GEM Listing Rules irrespective of the final [REDACTED].

[REDACTED]

Rule 11.23A of the GEM Listing Rules provides that, there must be sufficient shares for which [REDACTED] is sought by a new applicant that are held by the [REDACTED] and available for trading upon [REDACTED]. This will normally mean that the portion of the class of shares for which [REDACTED] is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the GEM Listing Rules, applicable laws or otherwise), at the time of [REDACTED], must: (a) represent at least [REDACTED] of the total number of issued shares in the class of shares for which [REDACTED] is sought (excluding treasury shares), with an expected market value at the time of [REDACTED] of not less than HK\$[REDACTED]; or (b) have an expected market value at the time of [REDACTED] of not less than HK\$[REDACTED]. The Company is expected to satisfy the [REDACTED] requirement under Rule 11.23A of the Listing Rules.

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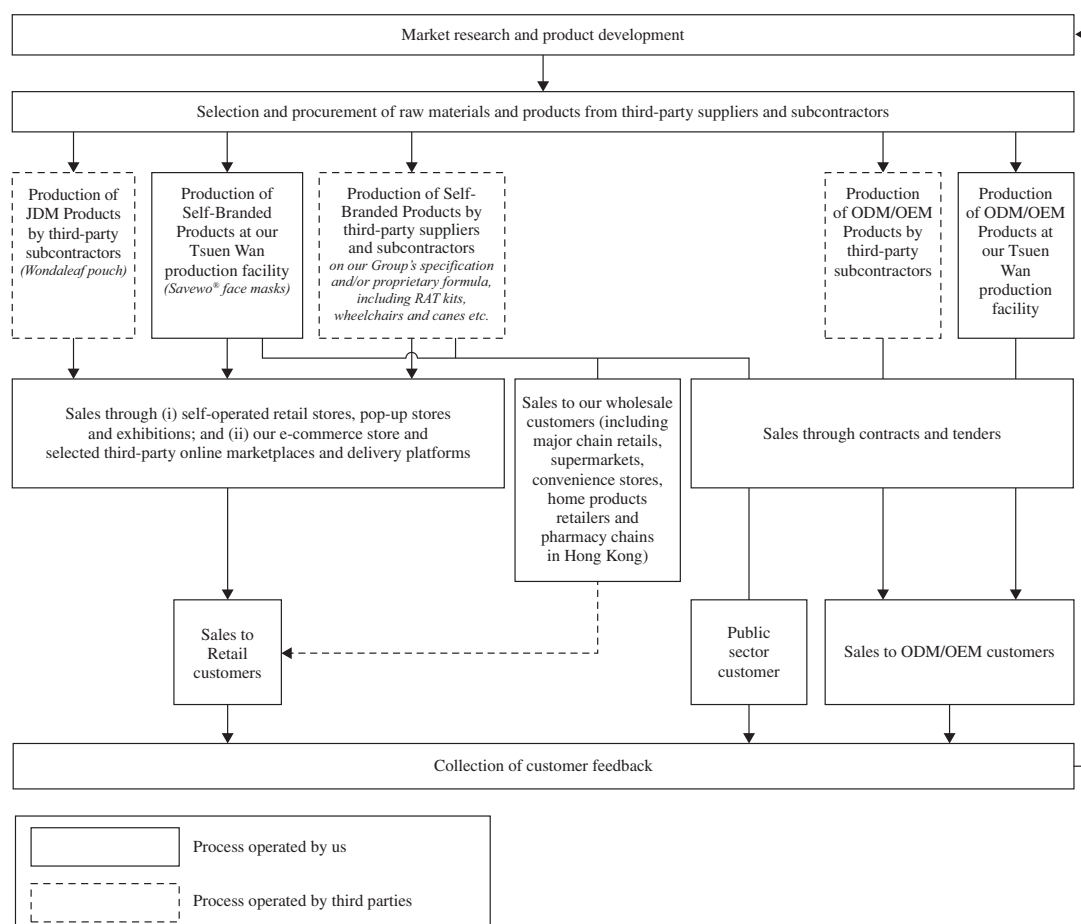
OVERVIEW

We are a Hong Kong-based, R&D-driven manufacturer and multi-channel distributor of personal protective and healthcare products. Our principal product segments comprise (i) face masks, RAT kits and consumables, (ii) healthcare equipment and complementary accessories and (iii) others. During the Track Record Period, we generated revenue of approximately HK\$73.2 million in FY2025 and approximately HK\$75.5 million in FY2026. Our name “Savewo” is derived from “Save the World” (救世), reflecting our founding aspiration to alleviate suffering and protect health through innovation in personal protective and healthcare products.

Our Group was founded in Hong Kong on 22 April 2020 in response to the shortage of personal protective equipment in Hong Kong arising from the COVID-19 outbreak. Since our incorporation, we have transitioned from a single-product disposable face mask manufacturer into a multi-category manufacturer and multi-channel distributor of personal protective and healthcare products, supported by our investment in proprietary formulae (including our TypeCool+ filtration technology, which is incorporated into the non-woven filter fabric used in our face masks and is produced by qualified third-party suppliers in accordance with our proprietary formulae and specifications), as well as by our automated production lines and our portfolio of international product certifications.

Our business operations involve the key stages of (i) market research and product development, (ii) procurement, (iii) manufacturing, (iv) sales, and (v) the collection of customer feedback.

The following diagram illustrates the key stages of our business model:



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We derived a substantial portion of our revenue from the design, manufacture and sale of disposable face masks under our proprietary Savewo[®] brand during the Track Record Period. Leveraging our integrated R&D, design and manufacturing platform together with our product commercialisation and scale-up capabilities, we have since extended our product reach into RAT kits (under our Savewo[®] brand), electric wheelchairs (Healthchair series), carbon fibre folding canes (MasterCane) and oxygen generator (Savewo Oxygen).

According to the Frost & Sullivan Report, we ranked first in the Hong Kong face masks and respirators market by revenue for FY2026, with estimated market share of approximately 14.1%, as compared to estimated segment revenue of approximately HK\$58.0 million and market share of approximately 12.2% for FY2025. In addition, we ranked third in the Hong Kong self-test respiratory RAT kits market by revenue for FY2026, with estimated market share of approximately 11.4%, as compared to approximately 4.5% for FY2025.

Our face masks, RAT kits and consumables category remained the largest revenue contributor during the Track Record Period, contributing approximately 87.0% and 79.7% of our total revenue in FY2025 and FY2026, respectively. Our healthcare equipment and complementary accessories category contributed approximately 11.2% and 15.5% of our total revenue in FY2025 and FY2026, respectively, while our others category contributed approximately 1.8% and 4.8% of our total revenue in FY2025 and FY2026, respectively. This reflects the diversification of our product [REDACTED] beyond disposable face masks during the Track Record Period. Our Directors are of the view that our diversified product portfolio, supported by a common product development, commercialisation and manufacturing platform, mitigates our exposure to any single product cycle and positions us to capture growth across multiple healthcare-related categories.

Sales channels and geographical reach

We sell our products through a multi-channel distribution network comprising (i) our self-operated retail stores and exhibition channels in Hong Kong; (ii) our own e-commerce platform (operated on a third-party e-commerce platform) and selected third-party online marketplaces and delivery platforms; (iii) our wholesale channel partners, including major chain retailers, supermarkets, convenience stores, home products retailer and pharmacy chains in Hong Kong; and (iv) government and institutional tender channels. Our wholesale, online, self-operated retail stores and exhibition, and government and tender channels contributed approximately 37.8%, 31.2%, [REDACTED] and 5.0%, respectively of our revenue in FY2025, and approximately 49.0%, 23.1%, 22.1% and 5.8%, respectively in FY2026.

Our products are sold primarily in Hong Kong. Revenue derived from customers in Hong Kong amounted to approximately HK\$72.2 million in FY2025 and HK\$71.3 million in FY2026, representing approximately 98.6% and 94.4% of our revenue during the Track Record Period, respectively. Overseas revenue amounted to approximately HK\$1.0 million in FY2025 and HK\$4.2 million in FY2026. Although we have begun developing export sales, Hong Kong remained our principal market during the Track Record Period.

Hong Kong production base

Our Directors are of the view that maintaining a significant part of our manufacturing operations in Hong Kong supports our premium pricing strategy. We conduct our in-house manufacturing and warehousing operations at our principal production facility located at Texaco Road, Tsuen Wan in Hong

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Kong, with a total floor area of approximately 79,000 square feet. As at the Latest Practicable Date, we operated 13 active automated production lines at the facility. Our Directors believe that the “Made in Hong Kong” positioning of our face mask products enhances consumer confidence in product quality, supports the perceived value and credibility of such products and contributes to market differentiation in Hong Kong.

We manufacture certain Self-Branded Products at our production facility in Tsuen Wan, Hong Kong, and source certain Self-Branded Products from third-party suppliers. For our electric wheelchairs, MasterCane folding canes and wound care dressings, we conduct R&D, design, prototyping and trial production in Hong Kong, while mass production is outsourced to qualified manufacturers. Our Directors are of the view that this approach supports product quality and cost efficiency while allowing us to compete against regional and global peers in the Hong Kong market.

OUR COMPETITIVE STRENGTHS

We have grown from a single-product disposable face mask manufacturer into a multi-category manufacturer and multi-channel distributor of personal protective and healthcare products in Hong Kong. Our Directors are of the view that the following competitive strengths have contributed to our success during the Track Record Period and will continue to underpin our growth following the [REDACTED]:

Our “Made in Hong Kong” positioning and automated production base in Hong Kong support product quality, brand differentiation and operational efficiency

We believe that our Hong Kong production base and locally coordinated supply arrangements support our “Made in Hong Kong” positioning and our ability to maintain product quality and brand differentiation in the Hong Kong market.

In addition, our Directors believe that operating our face mask production in Hong Kong, in close proximity to our principal market, enhances our operational efficiency by enabling shorter lead times, prompt responsiveness to changes in local market demand and direct oversight of our production processes and quality control. Together with our automated production lines, this supports the consistency and reliability of our face mask products and reinforces our “Made in Hong Kong” positioning, which differentiates our products in the Hong Kong market.

Our commercialisation capabilities and integrated research and development, design and manufacturing platform support a diversified product portfolio across personal protective, healthcare and eldercare categories

We are a research and development-driven manufacturer with an integrated platform spanning product development, design, supplier coordination, manufacturing and quality control. Our research and development, product design and automated manufacturing operations are integrated, which supports our ability to translate market insight and customer feedback into commercially viable products under our proprietary brands through technical assessment, prototyping, testing, certification and scale-up to mass production. Our commercialisation capabilities are applied across our product platform through supplier and subcontractor qualification, control over key specifications, production planning, incoming inspection and release checks for face masks, and through design, prototyping and trial production in Hong Kong with qualified manufacturers supporting mass production of selected products. Building on

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our in-house R&D, design and production capabilities, we are also able to identify suitable and capable subcontractors for subcontracted manufacturing in a timely manner, enabling selected products to obtain third-party testing or international professional certifications and to be commercialised efficiently.

In particular, for our face mask products, we retain oversight over critical manufacturing inputs and processes by providing proprietary specifications to qualified suppliers and by managing key quality control and production stages through our automated production platform in Hong Kong.

Our Directors are of the view that these capabilities have enabled us to commercialise and scale products in a controlled manner identify suitable manufacturing partners, support products in obtaining third-party or international professional recognition, and support the development of a diversified product portfolio across personal protective, healthcare and eldercare categories in the future.

As at the Latest Practicable Date, our research and development team comprised 15 personnel led by Mr. Ding. During the Track Record Period, our R&D expenses amounted to approximately HK\$3.5 million for FY2025 and HK\$3.6 million for FY2026, representing approximately 4.7% and 4.8% of our total revenue respectively. Our annual expenditure on certifications is no less than approximately HK\$0.5 million during the Track Record Period, reflecting our continuing commitment to product quality and regulatory compliance.

Our Directors are of the view that the integration of our material science expertise with our automated manufacturing platform, supported by our investment in specialised R&D equipment and our portfolio of international certifications, collectively differentiate us from our peers and enable us to capture cross-category growth opportunities.

We have established brand recognition under our Savewo[®] brand and a market presence in the personal protective and diagnostics equipment market

We have established brand recognition under our Savewo[®] brand and market presence in the personal protective and diagnostics equipment market in Hong Kong. According to the Frost & Sullivan Report, we ranked first in Hong Kong’s face masks and respirators market by revenue in FY2026, with an estimated market share of approximately 14.1 per cent. Our Savewo[®] face mask range covers major user segments, including specialised products for infants and young children (such as 3DMEOW and 3DBEAR) and products designed for the hearing-impaired community (i.e. 3DMask Smile face mask), which allows us to cater to varied-application scenarios, technical requirements and customer preference within our target markets.

We also established brand recognition by perfecting our production process and ensuring timely delivery of our face masks. To achieve this end, we have 2 back up production lines to support urgent order production, this allowing us to make timely delivery and winning the confidence of our customers in our brand.

Our brand strength is also evidenced by the depth of our sales channels and customer reach. We have established stable supply relationships with major chain retailers and pharmacies in Hong Kong, and we also sell through our own retail and online channels. According to the Frost & Sullivan Report, our Group ranked third in the self-test respiratory RAT kits market in Hong Kong for FY2026, with an estimated market share of approximately 11.4 per cent.

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Our Directors believe that our brand recognition and established extensive sales channels also contribute to the rapid sales and promotion of our new products other than face masks and RAT kits.

Most of our products are certified to multiple international standards, which supports our product quality and market positioning

Most of our products have obtained certifications, registrations and test results under multiple international standards and jurisdiction-specific regimes. For example, our flagship respirator Savewo® 3DMask Extreme Pro, including EN149:2001+A1:2009 FFP3 (EU), KMOEL-2017-64 KF99 (Korea), and GB 19083-2010 Level 3 (China). Certain products have also obtained FDA 510(k) [REDACTED], and have undergone biocompatibility and chemical compliance testing, including ISO 10993.

At the manufacturing level, our production facility has obtained ISO 13485:2016, and ISO 14644-1:2015 Class 7 cleanroom certification, as well as CE-related manufacturing certificates and factory registration.

Our diversified multi-channel distribution network reduces our reliance on any single channel and supports stable revenue across market cycles

Our distribution network in Hong Kong comprises (i) our self-operated retail stores and exhibition channels; (ii) our own e-commerce platform on the e-commerce software platform used for our online store, supplemented by selected third-party online marketplaces and delivery platforms; (iii) our wholesale channel partners (major chain retailers, supermarkets, convenience stores, home products retailer and pharmacy chains in Hong Kong); and (iv) government and institutional tender channels. Our Directors are of the view that our channel mix provided sales channel diversification during the Track Record Period.

Our relationships with our channel partners are conducted on a seller/buyer basis and not on a principal/agent basis. Save as disclosed in the sub-section headed “Overlapping customers and suppliers” below, we do not have any other affiliation or business interaction with our channel partners during the Track Record Period, and our channel partners do not hold equity in, or serve as Directors or senior management of, any member of our Group, nor do they share any corporate, shareholding or family relationship with our shareholders, Directors or senior management.

Our stable supply chain and prudent inventory management mitigate our exposure to raw material cost volatility and supply disruptions

We have maintained relationships with our core raw material suppliers for approximately four years and have established two to three alternative qualified suppliers for our core mask materials, mitigating the risk of single-source dependency. During the Track Record Period, we typically maintained approximately four months of raw material inventory and approximately two months of finished face mask inventory, which we believe provides an adequate buffer against potential supply disruptions and short-term raw material price volatility.

We have also implemented a supplier and subcontractor penalty mechanism, allowing us to claim triple (or, in certain cases, tenfold) compensation for non-conforming materials. During the Track Record Period, we did not experience any material production delays attributable to supplier issues.

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Our experienced management team brings deep industry expertise and operational continuity

Our management team is led by our co-founders and Controlling Shareholders, Mr. Ding Zhen (executive Director) and Ms. Choi Sze Man (executive Director).

Mr. Ding holds a Bachelor of Science degree in Mathematics from the City University of Hong Kong, where he initially studied materials science before transferring to the mathematics programme. Prior to founding our Company, Mr. Ding accumulated extensive experience in product design, materials [REDACTED] and manufacturing processes through his involvement in consumer electronics trading and product development. He is responsible for leading our research and development team and overseeing our overall business strategy, product development and operations.

Ms. Choi holds an Executive MBA from The Chinese University of Hong Kong, the Chartered Financial Analyst (CFA) designation. Prior to co-founding our Company, Ms. Choi gained institutional experience in financial services. She is responsible for our overall financial management and corporate strategy. Our management team is further supported by Mr. Wong (who oversees day-to-day operational matters), Mr. Chung Pui Sei Best (Accounting) and Mr. Cheuk Anthony (Certification and Compliance), each of whom holds the relevant professional qualifications and has significant experience in his respective function.

OUR BUSINESS STRATEGIES

Our overall objective is to consolidate our leading position in the Hong Kong personal protective and healthcare products market and to leverage our integrated product development, commercialisation and manufacturing platform to expand into adjacent healthcare and eldercare categories and selected overseas markets. We intend to pursue the following strategies, which are also reflected in our intended use of the [REDACTED] from the [REDACTED] as further described in the section headed “[REDACTED] and [REDACTED]” in this document.

We intend to continue investing in market-driven research and development to expand our product development and commercialisation platform and product pipeline

Our research and development activities are market-driven and continuous. A research project is initiated upon identification of market opportunities or customer requirements. We evaluate the technical feasibility, commercial viability, certification pathway and production economics of relevant project prior to formal mass production deployment. We intend to continue investing in strengthening our R&D, certification and commercialisation capabilities, with a particular focus on next-generation filtration technologies, advanced wound care products, carbon fibre based consumer healthcare products, medical support devices, personal care products and battery technology applications, as well as high-performance superabsorbent polymer (SAP) base formulations and related medical and healthcare product series, including hypertonic wound dressings, medical absorbent pads, medical absorbent bed mats and adult diapers. In developing and expanding our product pipeline, we align with broader market trends, including the rising demand for lightweight, portable and intelligent healthcare and wellness products, as well as the growing market preference for improved charging compatibility across personal healthcare products. In particular, we intend to progressively adopt the USB-C universal interface across our applicable electronic medical products, in order to improve user convenience, enhance charging compatibility and support compliance with applicable regulatory requirements in overseas markets. We

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intend to apply approximately 30% of the [REDACTED] from the [REDACTED] to support our research and development activities, including refining our existing projects and product lines, developing new projects and expanding our product pipeline.

We intend to broaden our product portfolio across personal protective and healthcare and eldercare categories

Building on our existing portfolio of disposable face masks, RAT kits, wound care products, electric wheelchairs, MasterCane walking canes, UV-protection umbrellas and other healthcare products, we intend to introduce additional personal protective and healthcare products in categories that leverage our existing product development, production, certification and commercialisation capabilities, production know-how and distribution network. TPU-based technologies have multi-purpose [REDACTED] and a broad range of potential uses and, when combined with our other technologies and product development capabilities, represent a product area with potential for further development by our Group. We will continue to place strategic importance on obtaining and renewing relevant international product certifications, including CE MDR, FDA 510(k), ASTM F2100, EN14683, GB19083, EN149, ISO10993, ISO7176, EN12184 and IEC 60601, as well as medical sterilisation standards ISO 11135 and ISO 11137. This strategy is supported principally by the portion of the [REDACTED] from the [REDACTED] allocated to research and development.

We intend to strengthen our multi-channel distribution network, including through selective downstream expansion opportunities

We will continue to develop our self-operated retail and e-commerce channels in Hong Kong while pursuing selective downstream expansion opportunities to enhance our downstream sales channels in Hong Kong. Our Directors are of the view that selective acquisitions, if pursued, may provide a more efficient means of expanding our downstream sales channels than organic development, as the latter would be time-consuming and inefficient given the relatively low per-order purchase value of individual healthcare service providers, whereas acquisitions would allow us to integrate recurring downstream sales channels and capture staple demand for face masks and medical consumables from such customers. This strategy forms part of the [REDACTED] described in the section headed “[REDACTED] and [REDACTED]” in this document.

As at the Latest Practicable Date, we had not identified any specific acquisition target and had not entered into any definitive agreement in relation to any such opportunity. We intend to apply approximately [REDACTED] of the [REDACTED] from the [REDACTED] to strengthen our sales channels and market development efforts, including selective downstream expansion opportunities.

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We intend to optimise our manufacturing footprint by maintaining our core operations in Hong Kong while pursuing selective overseas production

We intend to maintain our research and development and our core manufacturing operations in Hong Kong, in line with our “Made in Hong Kong” positioning. We are concurrently evaluating selected overseas mass-production arrangements for products that require equipment or medical sterilisation standard conditions (ISO 11135 & ISO 11137) not currently available in Hong Kong. In particular, mass production of our wound care products requires medical-grade sterilisation equipment that is not currently approved for installation in Hong Kong; we are accordingly evaluating mass production in Malaysia, where the necessary sterilisation conditions are available, in collaboration with our Malaysian partner under a signed licensing agreement (with existing purchase orders and shipment records available). We are also monitoring opportunities under the Hong Kong Government’s “Industry 4.0” initiative and the development of the Northern Metropolis. We intend to apply approximately [REDACTED] of the [REDACTED] from the [REDACTED] to investment in our production facility, including expansion, upgrade and equipment investment, in order to improve our operational efficiency, strengthen our manufacturing capabilities and increase our production capacity and capabilities.

We intend to strengthen our sales and operation capabilities through exhibition participation, overseas market development and hiring

We intend to strengthen our sales and operation capabilities through exhibition participation, overseas market development and recruitment of additional personnel. We will continue expanding selectively into overseas markets, including the Middle East and South America. We are pursuing Saudi Arabia SFDA certification to support delivery of orders from Saudi Arabia and Brazil. We have also participated in three core overseas exhibitions, namely Medica (Germany), Arab Health (Middle East) and the Hong Kong International Medical and Healthcare Fair, for a total of ten times in aggregate during the Track Record Period. We also intend to recruit additional personnel to support our business expansion, including in areas such as sales and operation, overseas market development, quality assurance, certification and compliance, to support the implementation of our sales and market development initiatives in Hong Kong and selected overseas markets. We intend to apply approximately 15% of the [REDACTED] from the [REDACTED] to exhibition participation, overseas market development and recruitment of additional personnel to support our business expansion.

The implementation of the strategies set out above will involve expenditure on, among others, R&D, capacity expansion, equipment investment, downstream channel development, selected acquisitions, overseas certification, exhibition participation and recruitment of additional personnel. For details of our expansion plans, including the capital expenditure requirements, the expected breakeven, the implementation timeline and the [REDACTED] of the [REDACTED] from the [REDACTED], please refer to the section headed “[REDACTED] and [REDACTED]” in this document. For risks relating to our expansion plans, including the potential cost of market penetration into new geographies, the regulatory certification timelines for new markets, raw material supply and competition in our targeted markets, please refer to the section headed “Risk Factors” in this document.

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OUR PRODUCTS AND BRANDS

We design, manufacture or source and distribute a multi-category portfolio of Self-Branded Products under our proprietary brands. The table below summarises our principal brands and the respective product categories of those products considered by our Company to be our major products:

Face masks, RAT kits and consumables

Our face masks, RAT kits and consumables category generated approximately HK\$63.7 million and HK\$60.2 million of revenue, representing approximately 87.0% and 79.7% of our revenue, for FY2025 and FY2026, respectively. This segment comprises (i) our proprietary Savewo® brand of disposable face masks (including the 3DMASK Ultra, 3DMASK Smile, 3DMASK Extreme Pro, 3DMEOW, 3DBEAR and ClassicMask families; (ii) our range of RAT kits; and (iii) our TRANSKIN® TPU dressings, which were at sample testing stage as at the Latest Practicable Date). During the Track Record Period, the retail selling prices of products under this category generally ranged from approximately HK\$6 to HK\$398, depending on product type, packaging specifications and features. Products at the lower end of the price range generally comprised RAT kit, while products at the higher end of the price range generally comprised premium face mask products. The table below set out some of our major products under this category:

	Product family	Category and description	Key features and specifications	Certifications	Standard Retail price as at the Latest Practicable Date (HK\$)
	Savewo® 3DMASK Ultra family (S/R/M/L sizes; and Carbon variants)	Disposable face mask — adult and adolescent, premium tier	- Three-dimensional contoured construction with TypeCool+ non-woven filter fabric - Breathing resistance < 2.4 mmH₂O - BFE/PFE≥99.9 per cent (fabric-sample) - TYPECOOL+ filtration technology with ultra-high breathability and effective for 24 hours - Carbon variant adds an activated-carbon adsorption layer - Special water-resistant ESPP smooth skin-friendly inner layer protects the skin and does not cause linting	- EN149:2001 + A1:2009 FFP2 (EU) respirator standards - KMOEL-2017-64 KF94 (Korea) respirator standards - ASTM F2100-19 Level 3 (US) standards - EN14683:2019 Type IIR (EU) standards - GB2626-2019 KN95 (China) respirator standards - CE Marking Certification (EU) - FDA (US), Registration Number: 3017178899	HK\$189/box
	Savewo® 3DMASK Smile	Disposable face mask with transparent window for lip-reading	- Anti-fog transparent window across the mouth area - One-size design fitting approximately 90 per cent of adult face shapes - Breathing resistance < 2.8 mmH₂O - BFE/PFE≥ 99.9 per cent (fabric-sample) - TYPECOOL+ filtration technology with ultra-high breathability and effective for 24 hours	- EN149:2001 + A1:2009 FFP2 (EU) respirator standards - KMOEL-2017-64 KF94 (Korea) respirator standards - ASTM F2100-19 Level 3 (US) standards - EN14683:2019 Type IIR (EU) standards - CE Marking Certification (EU) - FDA (US), Registration Number: 3017178899	HK\$99/box
	Savewo® 3DMASK Extreme Pro	FFP3-equivalent disposable respirator	- TypeCool+EX filtration fabric; ultra-low breathing resistance, which is less than half of that of most FFP3 respirators - One-size design fitting approximately 90 per cent of adult face shapes - BFE/PFE≥ 99.9 per cent (fabric-sample) - Breathing resistance < 3.9 mmH₂O - Special water-resistant ESPP smooth skin-friendly inner layer protects the skin and does not cause linting	- EN149:2001 + A1:2009 FFP3 (EU) respirator standards - KMOEL-2017-64 KF99 (Korea) respirator standards - GB 19083-2010 Level 3 (China) respirator standards - CE Marking Certification (EU) - FDA (US), Registration Number: 3017178899	HK\$149/box

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	Product family	Category and description	Key features and specifications	Certifications	Standard Retail price as at the Latest Practicable Date (HK\$)
	Savewo® 3DMEOW and Savewo® 3DBEAR	Children's disposable face mask	- Sized for paediatric faceshape (KS ages 2–6; KL ages 7–13; KDT transitional; ADT adult) - Colour masterbatch dyeing rather than surface print - BFE/PFE≥ 99.9 per cent (fabric-sample) - The fabric used for the face masks has been tested and is compliant with the relevant SVHC and AZO dye restrictions - TYPECOOL+ filtration technology with ultra-high breathability and effective for 24 hours - Special water-resistant ESPP smooth skin-friendly inner layer protects the skin and does not cause linting	- KMOEL-2017–64 KF94 (Korea) respirator standards - ASTM F2100–19 Level 3 (US) standards - EN14683:2019 Type IIR (EU) standards - JIS T 9001:2021 Class III (Japan) standards - CE Marking Certification (EU) - FDA (US), Registration Number: 3017178899	HK\$149/box
	Savewo® Classic Mask	FDA 510K Clearance Disposable face mask	- Three-folded flat mask with TypeCool+ non-woven filter fabric - Breathing resistance < 3.4 mmH₂O - Fluid Resistance: Resists Synthetic Blood @ 160 mmHg of pressure - BFE/PFE≥ 99.9 per cent (fabric-sample) - TYPECOOL+ filtration technology with ultra-high breathability and effective for 24 hours - Special water-resistant ESPP smooth skin-friendly inner layer protects the skin and does not cause linting	- ASTM F2100–19 Level 3 (US) standards - EN14683:2019 Type IIR (EU) standards - ISO10993–5 cytotoxicity - ISO10993–10 skin irritation and sensitization biocompatibility tests for medical materials - CE Marking Certification (EU) - FDA (US), Registration Number: 3017178899 - FDA 510K (K221957)	HK\$45/box
	SAVEWO® Antigen Rapid Test Kit family (SARS-CoV-2 single-analyte; 3/5/6/9/10/11-in-1 multi-analyte panels)	In vitro diagnostic test kit — lateral flow rapid antigen (sourced from a qualified third-party manufacturer under SAVEWO® branding)	- Sample matrix: anterior nasal swab - Time to result: approximately 15 minutes - Detection targets: refer to IFU per kit - Sensitivity/specificity: refer to clinical-validation report per kit	- EU CE-IVDR marking - EU-QMS - EU DECLARATION OF CONFORMITY WITH NOTIFIED BODY	HK\$6 to HK\$35/pcs
	SAVEWO® TRANSKIN® Hydrocolloid Waterproof Bandages	TPU-based hydrocolloid wound dressing (joint development with the Group's Singapore and Malaysia partners).	- Hydrocolloid wound contact layer with TPU backing film - Transparent for healing progress monitoring - Waterproof/breathable - optimal, moist environment that accelerates healing and prevents scarring	- ISO10993–5 cytotoxicity - ISO10993–10 skin irritation and sensitization biocompatibility tests for medical materials - CE-MDR class IIa - FDA (US), Registration Number: 3010370474	HK\$29/box
	SAVEWO® TRANSKIN® Waterproof Transparent Film Flat-Dressing (W10cm)	Waterproof transparent film; durable, breathable, skin-friendly material	- Transparent for healing progress monitoring - Waterproof/breathable - Active Fitness Enthusiasts & Athletes - Skincare & Acne-Prone Consumers (Spot Treatment)	- ISO10993–5 cytotoxicity - ISO10993–10 skin irritation and sensitization biocompatibility tests for medical materials - ISO 10993–11 Acute Systemic Toxicity Test - ISO 11737–1 Cleanliness Microbial - CE Marking Certification (EU) - FDA (US), Registration Number: 3017178899	HK\$180/box to HK\$380/box

BUSINESS

Healthcare equipment and complementary accessories

Our healthcare equipment and complementary accessories category comprises a range of healthcare equipment products, including our HEALTHCHAIR electric wheelchair series, our MasterCane forged carbon fibre folding cane, and our portable sterilisation devices (FreshQ). In addition to our wheelchairs, mobility aids and other healthcare products, we [REDACTED] a range of complementary accessories for use with such products to enhance user experience, including rechargeable batteries, phone/device holders and other add-on accessories. During the Track Record Period, the retail selling prices of products under this category generally ranged from approximately HK\$138 to HK\$17,980, depending on the product type, specifications, functions and features. Products at the lower end of the price range generally comprised complementary accessories and certain portable healthcare products, while products at the higher end of the price range generally comprised electric wheelchairs. The table below set out some of our major products under this category:

	Product family	Category and description	Key technology and specifications	Certifications	Standard Retail price as at the Latest Practicable Date (HK\$)
	SAVEWO® HEALTHCHAIR Z ALUMINUM (model ZA1)	Aluminium frame Folding electric wheelchair — entry tier	- Frame: aluminium alloy - Folded volume: 41 cm (D) x 60 cm (W) x 88 cm (H) - Operating volume: 93 cm (D) x 60 cm (W) x 93 cm (H) - Maximum user weight: 100kg	CE marking (EU MDR Class I)	HK\$4,990/each
	SAVEWO® HEALTHCHAIR Carbon family (Z CARBON ZC1 — mid tier; X CARBON XC1 — premium tier)	Carbon-fibre frame folding electric wheelchair	- Frame: carbon-fibre composite - XC1 (premium) folded: 86.5 cm (D) x 27 cm (W) x 78 cm (H); - Operating: 86.5 cm (D) x 55 cm (W) x 78 cm (H); - Shortest turning radius: 75cm - Maximum user weight: 100kg - ZC1 (mid) folded: 33 cm (D) x 63 cm (W) x 93 cm (H); - Operating: 90 cm (D) x 63 cm (W) x 97 cm (H) - Shortest turning radius: 75cm - Maximum user weight: 150kg	CE marking (EU MDR Class I)	ZC1 HK\$11,800/ each XC1 HK\$12,800/ each
	Portable electrolytic hypochlorous-acid (HOCl) sterilisation device for surface and air disinfection	A rechargeable HOCl generator	Active agent: hypochlorous acid (HOCl) generated by in-situ electrolysis of saline water	- CE marking - EMC; FCC - IEC 60335-1 (household electrical appliances) - RoHS	\$298
	Rainec® performance umbrellas (Air Plus/miniPro/ Pro/Ultra)	UV-protective performance umbrellas.	- Materials: carbon-fibre frame - Quick-dry coating - UV protection: UP to UPF 2000 - Heat-shielding properties - Light Blocking	- AATCC TM183-2020e - AATCC 203-2016 - AATCC TM22-2017e - JIS L1092 - JIS L1925 - JIS L 1055 - JIS L 1951	HK\$138 (Air)/ HK\$198 (miniPro)/ HK\$168 (Slim)/ HK\$338 (Ultra)]

BUSINESS

OTHERS

Our others category comprises a range of products, including our AirFlow portable fan family, together with certain other personal care products and promotional products [REDACTED] by us from time to time. During the Track Record Period, the retail selling prices of products under this category generally ranged from approximately HK\$69 to HK\$498 depending on product type, specifications and features. Products at the lower end of the price range generally comprised certain personal care products, while products at the higher end of the price range generally comprised portable fan products. The table below set out our major product under this category:

	Product family	Category and description	Key technology and specifications	Certifications	Standard Retail price as at the Latest Practicable Date (HK\$)
	SAVEWO® AirFlow Portable Fan family (Jet Fan; Cool Fan; Cool Fan 2; Neck Fan; Multi-Functional Clip Fan)	Battery-powered personal cooling fans	- Shared rechargeable battery platform across the five fan SKUs. - Cool Fan & Cool Fan 2: Instant cooling function - Neck Fan/Clip Fan: Free your hands and stop sweating profusely while working - Jet Fan: adjustable wind speed up to Wind speed (with 12mm nozzle installed) battery life: 2.5 hrs (max speed) — 12 mins (jet mode), variant-dependent	- CE; FCC; PSE - UN 38.3 (lithium battery transport); RoHS	HK\$269 (Jet)/ HK\$168 (Cool)/ HK\$198 (Cool 2)/ HK\$168 (Neck)/ HK\$89 (Clip)

Pricing Strategy

We adopted a flexible pricing approach in determining the selling prices of our products during the Track Record Period, taking into account product categories, product characteristics and market demand. As many of our products, including certain healthcare products, have comparable substitutes available in the market, customer demand is generally price-sensitive. Accordingly, we considered market conditions and profitability in determining the prices of our products. In setting our standard retail prices, we considered a combination of factors, including raw material costs, production and labour costs, packaging and logistics costs, expected gross margin, prices charged by comparable competitor products in the Hong Kong market, prevailing demand and market sentiment and, for products that were sourced or imported, prevailing foreign exchange rates.

During the Track Record Period, the standard retail prices of our face masks and RAT kits remained generally stable. The prices of our healthcare equipment and accessories generally showed a downward trend in order to remain competitive in the market and increase our market share. In addition, following the launch of a new model, the selling price of the existing model generally decreased. Where upfront payment was received prior to the launch of the new model, the applicable pre-launch price was generally lower and was adjusted upwards upon launch.

We regularly reviewed and adjusted our prices with reference to market conditions, promotional needs and customer demand. The range of standard retail prices of our major products during Track Record Period are set out in the column headed “Standard retail price as at the Latest Practicable Date” in the tables under the sub-section headed “Our Products and Brands” in this section above.

BUSINESS

During the Track Record Period, we ran promotional campaigns on selected product families primarily through our direct-to-consumer online channel (operated on the Shopline platform). The principal form of promotional pricing was a “buy 2 get 1 free” [REDACTED] on selected face mask and consumer healthcare product families, which represented an effective discount of approximately 33% off standard retail price. Promotional pricing was a long-standing feature of our direct-to-consumer online channel during the Track Record Period.

Details of revenue analysis by segment and sales channel and the period-on-period commentary on our revenue trends during the Track Record Period are set out in the section headed “Financial Information” in this document.

Product life cycle and shelf life

Our disposable face mask products have a shelf life of approximately three years from the date of manufacture when stored in accordance with our recommended storage conditions (i.e. in a cool, dry environment away from direct sunlight). Our RAT kit products have a shelf life of approximately two to three years, depending on the product type. Our electric wheelchairs and MasterCane folding canes are durable goods and do not have a defined shelf life, although we recommend periodic maintenance for our wheelchair products as described in the sub-section headed “After-sales services” above. Our Rainec umbrellas are likewise durable consumer goods without a defined expiry period.

With respect to product life cycle, our face mask products are subject to ongoing design iteration and certification renewal. During the Track Record Period, we periodically introduced updated models (such as new colourways, co-branded editions and design refinements) while maintaining our core product lines. Our Directors are of the view that demand for disposable face masks is recurrent in nature and not subject to technological obsolescence, although consumer preferences for design, comfort and filtration performance continue to evolve.

BUSINESS

Changes to our product portfolio during the Track Record Period

During the Track Record Period, we expanded our product portfolio by launching the major new products set out below. The following table sets out the major new products launched during the Track Record Period and their respective months of launch:

Month of launch	New product
May 2024	SAVEWO 6-in-1 Antigen Rapid Test Kit
August 2024	SAVEWO OXYGEN portable oxygen concentrator
November 2024	SAVEWO TranSkin Waterproof & Transparent Film Dressing
May 2025	SAVEWO 5-in-1 Antigen Rapid Test Kit
	SAVEWO MasterCane Ultra Light Carbon Fibre Folding Cane
July 2025	SAVEWO Rainec [®] Prime Full Carbon fibre U-Handle Long Umbrella
September 2025	SAVEWO TranSkin [®] Hydrocolloid Waterproof Bandages
December 2025	SAVEWO 11-in-1 Antigen Rapid Test Kit
	SAVEWO Regal Mask

During the Track Record Period, we launched various new products, and the table above sets out the major new products launched during the Track Record Period. Other than the launch of such new products, there were no material changes to our product portfolio during the Track Record Period, and none of our products were discontinued during the Track Record Period.

BUSINESS

OUR PRODUCT PIPELINE

We have a number of products under development that are scheduled for launch following the end of the Track Record Period. The following table sets out a summary of our product pipeline as at the Latest Practicable Date:

Product	Category	Development Stage	Expected launch timeline	Certifications required/ status
SAVEWO FreshQ FQ200 Portable Electrolytic Sterilisation Device	Healthcare equipment	Pre-mass Production	June 2026	CE EN1276
SAVEWO PressPro Medical Grade Rechargeable Intelligent Blood Pressure Monitor 1. Wrist 2. Integrated Cuff 3. Cuff	Healthcare equipment	In Commercial Production	June 2026	CE FDA 510(K) EU-EDR
TempPro Medical Grade 3-in-1 Non-Contact Infrared Thermometer	Healthcare equipment	In Commercial Production	June 2026	CE EU-EDR FDA 510(K)
AirPresso Deep Sleep Air-Pressure Massage Eye Mask (model AP-C60) (深眠氣壓按摩眼罩)	Healthcare equipment	Pre-mass Production	3rd quarter 2026	CE
SAVEWO HEALTHCHAIR X ALUMINUM (model XA1) (鋁合金製對摺型電動輪椅)	Healthcare equipment	Pre-mass Production	4th quarter 2026	CE
SAVEWO Oxygen Pro 5L — Medical-Grade Oxygen Concentrator (醫療級氧氣機)	Healthcare equipment	Design and Prototyping	4th quarter 2026	CE FDA 510(K)
SAVEWO Pulse Ultra — Professional Telescopic Massage Gun (伸縮按摩槍)	Healthcare equipment	Pre-mass Production	4th quarter 2026	CE
SAVEWO TensPro Wireless TENS + EMS Neuromuscular Electrical Stimulation & Low-Frequency Therapy Device — 4 Modes	Healthcare equipment	Design and Prototyping	4th quarter 2026	CE FDA 510(K)
SAVEWO ROYALMASK PRO — Dual-Use (Ear Loop and Headband) FFP3 Medical Respirator (model RM-PRO) (ROYALMASK耳帶及頭帶兩用FFP3醫用呼吸器)	Face mask	Sample testing and Certification	1st quarter 2027	CE EN149:2001 + A1:2009 FFP3 (EU)
SAVEWO Advanced Wound Dressings	Consumable	Research and feasibility assessment	2027–2028	CE EU-MDR

BUSINESS

SALES AND MARKETING

Our sales channels

We have established a multi-channel sales and distribution network comprising the following three principal channels during the Track Record Period:

Channel	Approx. % of revenue in FY2025		Description
Self-operated retail stores, pop-up stores and exhibition channels (offline)	[REDACTED]	22.1%	Ten physical stores in Hong Kong, together with pop-up stores and exhibitions; sells our healthcare products and complementary daily necessities (including umbrellas) to enhance store revenue. Sales costs primarily comprise credit card and PayMe transaction fees; no slotting fees apply.
Online channels	31.2%	23.1%	Our own e-commerce store platform plus third-party platforms operated by selected third-party online marketplaces and delivery service providers. Service fees charged by third-party online platforms vary depending on the platform and commercial arrangement. Certain online marketplaces charge service fees of approximately [REDACTED], while certain other platforms charge service fee of approximately a few percentage points, and certain delivery platforms operate on a buyout model.
Wholesale channels	37.8%	49.0%	Major chain retailers and pharmacies including major chain retailers, supermarkets, convenience stores, home products retailers and pharmacy in Hong Kong. We do not generally pay slotting fees (other than for vending machines) and bear logistics costs only.
Government and institutional tenders	5.0%	5.8%	Includes participation in tenders by individual hospitals (e.g. a public hospital in Hong Kong). We secured approximately five to six face mask and RAT kits tender contracts during the Track Record Period.

Our relationships with our wholesale customers and third-party online platform operators are conducted on a seller/buyer basis rather than a principal/agent basis. We do not have any exclusive sales agreements with such parties. Save as disclosed in the sub-section headed “Overlapping customers and suppliers” above, we do not have any other affiliation or business relationship with such parties. In particular, such parties do not hold equity in, or serve as Directors or senior management of, any member of our Group, and have no corporate, shareholding or family relationship with our shareholders, Directors or senior management.

BUSINESS

Movement of self-operated retail stores during the Track Record Period

	Stores at beginning of period	Opened during period	Closed during period	Stores at end of period	Reasons for closure
FY2025	9	4	3	10	Expiry of the relevant lease term
FY2026	10	1	1	10	Expiry of the relevant lease term
From 1 April 2026 to Latest Practicable Date	10	0	0	10	Expiry of the relevant lease term

The following pictures show our self-operated Retail Stores:



1. Wan Chai Store	6. Sham Shui Po Store
2. Tuen Mun Store	7. Mongkok Store
3. Kwun Tong Store	8. Tsim Sha Tsui Store
4. Tsuen Wan Store	9. Causeway Bay Store
5. Shatin Store	10. Kwai Fong Store

BUSINESS

Allocation policy during periods of constrained supply

During the Track Record Period, there were instances in which distributors competed for limited supply of our products. Our allocation principle is to allocate based on distributors’ historical purchase records, with the objective of meeting the needs of the largest possible number of customers.

Government tenders

We participate in selected government and institutional tenders. Historically, we have focused on products with higher gross margin and have participated less in government channels, which typically [REDACTED] lower gross margin. To increase overall revenue scale, we intend to selectively increase our participation in government channels going forward, while maintaining our premium positioning and capacity flexibility.

Marketing initiatives

Our marketing initiatives during the Track Record Period included (i) multi-channel digital and offline campaigns highlighting the differentiated technical features of our products (such as our 24-hour effective filtration performance and our portfolio of international certifications); (ii) strategic licensing collaborations (for example, with internationally recognised consumer brands for co-branded or themed face masks); (iii) participation in three core overseas exhibitions on about ten occasions (Medica in Germany, Arab Health in the Middle East, and the Hong Kong International Medical and Healthcare Fair); and (iv) pursuit of overseas certifications (including Saudi Arabia SFDA certification) to support delivery of orders into Saudi Arabia and Brazil.

OUR CUSTOMERS

Our customer base

Our customers vary by sales channel and can be broadly categorised into three principal types: (i) public sector customers (including hospitals, clinics and government departments served via tender or framework supply arrangements, such as a public hospital in Hong Kong); (ii) wholesale customers (including chain retailers such as major retailer chains, supermarkets, convenience stores, home products retailers and pharmacy chains); and (iii) individual customers (purchasing through our self-operated retail stores and online channels).

BUSINESS

The table below sets out a breakdown of our revenue by customer type during the Track Record Period:

Customer type	FY2025		FY2026	
	<i>Revenue</i> (HK\$,000)	<i>%</i>	<i>Revenue</i> (HK\$,000)	<i>%</i>
Public sector customers	3,682	5.0	4,409	5.8
Wholesale customers	27,698	37.8%	37,026	49.0%
Individual customers (through our e-commerce store, pop-up stores, exhibitions and retail stores)	<u>41,833</u>	<u>57.2%</u>	<u>34,108</u>	<u>45.2%</u>
Total	<u><u>73,213</u></u>	<u><u>100.0</u></u>	<u><u>75,543</u></u>	<u><u>100.0</u></u>

Our top five customers

The following table sets out the top five customers of our Group for each of FY2025 and FY2026. To the best of our Directors’ knowledge and belief, save as disclosed in the sub-section headed “Overlapping customers and suppliers” below in respect of Zeta, none of our Directors, their respective close associates or any Shareholder (who, to the best knowledge of our Directors, owns more than 5% of the issued share capital of our Company as at the Latest Practicable Date) had any interest in any of our top five customers during the Track Record Period. All of our top five customers during the Track Record Period were Independent Third Parties.

BUSINESS

For FY2025

Customer (customer type)	Background	Length of business relationship with our Group as at the Latest Practicable Date	Principal product category(ies) supplied	Revenue derived from the customer (HK\$'000)	Approximate % to the total revenue of our Group for the year	Credit period
Customer A (wholesale customer)	A company in a retail group principally engaged in the operation of supermarkets, convenience stores and other consumer retails in Hong Kong	4 years	Face masks, RAT kits and consumables	7,381	10.1	30 to 60 days
Customer B ((REDACTED) sector customer)	A government department in Hong Kong responsible for executing healthcare policies and statutory functions	3 years	Face masks, RAT kits and consumables	3,479	4.8	30 to 60 days
Customer C (wholesale customer)	A private company incorporated in Hong Kong which is principally engaged in department stores, distribution and retail business	4 years	Face masks, RAT kits and consumables	1,739	2.4	30 to 60 days
Customer D (wholesale customer)	A company [REDACTED] on the Main Board of the Stock Exchange and principally engaged in the operation of retail pharmacy chain stores in Hong Kong	3 years	Face masks, RAT kits and consumables; Healthcare equipment and complementary accessories	1,278	1.7	30 to 60 days
Customer E (wholesale customer)	A wholly-owned subsidiary of a company [REDACTED] on the Stock Exchange, which is a retailer of furniture and household products	4 years	Face masks, RAT kits and consumables; Healthcare equipment and complementary accessories	1,185	1.6	30 to 60 days
Top 5 customers in aggregate				15,062	20.6	

BUSINESS

For FY2026

Customer (customer type)	Background	Length of business relationship with our Group as at the Latest Practicable Date	Principal product category(ies) supplied	Revenue derived from the customer (HK\$'000)	Approximate % to the total revenue of our Group for the year	Credit period
Customer A (wholesale customer)	A company in a retail group principally engaged in the operation of supermarkets, convenience stores and other consumer retails in Hong Kong	5 years	Face masks, RAT kits and consumables	6,725	8.9	30 to 60 days
Zeta (wholesale customer)	A company wholly owned by Mr. Ding, our executive Directors and one of our Controlling Shareholders, which is incorporated in Hong Kong and is principally engages in the operation of an online retail store, and procurement and resale of electronics and consumer products	5 years	Face masks, RAT kits and consumables; Healthcare equipment and complementary accessories	3,749	5.0	30 to 60 days
Customer B ([REDACTED] sector customer)	A government department in Hong Kong responsible for executing healthcare policies and statutory functions	4 years	Face masks, RAT kits and consumables	3,626	4.8	30 to 60 days
Customer D (wholesale customer)	A company [REDACTED] on the Main Board of the Stock Exchange and principally engaged in the operation of a retail pharmacy chain stores in Hong Kong	4 years	Face masks, RAT kits and consumables	2,417	3.2	30 to 60 days
Customer C (wholesale customer)	A private company incorporated in Hong Kong which is principally engaged in department stores, distribution and retail business	5 years	Face masks, RAT kits and consumables	1,822	2.4	30 to 60 days
Top 5 customers in aggregate				18,339	24.3	

BUSINESS

Major terms of our agreements with customers

During the Track Record Period and up to the Latest Practicable Date, we generally did not enter into long-term framework agreements with our customers in the ordinary and usual course of business. Save for bulk order by certain retailer chains, sales of our products were generally effected on a transaction-by-transaction basis through our retail stores and online shop or pursuant to purchase orders, order instructions or other customer-specific arrangements, as applicable.

In respect of the retailer chains, our arrangements were generally governed by customer-specific trading terms agreements, supplier information forms and other vendor documentation, which set out the relevant commercial and operational terms applicable to the supply of our products to the relevant retailer chain. Such terms generally include payment and settlement terms, order and delivery arrangements, discount, product compliance obligations and other matters incidental to the supply of goods.

In respect of our retail and online channels, customers generally settled payment immediately in Hong Kong dollars and no credit period was generally granted. We generally did not allow product returns or [REDACTED] any warranty, except for product quality reasons, and product exchange requests were generally handled in accordance with our relevant policy.

Credit terms and payment methods

Depending on the nature of our customers, our credit assessment and sales channel, credit terms for our wholesale channel partners are generally 60 days. We generally allowed credit periods ranging from 0 days to 90 days during the Track Record Period, depending on the specific payment terms in each contract. In some cases, we received advance payments from customers prior to delivery, which represented receipts in advance from customers for sales of our products. Pharmacies generally do not have fixed credit terms; some pharmacies operate on shorter terms (around seven days) or settle on a cash-on-delivery basis. Our online and offline retail sales are settled at the point of sale, with credit card and PayMe being the principal payment methods.

Credit assessment

Our finance and administration department is responsible for monitoring the credit risks of our customers and conducting relevant credit assessment procedures. Monthly trade receivables aging reports are prepared by the finance and administration department to update the management team on the overdue status of our customers. Reviews of customers’ payments are conducted on a regular basis and revisions to customers’ credit limit amounts may be made accordingly. Where payments from customers are long overdue, demand letters will be sent on a case-by-case basis taking into consideration of potential future sales. The write-off of any trade receivables is subject to the approval of our financial controller.

BUSINESS

Third-party payment arrangements

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, our Group did not have any third-party payment arrangements with our customers (being arrangements under which a customer’s payment obligation to our Group was settled by a third party other than the customer itself), and all payments received from our customers were settled by the customers themselves through bank transfer, credit card, electronic payment (including PayMe), cash or cash-on-delivery.

Customer reliance and concentration

Our Directors are of the view that we do not have material financial reliance on any single customer having regard to (i) our diversified customer base across [REDACTED] sector customers, corporate customers (including chain retailers and pharmacies) and individual customers, as set out under the paragraph headed “Our customer base” above; (ii) our multi-channel distribution network comprising our self-operated retail stores, our own e-commerce store, third-party online platforms and wholesale channel partners, as set out in the sub-section headed “Sales and Marketing — Our sales channels” above; and (iii) the absence of any individual customer accounting for more than 30 per cent of our total revenue in any year of the Track Record Period. Our top customer accounted for approximately 10.1% in FY2025 and 8.9% in FY2026 of our total revenue during the Track Record Period, and our top five customers in aggregate accounted for approximately 20.6% in FY2025 and 24.3% in FY2026 of our total revenue.

Returns and warranty

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, we did not experience any large-scale product recalls due to product quality issues. Products with quality defects identified at pre-shipment inspection are scrapped and not released for sale. We generally do not accept returns for non-quality-related reasons; exceptions are handled on a discretionary basis.

Customer complaints

We have established internal procedures for the handling of customer complaints. Our customer service team receives and logs complaints from all channels (including our retail stores, online platforms and wholesale partners). Complaints relating to product quality are escalated to our quality control team for investigation and, where warranted, remedial action. Our customer service team compiles periodic reports on complaint and return/exchange data and passes them to our quality management team for review.

During the Track Record Period and up to the Latest Practicable Date, we did not receive any material complaints from consumers that resulted in regulatory penalties, product recall orders or material financial liability.

BUSINESS

Allocation of liability for product defects

For products manufactured in-house (being our disposable face masks), we bear primary responsibility for any product defects. For products supplied from third-party suppliers (including our test kits and oxygen concentrators), our purchase agreements generally provide for the supplier and subcontractors to bear liability for defects attributable to manufacturing or raw material quality, and we maintain the right to claim compensation from the relevant supplier and subcontractors.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material product liability claims.

After-sales services

In addition to our product sales, we provide after-sales services for certain of our products. For our face masks, RAT kits and consumables, we generally handle customer enquiries and product exchange requests in accordance with our relevant policies. During the Track Record Period, we did not receive any material product exchange requests in relation to our face masks, RAT kits and consumables. We also provide after-sales maintenance services for our electric wheelchair products, including customer drop-off and on-site collection arrangements. For unit dropped off by customers or collected and returned to our factory, if a repair cannot be completed on the same day, we [REDACTED] wheelchair loan services free of charge upon customer request. During the Track Record Period, we handled approximately 42 and 49 after sales maintenance service cases for FY2025 and FY2026, respectively.

PRODUCTION

Our production facility

Our Savewo® face masks are manufactured at our Tsuen Wan production facility on an automated production line which operates within an ISO 14644-1:2015 Class 7 certified cleanroom environment. The production line comprises six integrated stages: (i) raw-material inbound and batch-traceability logging; (ii) automated conveying, cutting and ultrasonic welding; (iii) synchronised multi-station stacking and compression for three-dimensional mask forming; (iv) automated ear-loop welding; (v) automated bagging and sealing; and (vi) finished-goods batch linkage, boxing and outbound dispatch. Production is conducted in accordance with our ISO 13485:2016 medical devices quality management system, with cleanroom protocols, gowning, environmental monitoring and in-process quality control applied at each stage. Our face masks manufactured at our Tsuen Wan facility are entitled to the “Made in Hong Kong” designation, our other product lines are supplied from third-party manufacturers or subcontractors as further described in the sub-section headed “OEM, ODM and JDM Services” below.

Production process of our face masks

Our production process for disposable face masks may be summarised at a high level as comprising raw material procurement, incoming inspection, material preparation, automated forming and assembly, finished goods inspection, and packaging and warehousing.

BUSINESS

Raw material procurement

In the raw material procurement stage, we procure the principal materials used in mask production, including outer non-woven fabric, meltblown fabric, inner-layer fabric, elastic earloops, malleable nose strips and packaging materials. Suppliers provide accompanying testing or factory reports in relation to the delivered materials.

Incoming inspection

In the incoming inspection stage, raw materials received from suppliers are checked before being released for production use. These checks include appearance inspection and selected physical or performance-related checks. Materials that pass inspection are warehoused and recorded for traceability purposes, while materials that do not pass inspection are isolated from production use.



Thickness test



Weight test



Earloops elongation test



Filtration efficiency test



Breathability test

BUSINESS

Material preparation

In the material preparation stage, materials are prepared prior to entering the production area. Before entry into the cleanroom production environment, outer packaging is removed and the materials undergo preparatory handling before transfer into the production area.



Clean material area

Automated forming and assembly

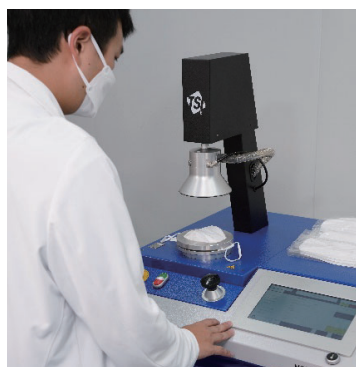
In the automated forming and assembly stage, production materials are loaded into the relevant equipment and proceed through the principal assembly stages of mask formation. These stages include material loading, layer alignment and handling, nose-strip feeding, welding, cutting, folding, earloop attachment, in-line monitoring and individual packaging. Parts of the production process also include ultraviolet disinfection and visual inspection procedures.

BUSINESS

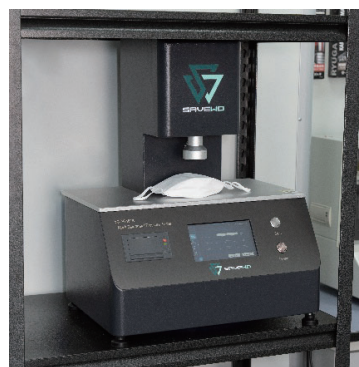


Finished goods inspection

In the finished goods inspection stage, completed masks are subject to inspection and testing before release for packaging and storage. These checks include testing relating to filtration efficiency, breathability, respiratory resistance, synthetic blood penetration resistance testing, earloop-related performance and microbiological cleanliness.



Filtration efficiency testing

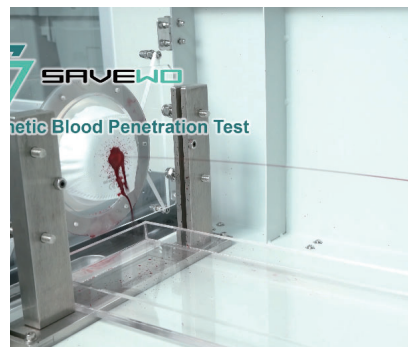


Breathability testing

BUSINESS



Respiratory resistance testing



Synthetic blood penetration resistance testing



Earloops elongation and weld strength testing



Microbiological cleanliness testing

BUSINESS

Packaging and warehousing

In the packaging and warehousing stage, masks that pass inspection are packed, stored and prepared for dispatch. Individual masks may be packaged and coded before being boxed, warehoused and checked prior to shipment.



Packaging



Warehousing

Production capacity and utilisation

The following table sets out the production capacity, actual production volume and utilisation rate of our principal product lines during the Track Record Period:

	For FY2025			For FY2026		
	Production capacity ⁽¹⁾ (units)	Production volume (units)	Utilisation rate ⁽²⁾ (%)	Production capacity ⁽¹⁾ (units)	Production volume (units)	Utilisation rate ⁽²⁾ (%)
Disposable face masks	29,250,000	24,350,735	83.3	29,250,000	20,653,863	70.6

Notes:

- (1) Production capacity refers to the theoretical maximum units of products that our manufacturing facility in production can produce. During the Track Record Period, we operated 13 active automated production lines. For our disposable face masks, we estimated that the theoretical maximum units that could be produced assuming that our production line is operating 6 hours each day, output of 1,500 pcs per hour, the applicable number of production lines, and 250 working days per year.
- (2) Utilisation rate refers to the approximate percentage of the production volume to production capacity during the period.

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Our production workers were trained to be able to produce different products. Our production workers were allocated to produce different products based on our production plan, which we design with reference to the market demands for the relevant product. If the demand for a certain product increases, we would allocate more working hours of our production workers on such product.

During the Track Record Period, the production capacity for our disposable face masks was generally stable. We closely monitor the utilisation rates of our production lines on an ongoing basis.

To the best knowledge of our Directors, there has been no material disruption of operations with our production facilities during the Track Record Period.

Major production equipment

As at the Latest Practicable Date, we owned a variety of production equipment and machineries which are material to our production process. In particular, our automated face mask production machinery supports key functions such as material loading and layer alignment, automated conveying, cutting and ultrasonic welding, three-dimensional mask forming, ear-loop attachment, individual packaging, ultraviolet disinfection and in-line visual inspection. Some of our major production equipment and machinery include:

Major production equipment and machinery

Main functions



Automatic RoyalMask Series mask making machine



Automatic ClassicMask Series mask making machine



Automatic 3DMask Series mask making machine



Automatic 3DMEOW Series mask making machine

Our major production equipment and machineries generally have useful lives of approximately 5 to 10 years. Based on our experience, such useful lives may be extended for longer period with appropriate repair and maintenance. In determining the useful life and residual value of our production equipment and machineries, we consider various factors, such as changes in market demand, production process and techniques and expected usage of the production equipment and machineries. The estimation of the useful life of production equipment and machineries is generally based on our experience with similar

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production equipment and machineries that are used in a similar way. We shall replace the production equipment and machineries when we deem appropriate, taking into account the condition and efficiency of the equipment and machineries and whether new equipment and machineries are required in view of new technology. We did not experience any material or prolonged interruptions to our production process during the Track Record Period and up to the Latest Practicable Date. Our Group conducts regular maintenance on our machinery and equipment, including checking for normal wear and tear, and proper functioning of the machinery and equipment. We incurred maintenance cost of HK\$87,567 and HK\$42,831 for each of FY2025 and FY2026, respectively. For details of the depreciation policy, please refer to Note 4 of the Accountant’s Report as set out in Appendix I to this document.

OEM, ODM AND JDM SERVICES

In addition to manufacturing products under our own brands, we also provided OEM supply arrangements and ODM services for certain customers, and maintain collaboration arrangements in relation to selected products.

Under our OEM arrangements, we may provide one-stop development and manufacturing services to our customers and, in particular, manufacture products in accordance with the designs and specifications provided by our customers, and the relevant products are marketed and sold under the customers’ own brand names. Under such arrangements, our role is confined to manufacturing, production scheduling and quality control in accordance with the customers’ requirements, and the relevant customers retain control over, and responsibility for, the product design and specifications.

Under our ODM services, we may supply products in accordance with customer requirements and generally retain substantial control over product design, specifications, manufacturing production processes and quality management, and we remain the primary developer of the relevant product.

As to JDM, during the Track Record Period and up to the Latest Practicable Date, we had collaboration with our Malaysia partner in relation to Wondaleaf TPU products.

Subcontracting

During the Track Record Period, we subcontracted certain manufacturing work to third-party manufacturers. This comprised principally the manufacture of certain of our Self-Branded Products on our Group’s specifications and/or proprietary formulae, including our RAT kits, and the outsourcing arrangement principally involves manufacturers based in Mainland China. For FY 2025 and FY2026, we incurred approximately HK\$5.3 million and HK\$[REDACTED], respectively, for subcontracted services. All of our subcontractors were Independent Third Parties. None of our Directors, their respective associates, or Shareholders who, to the knowledge of our Directors, own 5% or more of our issued share capital had any interest in any of our subcontractors during the Track Record Period.

We carefully select our subcontractors based on a variety of factors, including their qualifications, reputation, pricing and overall service capabilities. We perform thorough due diligence on our subcontractors, regularly monitor and review their performance and conduct annual on-site audits.

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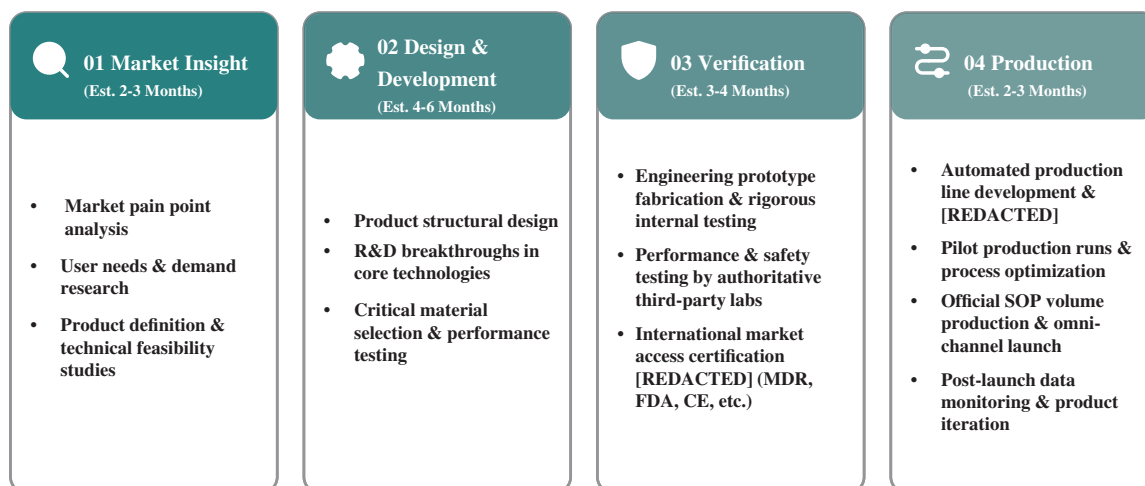
We generally engaged our subcontractors on an order-by-order basis, with the relevant commercial terms agreed under purchase orders, work orders or other transaction-specific arrangements. We require our subcontractors to deliver their services in an efficient and cost-effective manner and comply with relevant laws and professional standards. Typically, payments are made to our subcontractors in accordance with the pricing terms and payment schedule set out in the relevant purchaser orders, work orders or other arrangements.

RESEARCH AND DEVELOPMENT

Our research and development efforts are centred on product development, testing and commercialisation, which form the technical foundation of our face mask business and our broader product platform. We have accumulated core competencies in face masks, air purifiers, TPU dressing and carbon fibre canes, as well as non-woven fabrics related products, enabling us to extend our product development capabilities to a diverse range of products. For example, our TPU-based technologies expertise is applied to wound care products, our carbon fibre expertise to wheelchair frames and MasterCane folding canes and Rainec umbrellas.

Our research and development process

Our research and development activities are not governed by rigid quantitative key performance indicators but are continuous and market-driven. Our research and development process is structured into four stages, from market insight through to production and post-market iteration, set out below:



For those of our products developed jointly with our manufacturing or material partners, the design and development, verification and certification, and production stages above are conducted jointly with the relevant partner in accordance with the terms of our cooperation arrangements.

Our R&D team

As at the Latest Practicable Date, our R&D team comprised 15 personnel led by Mr. Ding, our co-founder and executive Director. For Mr. Ding’s qualifications, biographical details and experience, please refer to the section headed “Directors and Senior Management” in this document. The team includes personnel involved in product design, structural design, testing, prototype making, sample assembly, quality control and related administrative support.

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To attract and retain employees, we provide remuneration packages and benefits to our employees in line with market practice. Our employees’ remuneration generally consists of base salary, performance-based bonuses, discretionary allowances (such as transportation and meal allowances), mandatory provident fund contributions, medical benefits and other statutory welfare entitlements.

Upon [REDACTED], our Company will be able to grant share options under the [REDACTED] to incentivise and recognise the contribution of eligible participants. We have entered into confidentiality agreements with certain employees, pursuant to which all intellectual properties developed by our staff during their employment with us belong to the Company and are treated as trade secrets. These agreements also prohibit our employees from disclosing any trade secrets or confidential information to third parties. In addition, we enter into non-competition agreements with selected key employees.

We do not have any labour union within our Group. We believe that we maintain good working relationships with our employees. During the Track Record Period and up to the Latest Practicable Date, save as disclosed in the sub-paragraph headed “The Work Injury Matter” described below, we did not experience any material labour disputes, strikes or other labour-related incidents that had a material impact on our business, financial condition or results of operations.

R&D investment

During the Track Record Period, our R&D expenses amounted to approximately HK\$7.0 million for FY2025 and HK\$5.9 million for FY2026, representing approximately [REDACTED] and [REDACTED] of our total revenue respectively. Our R&D expenditure consists primarily of specialised equipment acquisition, equipment maintenance and labour costs. Such expenditure is recognised as expenses or capitalised in our financial statements in accordance with our applicable accounting policies, as further described in the section headed “Financial Information” in this document.

R&D collaborations with third parties

As at the Latest Practicable Date, our Group had commenced certain third-party R&D collaboration activities and was in discussions with certain third parties regarding potential collaboration opportunities, including in relation to aspects of machinery design used in production processes. In addition, our Group has entered into collaboration arrangements with third parties in relation to the development of selected healthcare-related materials and products, including wound care materials and TPU-based materials. Such collaboration arrangements are intended to complement our in-house R&D capabilities and broaden our access to technical expertise and product development support. Our Group may from time to time continue to explore collaboration opportunities with third parties in support of its R&D activities.

Our future research and development focus

Our future research and development focus remains on the refinement of existing products and the development of new products under our proprietary brands. A portion of the [REDACTED] from the [REDACTED] is allocated to refining and enhancing our existing product lines, with the majority allocated to the development of new products under our proprietary brands. For further details of the use of the [REDACTED] from the [REDACTED], please refer to the section headed “[REDACTED] and [REDACTED]” in this document.

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Tax incentive — enhanced tax deduction for qualifying R&D expenditure

We have applied for the enhanced tax deduction for qualifying research and development expenditure in respect of our R&D expenses, and the audited tax reconciliation reflects a deduction for qualified R&D expenses. The [REDACTED] is currently under review by the Inland Revenue Department of Hong Kong. We have engaged tax advisers in connection with the [REDACTED].

QUALITY CONTROL

Our quality control framework covers all stages of our production process, from incoming raw material inspection through to finished goods release. Relevant personnel involved in the manufacturing process are equipped with quality control skills and conduct checks throughout the manufacturing process from time to time. Our quality control procedures include incoming-material checks, in-process monitoring and finished-goods inspection and testing. As at the Latest Practicable Date, our quality control function was overseen by one quality control manager and two supervisors. Defective products identified at pre-shipment inspection are scrapped and not released for sale. Our annual expenditure on certifications during the Track Record Period was approximately HK\$0.4 million and HK\$0.4 million for FY2025 and FY2026 respectively, reflecting our commitment to product quality and regulatory compliance. For details of our certifications, please refer to the sub-section headed “Awards and Certifications” below.

RAW MATERIALS AND SUPPLIERS

Our raw materials and sources of supply

We source our raw materials primarily from suppliers based in Mainland China. Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, the sources of our raw material supply complied with all relevant laws and regulations, and that we did not procure raw materials from any sanctioned or restricted jurisdictions.

Geographical breakdown of purchases

Country/region	FY2025 HK\$'000	FY2025 %	FY2026 HK\$'000	FY2026 %
Shenzhen	2,244	24.1	3,027	29.5
Dongguan	2,161	23.2	2,116	20.6
Hong Kong	1,706	18.3	2,740	26.7
Yong Kang	1,304	14.0	945	9.2
Yiwu	636	6.8	339	3.3
Others	<u>1,281</u>	<u>13.6</u>	<u>1,083</u>	<u>10.7</u>
Total	<u><u>9,332</u></u>	<u><u>100.0</u></u>	<u><u>10,250</u></u>	<u><u>100.0</u></u>

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Our top five suppliers and subcontractors

The following table sets out the top five suppliers and subcontractors of our Group for each of FY2025 and FY2026. To the best of our Directors’ knowledge and belief, none of our Directors or Shareholders who held more than 5 per cent of our issued share capital, nor any of their respective associates, had any interest in any of our top five suppliers and subcontractors, and all top five suppliers and subcontractors during the Track Record Period were Independent Third Parties.

For FY2025

Supplier and subcontractors	Background	Length of business relationship with our Group as at the Latest Practicable Date	Principal product/material category(ies) procured	Purchase amount (HK\$'000)	Approximate % to the total purchase contribution for the year	Payment terms
Supplier A	A company established in the PRC which is principally engaged in R&D, production, and domestic/international trade of biotechnology detection kits and Class II/III medical devices, distribution of laboratory equipment, consumer electronics, and general commercial goods	2 years	Healthcare equipment	1,448	9.9%	50% deposit upon order confirmation; 50% payable prior to shipment
Supplier B	A company established in the PRC which is principally engaged in manufacturing and sales of Class II medical devices and production and import/export of diverse consumer and industrial goods	2 years	Healthcare equipment	1,304	8.9%	Full payment payable within 30 days after shipment
Supplier C	A company established in Hong Kong which is principally engaged in manufacturing of packaging material	2 years	Packaging materials and raw material for face masks	991	6.8%	50% deposit upon order confirmation; 50% payable prior to shipment
Supplier D	A company established in Hong Kong which is principally engaged in manufacturing of plastic products	5 year	Raw materials for face masks	750	5.1%	30% deposit upon order confirmation; 70% payable prior to shipment
Supplier E	[A company principally engaged in foreign trade, conducting the import and export of various goods and technologies on its own account and as agent; its products include medical-grade non-woven materials such as PP spunbond, PET polyester spunbond, SMS, meltblown, spunlace, needle-punched, through-air bonded and hot-rolled fabrics.]	2 years	Raw materials for face masks	583	4.0%	Full payment payable before shipment
Top 5 suppliers and subcontractors in aggregate				<u>5,076</u>	<u>34.7%</u>	

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For FY2026

Supplier and subcontractors	Background	Length of business relationship with our Group as at the Latest Practicable Date	Principal product/material category(ies) procured	Purchase amount (HK\$'000)	Approximate % to the total purchase contribution for the year	Payment terms
Supplier A	A company established in the PRC which is principally engaged in R&D, production, and domestic/international trade of biotechnology detection kits and Class II/III medical devices, distribution of laboratory equipment, consumer electronics, and general commercial goods	2 years	Healthcare product	4,428	22.6%	50% deposit upon order confirmation; 50% payable prior to shipment
Supplier F	A company established in the PRC which is principally engaged in R&D, manufacturing, and domestic/international trade of pharmaceuticals, veterinary drugs, medical services, and Class I/II/III medical devices	4 years	Healthcare product	3,415	17.4%	50% deposit upon order confirmation; 50% payable prior to shipment
Supplier C	A company established in Hong Kong which is principally engaged in manufacturing of packaging material	2 years	Packaging material and raw materials for face masks	978	5.0%	50% deposit upon order confirmation; 50% payable prior to shipment
Supplier G	A company established in the PRC which is principally engaged in R&D, sales, and domestic/international trade of household appliances, electronics, and Class II medical devices (including rentals) and the provision of online retail and non-clinical health consulting services	2 years	Raw materials for face masks	974	5.0%	Full payment payable before shipment
Supplier B	A company established in the PRC which is principally engaged in manufacturing and sales of Class II medical devices and production and import/export of diverse consumer and industrial goods	2 years	Healthcare equipment	945	4.8%	Full payment payable within 30 days after shipment
Top 5 suppliers and subcontractors in aggregate				10,740	54.8%	

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Supplier and subcontractor selection and qualification



We adopt a structured supplier and subcontractor evaluation and selection process to maintain the quality and consistency of our raw material and subcontracted production inputs. The process comprises (i) identification of potential suppliers through multi-channel sourcing and the establishment of an initial sourcing pool; (ii) initial screening covering business licence verification, financial condition review and regulatory and compliance review; (iii) on-site factory inspection covering production equipment, environmental controls and management systems; (iv) sample testing for functional and performance compliance; (v) commercial negotiation covering pricing, delivery and payment terms and execution of cooperation agreements; and (vi) registration into our approved supplier and subcontractor list, with periodic performance reviews and re-evaluation. Suppliers and subcontractors who fall below our standards on subsequent re-evaluation will be removed from our approved supplier and subcontractor list.

Reliance and concentration risk

We rely on two long-term core suppliers for meltblown fabric used in our face mask production. We have established two to three alternative qualified third-party suppliers for our core mask materials, mitigating the risk of single-source dependency. We also source our TPU-based materials from a single supplier, deliberately maintained as a single-source arrangement in order to protect the core formulation from potential leakage and on the basis that the procurement volume has not yet reached a threshold that would require an additional supplier. Our Directors are of the view that our overall supplier concentration risk is manageable, having regard to the availability of substitute sources for standardised materials and the resilience of our inventory buffer described below.

Supply continuity and contingency measures

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material production delays attributable to supplier issues. Our supply continuity measures include: (i) maintaining approximately four months of raw material inventory; (ii) dynamic inventory adjustment based on market forecasting (for example, increasing inventory of relevant materials by an additional one to two months when anticipating a rise in raw material prices, including in response to oil price increases); (iii) locking in prices through advance procurement (for example, completing the procurement of all necessary materials two weeks ahead of an anticipated raw material price increase); and (iv) a contractual penalty mechanism with our suppliers, allowing for triple (or, in certain cases, tenfold) compensation for non-conforming materials.

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Pricing trends and cost pass-through

Our principal cost components are labour, rent and electricity. The relatively low proportion of raw material costs is a key factor enabling our sustainable operation in Hong Kong, and also means that we generally do not pass on raw material price increases to consumers. Our “Made in Hong Kong” positioning for our disposable face mask products further enhances the value perception of those products. We generally do not enter into long-term fixed-price agreements with our suppliers. Instead, we procure raw materials on a purchase order basis and negotiate favourable terms based on our understanding of market prices and core cost components.

We adopt a mixed-based approach in determining our selling prices. In doing so, we take into account a range of factors, including production costs, market demand, competitive conditions and product positioning. Historically, we have been able to manage raw material price fluctuations through a combination of cost control measures, product mix optimisation and selective price adjustments.

Further details of [REDACTED] analysis and sensitivity to raw material price changes are set out in the section headed “Financial Information — Significant Factors Affecting Our Results of Operations and Financial Condition” in this document.

Inventory management — raw materials and finished goods

During the Track Record Period, we typically maintained approximately four months of raw material inventory to support production stability. Inventory levels are dynamically adjusted based on market forecasting, with designated personnel responsible for forecasting and inventory decisions. We rely on safety-stock levels to manage supply chain volatility rather than a back-to-back procurement model. During the Track Record Period, we typically maintained approximately two months of finished facemask inventory.

The following table sets out the breakdown of our inventories (stated net of provision) as at the end of each financial year during the Track Record Period.

Item	FY2025 (HK\$'000)	FY2026 (HK\$'000)
Raw material	2,986	2,831
Work in progress	1,568	1,318
Finished goods	7,191	9,313
Total inventories	11,745	13,462

Our average inventory turnover days were approximately 114 days and 118 days for FY2025 and FY2026 respectively. During the Track Record Period, our Group did not make any write-down or provision in respect of damaged or unsold inventory.

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Inventory provision and ageing

Our inventory provision policy is to assess the net realisable value of our inventories at each reporting date. A provision is made when the carrying amount of inventory exceeds its estimated net realisable value, having regard to the age, condition and saleability of the inventory. For our disposable face mask products, we assess saleability by reference to remaining shelf life, market demand and any changes in certification status. For our raw materials, we assess recoverability by reference to current replacement cost and anticipated usage based on production forecasts.

During the Track Record Period, no write-down or provision was recognised, as the net realisable value of our inventories was not lower than their carrying amount.

The following table sets out the ageing analysis of our inventories (net of any loss allowance) as at the end of each year of the Track Record Period:

Ageing	As at 31 March 2025 HK\$'000	As at 31 March 2026 HK\$'000
Within 3 months	7,877	8,566
3 to 6 months	1,925	2,418
6 to 12 months	1,389	1,772
Over 12 months	<u>554</u>	<u>706</u>
Total	<u><u>11,745</u></u>	<u><u>13,462</u></u>

OVERLAPPING CUSTOMERS AND SUPPLIERS

During the Track Record Period, Zeta, a company wholly owned by Mr. Ding (our executive Director and Controlling Shareholder), and Customer F, a company incorporated in Hong Kong and principally engaged in trading of licensed products, were each both a supplier and a customer of our Group.

Nature of the arrangement

During the Track Record Period, each of Zeta and Customer F was both a customer and a supplier of our Group. In the ordinary and usual course of our business, we supplied certain of our personal protective and healthcare products to Zeta. We also procured certain non-core products, such as electronic items and suitcases, from Zeta for resale through our sales channels. Separately, we sourced licensed products from Customer F, while Customer F sourced electronic appliance products and face mask products from us.

As Zeta is an authorised distributor for the relevant products in Hong Kong, we elected to source such products from Zeta for resale. We sourced licensed products from Customer F for our marketing campaign. In turn, Customer F purchased face mask products from us, in the ordinary and usual course of business. Our Directors are of the view that the transactions with each of Zeta and Customer F were

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entered into in the ordinary course of business and on normal commercial terms, based on the complementary business needs of the parties and the fact that the relevant products are different in nature.

Quantum and proportion of transactions with Zeta

	FY2025 <i>HK\$'000</i>	FY2025 %	FY2026 <i>HK\$'000</i>	FY2026 %
Revenue derived from sales of products to Zeta	—	—	3,749	5.0
Costs of purchases from Zeta	445	1.1	536	1.4

Quantum and proportion of transactions with Customer F

	FY2025 <i>HK\$'000</i>	FY2025 %	FY2026 <i>HK\$'000</i>	FY2026 %
Revenue derived from sales of products to Customer F	215	0.3	250	0.3
Cost of purchases from Customer F	869	2.2	1,135	2.9

Pricing

Our Directors confirm that all transactions with these overlapping customers and suppliers were conducted in the ordinary course of business, on normal commercial terms, and that the pricing of such transactions was determined with reference to our standard wholesale price list. Our Directors are of the view that the pricing of the transactions with each of Zeta and Customer F was fair and reasonable and on terms no less favourable to our Group than those available from Independent Third Parties.

During the Track Record Period and as at the Latest Practicable Date, Mr. Ding was interested in the entire issued share capital of Zeta, and Zeta is therefore a connected person of our Company under Chapter 20 of the GEM Listing Rules. For details of these connected transactions, including historical transaction amounts and proposed annual caps, please refer to the section headed “Connected Transactions” in this document.

MARKET POTENTIAL AND COMPETITIVE LANDSCAPE

The personal protective and healthcare products markets in which we operate are competitive. We compete on the basis of product quality, technical performance, the breadth of our international certifications, brand recognition and the depth of our distribution network.

According to the Frost & Sullivan Report, we ranked first in the Hong Kong face masks and respirators market by revenue for FY2026, with an estimated market share of approximately 14.1%. We also ranked third in the Hong Kong self-test respiratory RAT kits market by revenue for FY2026, with an estimated market share of approximately 11.4%, as compared to approximately 4.5% for FY2025.

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The Frost & Sullivan Report indicates that the Hong Kong personal protective and diagnostics equipment market and the Hong Kong personal healthcare products market are expected to continue to grow through 2030. The report also identifies industry trends directly relevant to our business, including premiumisation in personal protective equipment, growing demand for multiplex and all-in-one diagnostic kits, increasing interest in broader personal health and wellness products, and the adoption of advanced localised manufacturing techniques, including automated cleanroom production and AI-assisted quality control.

Our Directors believe that these trends are consistent with our product development and commercialisation strategy, including our focus on filtration technologies, advanced wound care products, mobility products and broader healthcare-related products. Please refer to the section headed “Industry Overview” in this document for further details of the relevant market sizes, projections and competitive landscape.

SEASONALITY

Our business is subject to industry cyclicalities, particularly the peak and trough cycles of respiratory diseases such as seasonal influenza. Demand for our face mask and RAT kit products typically increases during annual flu seasons, while off-peak periods see lower demand. This is an inherent characteristic of the industry. Sudden public health events or other incidents raising health concerns may also significantly increase demand.

Our Directors are of the view that our overall business is not dependent on any single exceptional event. We are able to achieve stable revenue under normal market conditions and significant growth during exceptional events. Our supply chain is stable, our channels are diversified, and the relatively low proportion of raw material costs to retail prices supports our ability to remain competitive in Hong Kong despite higher labour and rental costs.

AWARDS AND CERTIFICATIONS

We conduct quality control and product validation with reference to applicable international standards and customer specifications. In particular, we have obtained certifications and testing reports relating to key raw materials, finished products, cleanroom environment and quality management systems. A summary of our principal certifications, qualifications and testing reports is set out below.

Category	Certification/report	Issuing/testing institution	Scope/subject matter	Key details	Date/validity
Company-level certification	EN ISO 13485:2016	SGS United Kingdom Ltd	Medical devices Quality management system for Savewo Limited	Manufacture of single use non-sterile surgical mask and single use non-sterile medical wound dressing [certificate HK21/42013]	29 March 2025 to 19 April 2027
Facility certification	BS EN ISO 14644-1:2015 Class 7	The Lab (Asia) Ltd.	Cleanroom at our Tsuen Wan factory	The cleanroom was certified as complying with Class 7 ambient particle concentration criteria (Test Report RP2600094)	16 February 2026 to 16 February 2027 (issued 23 February 2026)

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Category	Certification/report	Issuing/testing institution	Scope/subject matter	Key details	Date/validity
Finished product/ market authorisation	FDA 510(k) (United States; Class II)	U.S. Food and Drug Administration	Savewo ClassicMASK	Determined to be substantially equivalent and cleared for marketing in the United States as a Class II medical device (510(k) No. K221957)	Per FDA letter dated 2 September 2022
Finished product/ market authorisation	Health Canada COVID-19 medical device authorisation (Class 1)	Health Canada, Medical Devices Directorate	3DMASK ULTRA	Authorised for sale or importation in Canada as a Class 1 COVID-19 medical device (Authorisation No. IO332997)	Issued 18 August 2021
Finished product/ market authorisation	Certificate of Free Sale	Ministry of Food and Drug Safety, Korea (Gyeongin Regional Office)	SAVEWO® 3DMASK	Approved to be imported and freely sold in the Korean domestic market under the Pharmaceutical Affairs Act (Certificate No. 2022-D1-1053)	Issued 20 June 2022
Material/product biocompatibility	ISO 10993-5 (cytotoxicity)	SGS-CSTC (Shanghai)	Savewo ClassicMask	Cytotoxicity assessed by the MEM elution method ASH 24-CO260A-01	15 May 2024
Material/ sterilisation	ISO 10993-7:2008 +A1:2019 (EO residuals); ISO 11737-2:2019 (sterility)	Shanghai Sungo Medical Technology Co. Ltd	Waterproof Breathable PU Film With Pad (Class I, EO-sterilised)	The EO residuals test (ISO 10993-7) and the sterility test (ISO 11737-2) each passed (Report SGT-202511009-02)	Report dated 2 December 2025
Material/product biocompatibility	ISO 10993-10:2021 (skin sensitisation)	Suda (sudatest.com)	Savewo ClassicMask	No sensitisation reaction was observed and the positive sensitisation rate was 0%; the test article was not considered to cause skin sensitisation (Reports SDWH-M202402309-1 (polar) and -2 (non-polar))	28 June 2024 to 1 July 2024
Material/product biocompatibility	ISO 10993-11:2017 (acute systemic toxicity)	Weihai Desheng Technology Testing Co., Ltd.	(a) Waterproof Breathable PU Film (TranSkin® Roll); (b) Waterproof Breathable PU Film With Pad (TranSkin® Pad Dressing)	Tested for acute systemic toxicity (Reports M2025112109E-04 and M2025112110E-04)	26 January 2026
Finished product testing	ASTM F2100-2023 Level 3	SGS-CSTC (Shanghai)	Regal Mask	Passed the ASTM F2100-2023 Level 3 requirements (Report SL52515314340001TX)	Report dated 15 July 2025

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Category	Certification/report	Issuing/testing institution	Scope/subject matter	Key details	Date/validity
Finished product testing	EN 14683:2025 Type IIR	SGS-CSTC (Shanghai)	Regal Mask	Met the EN 14683:2025 Type IIR requirements (Report SL52515339632901TX)	Report dated 5 September 2025
Finished product testing	KF94 (MFDS authorisation)	KOTITI Testing & Research Institute	SAVEWO® 3DMASK Ultra (sizes M/L/S)	Tested for MFDS KF94 authorisation in three sizes (KOTITI Nos. 82211509103922–001 (M), 103923–001 (L), 103924–001 (S))	Issued 1 September 2021
Finished product testing	KN95	SGS-CSTC (Shanghai)	3DMASK	Passed the KN95 requirements (Report SL52215314010601TX)	Report dated 29 September 2022
Finished product testing	JIS T 9001 (BFE, VFE, PFE, differential pressure, synthetic-blood penetration, flammability, formaldehyde, aromatic amines)	KAKEN Test Center (Osaka)	3DMEOW 3D BEAR	EB-21-007472-1	22 February 2022
Finished product testing	EN 149:2001+A1:2009	(a)-(b) SGS-CSTC (Shanghai); (c) SGS Fimko Ltd (Notified Body 0598)	(a)-(b) 3DMASK ULTRA; (c) 3DMASK SMILE	The tested samples met the EN 149 criteria, with conclusions of FFP2 NR (Report SL52115283820301TX, which supersedes SL52035298282101TX) and FFP2 NR D (Report SL52215339443301TX); EU type-examination as FFP2 NR (Certificate 0598/PPE/22/4304)	(a) 16 July 2021; (b) 30 December 2022; (c) issued 11 November 2022, valid to 11 November 2027
Finished product testing	EN 149:2001+A1:2009 FFP3	SGS-CSTC (Shanghai)	SAVEWO® EXTREME PRO	The tested sample met the EN 149 criteria with a conclusion of FFP3 NR (Report SL52105232542501TX)	Report dated 2 March 2021
Finished product testing	AATCC TM183–2020e	Intertek (Hong Kong)	RAINEC ULTRA	Ultraviolet protection factor (UPF) of the dry textile determined (Report HKGT05491161)	Dated 24 July 2024
Finished product testing	MVTR (EM13726–2023)	SGS-CSTC (Qingdao)	TranSkin® (Waterproof Breathable PU Film)	Moisture vapour transmission rate determined (Report QDHL2407010735MD)	31 July 2024

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Awards and recognitions

Award	Awarding body	Year	Recipient/product
Red Dot Award 2026	Red Dot GmbH & Co. KG	2026	MasterCane
Hong Kong Smart Design Awards 2025 — Gold	The Hong Kong Exporters’ Association	2025	MasterCane
Golden Pin Design Award	Taiwan Design Research Institute	2025	MasterCane
DFA Design for Asia Awards 2025 — Merit Award	Hong Kong Design Centre	2025	MasterCane
HKMPPE — Top Sales Champion	Hong Kong Mask & PPE Organization	2023–2025	Face masks

INTELLECTUAL PROPERTY

As at the Latest Practicable Date, we owned a portfolio of patents, patent [REDACTED], registered trademarks and trademark [REDACTED] that we consider material to our business. Particulars of our principal patents and trademarks are set out in the section headed “Statutory and General Information — Further information about our business — Intellectual property rights” in Appendix IV to this document.

Intellectual property disputes and infringement

During the Track Record Period and up to the Latest Practicable Date, we were not aware of any material claim by any third party that we have infringed any of their intellectual property rights, nor were we party to any material dispute regarding intellectual property rights.

INFORMATION TECHNOLOGY, DATA PRIVACY AND CYBERSECURITY

Information technology systems

Our IT infrastructure is principally limited to a custom-built Enterprise Resource Planning (ERP) system, which we use to manage our procurement, production scheduling, inventory and sales order workflow. Our other systems are off-the-shelf and not custom-built. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material malfunctions or operational disruptions of our IT systems.

Data privacy

We collect personal data of our online customers in connection with online sales transactions through our own e-commerce store (operated on the Shoptline platform) and through third-party platforms (HKTVmall and Foodpanda). Our handling of personal data is governed by, and we comply with, the Personal Data (Privacy) Ordinance (Cap. 486) of Hong Kong. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material data leakage incidents or receive any material complaints relating to data privacy.

BUSINESS

LICENCES, PERMITS AND APPROVALS

Our principal licences, permits and approvals in connection with our operations as at the Latest Practicable Date are set out below.

Licence/permit	Issuing authority	Holder entity	Grant date	Expiry date	Renewal status
Medical Device Authorization for Importation or Sale (COVID-19) — 3DMASK ULTRA	Health Canada	Savewo International Limited	18 August 2021	N/A	N/A
Facility Registration and Device Listing	U.S. FOOD & DRUG ADMINISTRATION	Savewo Limited	01 January 2026	31 December 2026	N/A
Declaration of Conformity (MDR) — TranSkin Waterproof & Transparent Film Dressing	Manufacturer (Savewo Limited) with EU Representative SUNGO Europe B.V.	Savewo Limited	March 2025	N/A	N/A
EC REP MDR Notification — Adhesive pouch	Obelis Group	Savewo Limited	12 December 2023	N/A	N/A
Listing Certificate (MDACS) — COVID-19 Antigen Test Kit	Department of Health, Hong Kong	Savewo Distribution Limited	April 2022	20 April 2027	N/A
Listing Certificate (MDACS) — Influenza A+B & COVID-19 Antigen Test Kit	Department of Health, Hong Kong	Savewo Distribution Limited	2 October 2025	1 October 2030	N/A
Listing Certificate (MDACS) — SARS-CoV-2 & Flu A+B & RSV & ADV Combo Test Kit	Department of Health, Hong Kong	Savewo Distribution Limited	5 September 2025	4 September 2030	N/A
Authorized Representative License — Single-use devices (Adhesive Pouch/Wound Dressing)	Saudi Food and Drug Authority (SFDA)	Beauty and Innovation trading est (on behalf of Twin Catalyst Sdn Bhd)	28 August 2024	27 August 2027	N/A

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, we held all material licences, permits and approvals required for our operations, we did not experience any material impediment to the renewal of any such licence, permit or approval.

BUSINESS

PROPERTIES

As at the Latest Practicable Date, we did not own any properties. As at the Latest Practicable Date, we leased a total of [11] properties in Hong Kong, comprising [10] self-operated retail stores and our principal production and warehousing facility located at Texaco Road, Tsuen Wan. Particulars of which are set out below. The landlords of all of our leased properties are Independent Third Parties.

	Address	Use	Lease term	Monthly rent (HK\$)
Production and warehousing facility				
1a.	1/F, Gunzetal Ind. Bldg Block C, 19–31 Ma Tau Pa Rd, Tsuen Wan, New Territories	Industrial/ Warehouse	1 December 2020– 28 February 2025, extended to 30 April 2028	26,000
1b.	1/F, 266–270 Texaco Road, Tsuen Wan, New Territories	Industrial/ Warehouse	29 July 2020– 28 July 2025, extended to 30 April 2028	208,000
1c.	2/F, 266–270 Texaco Road, Tsuen Wan, New Territories	Industrial/ Warehouse	1 May 2021– 28 February 2025, extended to 30 April 2028	208,000
1d.	2/F & 3/F, Gunzetal Ind. Bldg Block C, 19–31 Ma Tau Pa Rd, Tsuen Wan, New Territories	Industrial/ Warehouse	1 September 2021– 28 February 2025, extended to 30 April 2028	42,000
Self-operated retail stores				
2.	Shop No. 22 on Ground Floor, Excelsior Plaza, Chee On Building, No.24 East Point Road, Hong Kong	Retail Shop	5 May 2026– 4 August 2026	70,000

BUSINESS

	Address	Use	Lease term	Monthly rent (HK\$)
3.	Shop on G/F, LE DIAMANT, No.703&705 Nathan Road, Kowloon (with accessible toilet)	Retail Shop	30 March 2026– 29 June 2026	50,000
4.	Shop M21A, Mezzanine Floor, Kwun Tong Plaza, No.68 Hoi Yuen Road, Kowloon	Retail Shop	1 March 2026– 28 February 2027	30,000
5.	Shop 8U on Level 3, Waldorf Avenue, No.1 Tuen Lee Street, Tuen Mun, New Territories	Retail Shop	4 August 2025– 3 August 2026	19,000
6.	Unit A020, 1/F, Nan Fung Centre, 264–298 Castle Peak Road, Tsuen Wan	Retail Shop	14 June 2026– 14 December 2026	36,000
7.	Shop 6B (portion of shop No.6), G/F, Southorn Centre, No.113 Johnston Road, Wan Chai	Retail Shop	19 April 2026– 18 July 2026	30,000
8.	Shop B01a, 1/F, Kwai Chung Plaza, 7–11 Kwai Fuk Road, Kwai Chung, New Territories	Retail Shop	25 March 2026– 24 March 2028	31,000
9.	ALL THAT SHOP C on the GROUND FLOOR of NO. 39 CARNARVON ROAD, KOWLOON	Retail Shop	22 September 2025 to 21 September 2026	33,000
10.	Shop B2, G/F, 262 Cheung Sha Wan Road	Retail Shop	1 April 2026– 31 March 2028	25,000
11.	Shop No.24A, Level 3, Shatin Centre, Shatin, N.T., STTL 16	Retail Shop	15 June 2026– 14 September 2026	24,000

BUSINESS

Compliance with Land Registration Ordinance

Under Land Registration Ordinance (Cap. 128 of the Laws of Hong Kong), instruments in writing affecting land in Hong Kong (including leases) are generally required to be registered with the Land Registry of Hong Kong, save for bona fide leases at rack rent for a term not exceeding three years which are exempt from registration. Our Directors confirm that, as at the Latest Practicable Date, we had [complied] with the registration requirements of the Land Registration Ordinance in respect of each of our lease agreements.

EMPLOYEES

Employee headcount and breakdown

As at the Latest Practicable Date, we had 86 full-time employees, all based in Hong Kong. The following table sets out a breakdown of our employees by function as at the Latest Practicable Date:

Function	As at Latest Practicable Date
Senior management	5
Production and procurement	17
Sales and marketing	33
R&D and quality control	14
Finance and accounting	5
Certification and compliance	1
Administration and human resources	4
Warehousing and logistics	7
Total	86

Departments and key personnel

In addition to our core management, our principal functional departments are headed by Mr. Anthony Cheuk (Certification and Compliance Department), our Chief Technology Officer, a material science and engineering specialist primarily responsible for liaison with regulatory bodies, including the Hong Kong Department of Health and the U.S. FDA, and with third-party certification organisations), and Mr. Chung Pui Sei Best (Accounting Department), a member of the Hong Kong Institute of Certified Public Accountants with over 18 years of experience in the medical, toy and semiconductor industries, responsible for financial accounting, tax filing and related matters).

BUSINESS

Recruitment, training and remuneration

Recruitment

We recruit our employees primarily through online recruitment platforms, employee referrals and direct [REDACTED]. Our recruitment process generally involves an initial screening of [REDACTED], followed by interviews conducted by the relevant department head and, for senior positions, by our management. We select candidates based on their qualifications, relevant experience and suitability for the position.

Training

We provide induction training to new employees covering our company policies, product knowledge, quality control standards and occupational safety procedures. For our production staff, we provide on-the-job training on the operation of our automated production lines and cleanroom protocols. We also arrange periodic training on regulatory compliance, workplace safety and product certification requirements.

Remuneration

Our employees’ remuneration packages generally comprise basic salary, discretionary bonuses and statutory benefits (including mandatory provident fund contributions under the Mandatory Provident Fund Schemes Ordinance (Cap. 485)). We determine remuneration by reference to market conditions, individual performance and our overall financial performance. We review the remuneration packages of our employees periodically.

The following table sets out our total staff costs for each year of the Track Record Period:

	FY2025	FY2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
Salaries and wages	20,062	20,181
Mandatory Provident Fund contributions	1,981	1,907
Provision for long service payment obligation	40	62
Total staff costs	22,083	22,150

Outsourced labour and employment agents

We have not engaged any employment agents or outsourced labour providers during the Track Record Period and up to the Latest Practicable Date.

BUSINESS

Work injury matter

During the Track Record Period, an employee filed a claim approximately six months after an alleged workplace incident. We had purchased work injury insurance, and the compensation matter has been referred to the insurance company for handling. The law firm originally engaged by the employee is no longer representing the case, and the employee currently has no legal representation. Our Directors are of the view that the matter did not have any material impact on our production or operations, and that, having since refined our internal procedures for handling such matters, we are appropriately equipped to handle similar matters in the future.

Reliance on key personnel

Our reliance on any single key person is limited. There are no management functions that can only be performed by a particular individual, and our research and development activities and production operations would not cease if any member of our core management were to leave.

INSURANCE

Our Group maintains insurance policies covering (i) employees’ compensation; (ii) public liability; and (iii) property all risks. We do not currently maintain standalone product liability insurance, business interruption insurance, key-man insurance or marine cargo insurance. Our Directors are of the view that our existing insurance coverage is adequate, having regard to the size, nature and operations of our business and is in line with industry practice in Hong Kong for manufacturers of similar products. During the Track Record Period and up to the Latest Practicable Date, we did not make any material insurance claims. Any uninsured material product liability claim, business disruption or other uninsured occurrence could have a material adverse effect on our financial condition and results of operations. For further details of these risks, please refer to the section headed “Risk Factors” in this document.

OCCUPATIONAL HEALTH AND SAFETY

We have implemented occupational safety policies and procedures at our production facility. Our cleanroom is maintained in compliance with the ISO 14644-1 Class 7 standard (Class 10,000), and we have implemented strict cleanroom access, monitoring and gowning protocols. Our mask production equipment is fitted with safety guards and undergoes regular maintenance and calibration. We also maintain procedures for the safe handling, storage and disposal of chemicals used in our operations, together with appropriate ventilation and fire prevention measures. In addition, we conduct noise level assessments in accordance with the Factories and Industrial Undertakings (Noise at Work) Regulation, provide hearing protection where necessary, and maintain fire safety systems, emergency evacuation routes, and accident reporting and investigation procedures. During the Track Record Period and up to the Latest Practicable Date, save for the work injury matter disclosed in the sub-section headed “Employees — Work injury matter” above, we were not subject to any material claim or penalty in relation to occupational health, work safety, social or environmental protection.

BUSINESS

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We recognise the importance of ESG matters to our operations. Our Board is responsible for overseeing the ESG matters of our Group. ESG matters are incorporated into our overall corporate strategy, and significant ESG topics are reviewed periodically through a process involving risk evaluation and stakeholder engagement. Progress against ESG objectives is monitored on a recurring basis, and senior management is responsible for the implementation, monitoring and reporting of ESG-related matters.

ESG governance

The Board holds ultimate accountability for ESG oversight, risk management and disclosure, including approval of ESG policy and review of the adequacy of resources allocated to ESG functions. Senior management is responsible for implementing ESG initiatives, monitoring compliance with environmental, social and governance requirements, reporting periodically to the Board on ESG performance and system effectiveness, evaluating the ESG framework, reviewing ESG strategies and performance against ESG targets and considering stakeholder feedback, materiality assessments and significant sustainability risks and opportunities.

We have established an ESG assessment framework comprising (i) stakeholder and issue identification, (ii) issue prioritisation and (iii) validation and integration. We engage with stakeholders including shareholders, employees, customers, suppliers, regulators and policymakers, industry partners, local communities and non-governmental organisations through appropriate communication channels.

Identification and evaluation of ESG risks

Based on our Directors’ understanding of our operations, the ESG matters relevant to our Group principally include product responsibility, workplace health and safety, supply chain management, anti-corruption, energy consumption, greenhouse gas emissions, waste management and climate-related risks.

The following table sets forth a summary of ESG-related risks that we consider relevant to our Group and their potential impact:

ESG-related risks	Potential impacts
Regulatory and compliance risk	Increased compliance costs, operational disruption and regulatory exposure in the event of non-compliance
Pollution and emissions risk	Environmental impact arising from electricity consumption, fuel consumption, air emissions and waste generated from operations
Production and occupational safety risk	Personal injury, lost working time, project disruption and increased compliance costs
Product safety and quality risk	Customer complaints, recalls, claims, regulatory action and reputational impact
Climate-related risk	Operational disruption from typhoons and flooding, increased cooling requirements and supply chain changes affecting raw material cost and availability

BUSINESS

Measures to address ESG risks

We have adopted measures to address ESG-related risks, including Board oversight, management reporting, compliance monitoring, energy-saving controls, regular vehicle maintenance, route planning, responsible driving practices, waste segregation and recycling, workplace safety protocols, product labelling and quality controls, customer complaint handling procedures and climate-related risk monitoring.

Consumption of resources

Our Group consumes energy, water and packaging materials in the course of its operations. Electricity is used across operations, fuel is used for the truck and van fleet, water is used mainly in office and staff facilities and packaging materials are used in connection with finished goods.

To enhance resource efficiency, we have adopted energy-saving measures including zoning of production areas so that lighting and air-conditioning are operated only in designated active areas, removal of excess lighting in certain public areas where safety permits, shutdown of lighting, air-conditioning and electrical appliances in rest areas during non-use periods and closure of non-essential power sources after 6:00 p.m. daily, except where operational requirements require continued use. New employees receive induction training on energy-saving principles and related measures.

We also promote water conservation through reminders at taps and reinforcement of prudent water-use behaviour in daily staff conduct.

Emission

Our greenhouse gas emissions arise principally from diesel used in the truck and van fleet and electricity consumption across operations. We also operate a small fleet of trucks and vans and seek to reduce the related environmental impact through regular maintenance, route planning and responsible driving behaviour.

We have also adopted non-hazardous waste handling measures including source segregation, labelled bins, daily collection by licensed contractors and recycling of suitable materials such as paper, plastics and cardboard.

Our Directors confirm that, during FY2025 and FY2026, our Group generated hazardous waste in immaterial amount only.

Climate change

We have identified climate-related risks including typhoons and flooding that may disrupt factory operations and logistics, increased cooling requirements in cleanrooms resulting from higher temperatures and longer-term supply chain changes affecting the availability and cost of raw materials. To address such risks, we have implemented energy-saving measures, strengthened resource efficiency and promoted water conservation.

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The following table sets forth a summary of climate-related risks and our response measures:

Type of risk	Potential impact	Response measures
Acute physical risk	Disruption to factory operations and logistics arising from typhoons and flooding	We have implemented energy-saving measures and strengthened resource efficiency and water conservation.
Chronic physical risk	Increased operating expenditure due to higher cooling requirements in cleanrooms	We monitor electricity consumption and have adopted operational energy-saving measures.
Transition risk	Increased compliance and disclosure costs resulting from evolving ESG and climate-related disclosure requirements	Senior management reviews annual ESG disclosures and reports periodically to the Board.

Employee management

We believe that employees are important to the operation and development of our Group. We maintain employment policies covering compensation and dismissal procedures, merit-based recruitment and promotion, standard working hours, rest periods, complaint handling and non-discrimination. Our Directors believe that such policies support fair and orderly management of our workforce.

We also provide onboarding and other training programmes and conduct performance evaluations to identify skill gaps and support employee development. During FY2025 and FY2026, the percentage of employees trained was 100% and 100%, respectively, and the average training hours per employee were 12.8 hours and 12.0 hours, respectively.

In relation to labour standards, our Directors confirm that, during FY2025 and FY2026 and up to the Latest Practicable Date, save as disclosed in this document, our Group was not aware of any material breaches or non-compliance with applicable labour-related laws and regulations. We prohibit child labour and forced labour and conduct regular compliance assessments and relevant training in relation to labour practices.

BUSINESS

The information of our workforce and employee turnover rate by different categories is set out in the table below:

Category	FY2025	FY2026
Total workforce	72	84
By gender		
Male	30	38
Female	42	46
By employment type		
Full time	69	81
Part time	3	3
By age group		
Below 31	12	14
Between 31 and 50	41	48
Above 50	19	22
By geographical region		
Hong Kong	72	84
Employee turnover rate (%)		
By gender		
Male	52	38
Female	59	36
By age group		
Below 31	60	54
Between 31 and 50	38	29
Above 50	91	44
By geographical region		
Hong Kong	56	37

Occupational health and safety

We place emphasis on the health and safety of our employees. We maintain workplace safety protocols, conduct regular workplace assessments and provide training to staff. Our operating environment is also supported by ISO 13485:2016 certification, ISO 14644-1:2015 Class 7 cleanroom certification and compliance with the Occupational Safety and Health Ordinance (Cap. 509) of Hong Kong.

During FY2025 and FY2026, there were no work-related fatalities, although lost work days due to injuries were recorded. Our Directors are of the view that such matter did not have any material impact on our production or operations.

Supply chain management

We have established a procurement framework under which suppliers are identified, assessed and selected having regard to operational requirements, supplier and subcontractor background, capabilities, compliance benchmarks and environmental and sustainability considerations. We also conduct periodic evaluations of supplier and subcontractor performance and engage suppliers and subcontractor through assessments, searches and scheduled check-ins.

BUSINESS

Product responsibility

We place emphasis on product quality and product safety. We have adopted policies and procedures relating to product responsibility, including product labelling controls, employee training, risk assessments and customer redress mechanisms. During FY2025 and FY2026 our Group did not experience any material product recall attributable to product safety issues.

Anti-corruption

We are committed to integrity and honest business conduct. We prohibit bribery, extortion, fraud and money laundering, provide anti-corruption training to employees and maintain confidential whistleblowing channels. During FY2025 and FY2026 and up to the Latest Practicable Date, our Directors were not aware of any concluded legal cases regarding corrupt practices involving our Group.

Social responsibility

We recognise the importance of contributing to the wider community. During the reporting period, our Group supported universities, research initiatives, mental health organisations, industry associations and community funds. Donation amounts recorded for FY2025 and FY2026 were HK\$110,000 and HK\$64,000, respectively.

Environmental protection performance

The following table sets forth selected ESG metrics for FY2025 and FY2026:

Category	Unit	FY2025	FY2026
Scope 1 greenhouse gas emissions	kg	26,972.4	27,051.3
Scope 2 greenhouse gas emissions	kg	352,514.0	326,372.7
Total greenhouse gas emissions	kg	379,486.4	353,424.0
Nitrogen oxides (NO _x)	kg	130.6	126.9
Sulphur oxides (SO _x)	kg	0.16	0.16
Particulate matter (PM)	kg	7.2	6.7
Non-hazardous waste	kg	177,840.0	178,560.0
Non-hazardous waste intensity	per production unit	0.01	0.01
Total energy consumption	kWh	601,601.7	565,090.4
Energy intensity	per production unit	0.02	0.03
Water consumption	litres	576,000.0	570,000.0
Water intensity	per production unit	0.02	0.03
Packaging material	grams	1,249,317.9	1,055,930.0
Total workforce	number of employees	72	84
Employee turnover rate	%	56	37
Employees trained	%	100	100
Average training hours per employee	hours	12.8	12.0
Products and services related complaints received	number	14	11

BUSINESS

ESG TARGETS

Our Group has adopted the following ESG targets:

- to reduce total greenhouse gas emissions by 3% every three years using FY2026 as the baseline year; and
- to reduce total non-hazardous waste generation by 3% over the next three years using FY2026 as the baseline year.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal proceedings

Save for the work injury matter described under “Employees” above, as at the Latest Practicable Date, there were no material litigation, arbitration or administrative proceedings pending or threatened against our Group or any of our Directors that could have a material adverse effect on our financial condition or results of operations. We may from time to time become a party to various legal, arbitration or administrative proceedings arising in the ordinary course of our business.

Compliance with laws and regulations

Our Directors confirm that we have not experienced any material non-compliance with applicable laws and regulations during our operating history. A previously raised fire safety concern was unrelated to our Group, the relevant matter being the responsibility of the landlord of the affected leased premises.

RISK MANAGEMENT AND INTERNAL CONTROL

Our Board is responsible for establishing and maintaining our risk management and internal control systems and reviewing their effectiveness. Following the [REDACTED], we will continue to enhance our risk management and internal control systems through the following measures:

Independent oversight by our three Independent Non-executive Directors, who provide independent advice and oversight on our governance, risk management and internal controls.

An Audit Committee comprised of our Independent Non-executive Directors, with responsibility for overseeing the financial reporting process, the internal control and risk management systems and the audit process.

Written internal control policies and procedures covering corporate governance, finance and accounting, internal approval and review, with periodic review and Board approval.

Engagement of external professional advisers, including our Compliance Adviser (with effect from the [REDACTED]), Hong Kong legal advisers, tax advisers and internal control consultants, to support our compliance and risk management framework and to provide regular training to our employees.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

OVERVIEW

Immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and any options which may be granted by our Company upon the exercise of options that may be granted under the [REDACTED]), pursuant to the Acting in Concert Confirmation and by virtue of Part XV of the SFO, each of Water Fun (being wholly owned by Ms. Choi), Ms. Choi, Index PI (being wholly owned by Mr. Ding) and Mr. Ding will be entitled or deemed to be entitled to exercise or control the exercise of voting rights of [REDACTED] of the total issued share capital of our Company. Mr. Wong, being the spouse of Ms. Choi, is also deemed to be interested in the Shares that Ms. Choi is interested in or deemed to be interested in by virtue of Part XV of the SFO. Therefore, Water Fun, Ms. Choi, Index PI, Mr. Ding and Mr. Wong will constitute a group of our Controlling Shareholders upon the [REDACTED].

Ms. Choi is an executive Director and the chairlady of the Board. Mr. Ding is an executive Director and our chief executive officer. Mr. Wong is the sales manager and factory manager of our Group. Please refer to the section headed “Directors and Senior Management” of this document.

Save as disclosed above, there is no other person who will, immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and any options which may be granted by our Company upon the exercise of options that may be granted under the [REDACTED]), be entitled to exercise or control the exercise of 30% or more of the voting rights at general meetings of our Company.

ACTING IN CONCERT CONFIRMATION

On 11 June 2026, Ms. Choi and Mr. Ding, being our Controlling Shareholders, executed the Acting in Concert Confirmation, pursuant to which Ms. Choi and Mr. Ding acknowledged, agreed and confirmed, among other things, that from the date on which they became the registered owners of the shares of each of the members of our Group and until the Acting in Concert Confirmation was terminated or revoked in accordance with its terms: (a) they had been and would continue to be parties acting in concert with each other in the exercise and implementation of all material management and operation decisions of our Group, including but not limited to financial and operational matters of any member of our Group; (b) they had (directly or indirectly through their respective controlled corporations) casted and would continue to cast their votes as directors and/or shareholders (as appropriate) unanimously for or against all resolutions in all directors’ and shareholders’ meetings of any member of our Group; (c) they had (directly or indirectly through their respective controlled corporations) cooperated and would continue to cooperate with one another to acquire, maintain and consolidate the control and management of our Group; and (d) each party would not, without the prior express written consent of the other party, dispose of his or her interest (whether directly or indirectly held) in the share capital of the Company or any other member of the Group.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

DELINEATION OF BUSINESS

Our Group is primarily engaged in the development, manufacturing and multi-channel distribution of personal protective and healthcare products.

As of the Latest Practicable Date, our Controlling Shareholders (or any of them) directly or indirectly held beneficial interests in and were substantial shareholder(s) (as defined in the GEM Listing Rules) of the following companies which did not form part of the Group^(Note):

Name of company	Place of incorporation	Principal business
Afor Plus Limited	Hong Kong	Development, manufacture and sale of automated delivery robots
Bfor Trading Limited	Hong Kong	Manufacture and sale of automotive battery
Energy Saving Limited	Hong Kong	Inactive
Sawewo USA Limited	United States of America	Inactive
Laser Beam Trading Limited	Hong Kong	Investment holding
Dome Alliance Godown HK Limited	Hong Kong	Sub-leasing of property and provision of warehouse services
Water Fun	BVI	Investment holding
Water Fun Investment Limited	Hong Kong	Inactive
Index PI	BVI	Investment holding
Index PI Limited	Hong Kong	Inactive
Zeta	Hong Kong	Procurement and resale of electronics and consumer products
Shenzhen Jiushi Technology Co., Ltd.* (深圳究世科技有限公司)	PRC	Research and development of electronic products and gadgets
Social Monitoring Limited	Independent State of Samoa	Inactive
Social Monitoring Limited	Hong Kong	Provision of marketing services

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Name of company	Place of incorporation	Principal business
Si Dan La Limited	Republic of Seychelles	Investment holding
Travelliker.com Limited	Hong Kong	Provision of travel agent services
Pure Force Investments Limited	BVI	Inactive
Capital Fire Limited	Hong Kong	Inactive
Drag Once Limited	Hong Kong	Inactive

1. Afor Plus Limited (“Afor Plus”)

Afor Plus is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Afor Plus are owned as to 50% and 50% by Ms. Choi and Mr. Ding, respectively. Afor Plus is primarily engaged in the development and sale of automated delivery robots for application in office, commercial and other settings.

2. Bfor Trading Limited (“Bfor Trading”)

Bfor Trading is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Bfor Trading are owned as to 50% and 50% by Ms. Choi and Mr. Ding, respectively. Bfor Trading is primarily engaged in the manufacture and sale of automotive battery.

3. Energy Saving Limited (“Energy Saving”)

Energy Saving is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Energy Saving are owned as to 50% and 50% by Ms. Choi and Mr. Ding, respectively. Energy Saving is an investment holding company and does not have any business operations as at the Latest Practicable Date.

4. Savewo USA Limited (“Savewo USA”)

Savewo USA is a company incorporated under the laws of the State of New York, United States of America and, as at the Latest Practicable Date, the shares of Savewo USA are owned as to 50% and 50% by Ms. Choi and Mr. Ding, respectively. As at the Latest Practicable Date, Savewo USA does not have any business operations. Each of Ms. Choi and Mr. Ding has undertaken to our Company that they will cause or procure the change of company name of Savewo USA to a name which is unrelated to the Group and that Savewo USA will not engage in any business activities in competition with the Group.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

5. Laser Beam Trading Limited (“Laser Beam”)

Laser Beam is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Laser Beam are owned as to 50% and 50% by Ms. Choi and Mr. Ding, respectively. Laser Beam is an investment holding company which holds 45% of the shares of Dome Alliance Godown HK Limited and, save as aforementioned, does not have business operations as at the Latest Practicable Date.

6. Dome Alliance Godown HK Limited (“Dome Alliance”)

Dome Alliance is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Dome Alliance are held as to 45% by Laser Beam and as to 55% by persons who and whose ultimate beneficial owners are Independent Third Parties. Dome Alliance is primarily engaged in the sub-leasing of property and provision of warehouse services in Hong Kong.

7. Water Fun

Water Fun is a company incorporated under the laws of the BVI and, as at the Latest Practicable Date, the shares of Water Fun are wholly owned by Ms. Choi. Water Fun is an investment holding entity and our Controlling Shareholder. Save as aforesaid, Water Fun does not have any business operations as at the Latest Practicable Date.

8. Water Fun Investment Limited (“Water Fun HK”)

Water Fun HK is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Water Fun HK are wholly owned by Ms. Choi. Water Fun HK does not have any business operations as at the Latest Practicable Date.

9. Index PI

Index PI is a company incorporated under the laws of the BVI and, as at the Latest Practicable Date, the shares of Index PI are wholly owned by Mr. Ding. Index PI is an investment holding entity and our Controlling Shareholder. Save as aforesaid, Index PI does not have any business operations as at the Latest Practicable Date.

10. Index PI Limited (“Index PI HK”)

Index PI HK is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Index PI HK are wholly owned by Mr. Ding. Index PI HK does not have any business operations as at the Latest Practicable Date.

11. Zeta

Zeta is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Zeta are wholly owned by Mr. Ding. Zeta is primarily engaged in the procurement and resale of electronics and consumer products, including the operation of an online retail store.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Zeta is both a supplier and a customer of our Group. We sell certain personal protective and healthcare products to Zeta, and procure from Zeta certain non-core products of our Group for resale through our retail network. We have also entered into a sub-tenancy agreement with Zeta to sub-lease an office space to Zeta. For details of transactions entered into between Zeta and the Group during the Track Record Period and as at the Latest Practicable Date, please refer to the sections headed “Business — Overlapping customers and suppliers — Quantum and proportion of transactions with Zeta” and “Connected Transactions” of this document.

12. Shenzhen Jiushi Technology Co., Ltd.* (深圳究世科技有限公司) (“Shenzhen Jiushi”)

Shenzhen Jiushi is a company incorporated under the laws of the PRC and, as at the Latest Practicable Date, Shenzhen Jiushi is wholly owned by Mr. Ding. As at the Latest Practicable Date, Shenzhen Jiushi is primarily engaged in the research and development of electronic products and gadgets.

13. Social Monitoring Limited (“Social Monitoring”)

Social Monitoring is a company incorporated under the laws of the Independent State of Samoa and, as at the Latest Practicable Date, the shares of Social Monitoring are wholly owned by Mr. Wong. As at the Latest Practicable Date, Social Monitoring does not have any business operations.

14. Social Monitoring Limited (“Social Monitoring HK”)

Social Monitoring HK is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Social Monitoring HK are wholly owned by Mr. Wong. As at the Latest Practicable Date, Social Monitoring HK is primarily engaged in the provision of marketing services.

15. Si Dan La Limited (“Si Dan La”)

Si Dan La is a company incorporated under the laws of the Republic of Seychelles and, as at the Latest Practicable Date, the shares of Si Dan La are wholly owned by Mr. Wong. Si Dan La is an investment holding company and holds 21.7% of the total issued share capital of Travelliker.com Limited, a licensed travel agent registered under the Travel Agents Ordinance (Chapter 218 of the Laws of Hong Kong). Save as aforementioned, Si Dan La does not have any business operations as at the Latest Practicable Date.

16. Travelliker.com Limited (“Travelliker”)

Travelliker is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Travelliker are owned as to 21.7% by Si Dan La and as to 88.3% by persons who and whose ultimate beneficial owners are Independent Third Parties. Travelliker is principally engaged in the provision of travel agency services and is a licensed travel agent registered under the Travel Agents Ordinance (Chapter 218 of the Laws of Hong Kong), operating under the business name of “MEOW TRAVEL”.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

17. Pure Force Investments Limited (“Pure Force”)

Pure Force is a company incorporated under the laws of the BVI and, as at the Latest Practicable Date, the shares of Pure Force are wholly owned by Mr. Wong. Pure Force is an investment holding company and does not have any business operations.

18. Capital Fire Limited (“Capital Fire”)

Capital Fire is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Capital Fire are owned as to 50% by Mr. Wong and as to 50% by a relative (as defined in rule 20.19(1)(A) of the GEM Listing Rules) of Mr. Wong. Capital Fire does not have any business operations as at the Latest Practicable Date.

19. Drag Once Limited (“Drag Once”)

Drag Once is a company incorporated under the laws of Hong Kong and, as at the Latest Practicable Date, the shares of Drag Once are wholly owned by Mr. Wong. Drag Once does not have any business operations as at the Latest Practicable Date.

Note: As at the Latest Practicable Date, in addition to the above companies: (i) Mr. Wong is interested in 49% of the shares of an investment holding company incorporated under the laws of the BVI, which in turn directly or indirectly holds 100% of the issued shares of four subsidiaries incorporated under the laws of Hong Kong which are principally engaged in marketing and artist management or are otherwise inactive; and (ii) Ms. Choi is interested in 30% of the shares of a company incorporated under the laws of Hong Kong which is primarily engaged in the development of artificial intelligence vocal training applications.

Taking into account, among other things: (a) the significant differences between the scope and nature of the business operations of our Group and those of the other businesses held by our Controlling Shareholders as set out above; and (b) with respect to Zeta, the complementary nature of the business relationship between our Group and Zeta based on the respective business needs of the parties for the procurement and sale of different types of products, our Directors are of the view that there is a clear business delineation between our Group’s business and the other businesses in which our Controlling Shareholders are interested. Hence, in view that the strategies and positioning of the above other businesses held by our Controlling Shareholders are not aligned with our Group’s long-term development directions, such other businesses have not been injected into the Group.

INTEREST IN COMPETING BUSINESS

Each of our Controlling Shareholders confirms that he/she/it had no interest in any other business, apart from the business of our Group, which competes or is likely to compete, either directly or indirectly, with the business of our Group, which would require disclosure under Rule 11.04 of the GEM Listing Rules as of the Latest Practicable Date.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

DEED OF NON-COMPETITION

On [●], our Controlling Shareholders executed a deed of non-competition (the “**Deed of Non-Competition**”) in favour of our Company (for ourselves and for the benefits of our subsidiaries), pursuant to which each of our Controlling Shareholders has irrevocably and unconditionally undertaken to and covenanted with our Company (for ourselves and for the benefits of our subsidiaries) that, during the continuance of the Deed of Non-Competition, he/she/it shall not, and shall procure each of his/her/its close associates not to, among other things, (a) directly or indirectly, either on his/her/its own account, in conjunction with, on behalf of, or through any person, firm or company, among other things, carry on, participate or be interested, engaged or otherwise involved in or acquire or hold (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) any business which is identical or similar to, or which competes or is likely to compete directly or indirectly in any respect with any business currently or from time to time carried on by our Group (including but not limited to the development, manufacturing and multi-channel distribution of personal protective and healthcare products) (each a “**Restricted Business**”), in Hong Kong and any other country or jurisdiction to which our Group markets, sells, distributes, supplies or otherwise provides such products or services and/or in which any member of our Group carries on business from time to time; (b) directly or indirectly, solicit, interfere with or entice away from any member of our Group, any natural person, legal entity, enterprise or otherwise who, to any of his/her/its knowledge, as at the date of such solicitation, interference or enticing, is or, within one year thereof, was a customer, supplier, distributor or employee (of managerial grade or higher) of any member of our Group; or (c) make use of any information pertaining to the business of our Group which may have come to his/her/its knowledge in his/her/its capacity as a Controlling Shareholder or close associate of a Controlling Shareholder or otherwise for the purpose of directly or indirectly, either on his/her/its own account, in conjunction with, on behalf of, or through any person, firm or company, carrying on or participating, engaging, investing in (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise), or otherwise for the benefit of, any Restricted Business (other than any business from time to time carried on by our Group).

Each of our Controlling Shareholders has also represented and warranted to our Company that none of that Controlling Shareholder and his/her/its close associates (other than any member of our Group) is currently interested, involved or participating or engaging, directly or indirectly (whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise), in any Restricted Business otherwise than through our Group.

The “**Restricted Period**” as stated in the Deed of Non-Competition refers to the period commencing from the date on which the [REDACTED] becomes unconditional and ending on the date on which any of the following events occurs:

- (a) the Shares cease to be [REDACTED] on the Stock Exchange; or
- (b) each of our Controlling Shareholders and their respective close associates cease to be interested or deemed to be interested in, whether directly or indirectly, 30% or above of our Shares, provided that: (i) each of our Controlling Shareholders and their respective close associates do not have the right to nominate 50% or more members of our Board or control

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

the voting rights (including but not limited to control of the casting vote) of the Board; and
(ii) none of the Controlling Shareholders and their respective associates remains a director or chief executive of any member of our Group.

The above undertakings given by our Controlling Shareholders under the Deed of Non-Competition do not preclude our Controlling Shareholders and their respective close associates from:

- (a) holding interests in the shares or underlying shares of any members of our Group; or
- (b) holding interests in the shares or underlying shares of any company (other than a member of our Group) whose shares are [REDACTED] on a recognised stock market (as defined under the SFO), provided that:
 - (i) the total number of shares or underlying shares of such company held by the Controlling Shareholders and their respective close associates (other than members of our Group) in aggregate does not exceed 5% of the issued shares of that class of the company in question; and
 - (ii) the Controlling Shareholders and their respective close associates (other than member of our Group) are not entitled to appoint a majority of the directors of that company, and do not, and are not entitled to, participate in or be otherwise involved in the management of such company; or
- (c) participating in any Restricted Business Opportunities (as defined below) if our Group has declined the Restricted Business Opportunities or no written notice has been received from our Group of our decision to pursue or decline the Restricted Business Opportunity within thirty (30) days of the date on which written notice of the relevant Restricted Business Opportunity is given by the Controlling Shareholders and/or their respective close associates to our Group, in which case we shall be deemed to have declined the Restricted Business Opportunity as set out below.

Options for Restricted Business Opportunities

Our Controlling Shareholders have further undertaken to our Company that if any new business, investment or other commercial opportunity relating to any Restricted Business (each a “**Restricted Business Opportunity**”) is identified by or made available to our Controlling Shareholders or any of their respective close associates (other than members of our Group) (the “**Offeror**”), such Restricted Business Opportunity shall first be referred to our Group on a timely basis and in the following manner:

- (a) our Controlling Shareholders shall, and shall procure their respective close associates (other than members of our Group) to, promptly and in any event within seven (7) business days of receipt of the Restricted Business Opportunity refer, or procure the referral of, the Restricted Business Opportunity to our Group by giving written notice to our Company containing all information reasonably necessary for our Group to consider whether (i) the Restricted Business Opportunity would constitute a Restricted Business; and (ii) it is in the interest of our Group to pursue the Restricted Business Opportunity, including but not limited to the nature and material terms and conditions of the Restricted Business Opportunity and the details of the investment or acquisition costs (where applicable) (the “**Offer Notice**”); and

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- (b) the Offeror will be entitled to pursue the Restricted Business Opportunity if, and only if: (i) the Offeror has received a written notice from our Company declining the Restricted Business Opportunity and confirming that the Restricted Business Opportunity would not constitute competition or likely competition with the business of our Group; or (ii) the Offeror has not received the notice from our Company within thirty (30) days from our Company’s receipt of the Offer Notice.

In the event that there is a material change in the terms and conditions of the Restricted Business Opportunity pursued by the Offeror, the Offeror shall refer the Restricted Business Opportunity as so revised to our Group in the manner as set out above.

Upon receipt of the Offer Notice, we will seek opinions and decisions from a committee of our Board consisting only our independent non-executive Directors as to: (a) whether the Restricted Business Opportunity constitutes Restricted Business; (b) whether it is in the interest of our Company and our Shareholders as a whole to take up the Restricted Business Opportunity; and (c) whether our Group shall take up or decline the Restricted Business Opportunity.

With a view to avoiding competition of businesses between our Group and our Controlling Shareholders, our independent non-executive Directors will review the compliance with and enforcement of the Deed of Non-Competition at least on an annual basis, and the results of such review will be included in our annual report.

Our Controlling Shareholders have further jointly and severally undertaken to promptly:

- (a) provide all relevant information for review by our independent non-executive Directors for compliance with and enforcement of the Deed of Non-Competition;
- (b) allow or procure to allow, subject to confidentiality restrictions imposed by any third party, our representatives, our auditors and our compliance adviser (if necessary) to have access to their business, financial and/or corporate records as may be necessary for our independent non-executive Directors to determine whether our Controlling Shareholders and their respective close associates (other than members of our Group) have complied with the Deed of Non-Competition;
- (c) make an annual declaration to be included in our annual report on compliance with and enforcement of the Deed of Non-Competition in accordance with the GEM Listing Rules;
- (d) address such other enquiries as may be made by the Stock Exchange, the SFC, or any other regulatory bodies or our Company from time to time; and
- (e) comply with the requirements under the relevant laws, rules and regulations of the Stock Exchange and the regulatory bodies having jurisdiction over our Company from time to time in connection with the Deed of Non-Competition and to do all such acts to facilitate our Company to comply with the same.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Having taken into account the following factors, our Directors are satisfied that our Group is capable of carrying on our business independently from our Controlling Shareholders and their respective close associates (other than members of our Group) upon and after the [REDACTED]:

Management Independence

Our management and operational decisions are made collectively by our Board and our senior management. Upon [REDACTED], our Board will comprise five (5) Directors, including two (2) executive Directors and three (3) independent non-executive Directors. Please refer to the section headed “Directors and Senior Management” of this document for further details.

Save as disclosed below, as at the Latest Practicable Date, none of our Directors or members of our senior management holds any directorship or other position in any of our Controlling Shareholders or their respective close associates^(Note):

Name	Directorship/ position in our Group	Position in our Controlling Shareholders and their respective close associates
Ms. Choi	Executive Director, chairlady of our Board and compliance officer	Director of Water Fun Director of Water Fun HK Director of Afor Plus Director of Bfor Trading Director of Energy Saving Director of Savewo USA Director of Laser Beam
Mr. Ding	Executive Director and chief executive officer	Director of Index PI Director of Index PI HK Director of Afor Plus Director of Bfor Trading Director of Energy Saving Director of Savewo USA Director of Laser Beam Director of Zeta Director of Shenzhen Jiushi

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Name	Directorship/ position in our Group	Position in our Controlling Shareholders and their respective close associates
Mr. Wong	Sales manager and factory manager	Director of Social Monitoring Director of Social Monitoring HK Director of Si Dan La Director of Pure Force Director of Capital Fire Director of Drag Once Director of The Hong Kong Outstanding Tertiary Students’ Services Association Foundation Limited

Note: As at the Latest Practicable Date, in addition to the above companies, Mr. Wong is also a director of an investment holding company incorporated under the laws of the BVI and of four subsidiaries of the said company incorporated under the laws of Hong Kong, which are principally engaged in marketing and artist management or are otherwise inactive.

Notwithstanding the fact that the above members of our Board and senior management hold overlapping directorships in our Controlling Shareholders and/or their respective close associates, we are of the view that our Directors and senior management are collectively able to manage our Group’s business independently from the Controlling Shareholders and their respective close associates for the following reasons:

- (a) as of the Latest Practicable Date, other than Ms. Choi and Mr. Ding, who are our executive Directors and Controlling Shareholders, and Mr. Wong, our sales manager and factory manager and a Controlling Shareholder, none of our other Directors or senior management hold any position or own any interest in our Controlling Shareholders;
- (b) Ms. Choi and Mr. Ding are the founders of our Group and of the above companies in which they hold overlapping directorships, and Ms. Choi and Mr. Ding have been responsible for managing the business of our Group since its establishment. Ms. Choi and Mr. Ding have a proven track record of being able to manage their respective duties within our Group and the above companies in which they hold overlapping directorships, which demonstrates that Ms. Choi and Mr. Ding have been, and will continue to be, able to devote sufficient time and effort to our Group;
- (c) each Director is aware of his or her fiduciary duties as a director which require, among other things, that he or she acts for the benefit and in the interest of our Company and does not allow any conflict between his duties as a Director and his or her personal interests;
- (d) in case of a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors or their respective close associates, unless otherwise permitted by the Articles of Association, the interested Director(s) will abstain from voting at the relevant Board meeting in respect of such transaction and will not be counted in the quorum of the relevant meeting of our Board;

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (e) our Board has a balanced composition of executive Directors and independent non-executive Directors which ensures the independence of our Board in making decisions affecting our Company. Specifically, (i) our independent non-executive Directors are not associated with Ms. Choi, Mr. Ding, Mr. Wong or any of their respective close associates; (ii) our independent non-executive Directors account for not less than one-third of the Board; and (iii) our independent non-executive Directors individually and collectively possess the requisite knowledge and experience to provide professional and experienced advice to our Company and bring impartial and sound judgment to the decision-making process of our Board and protect the interest of our Company and our Shareholders as a whole;
- (f) where a Shareholders’ meeting is held to consider a proposed transaction in which any Controlling Shareholder has a material interest, our Controlling Shareholders (being parties acting in concert pursuant to the Acting in Concert Confirmation) shall abstain from voting on the relevant resolutions and shall not be counted towards the quorum for the voting; and
- (g) our Company has appointed Patrons Capital Limited as our compliance adviser, which will provide advice and guidance to our Group in respect of compliance with the applicable laws and GEM Listing Rules including various requirements relating to Directors’ duties and corporate governance.

Based on the above, our Directors are satisfied that our Board as a whole, together with our senior management, will be able to manage the business and operations of the Group independently of our Controlling Shareholders and their respective close associates.

Operational Independence

Our Company has full authority and rights to make all decisions on, and has our own resources to carry out, our own business operations independently. In particular:

- (a) we are not reliant on our Controlling Shareholders and their respective close associates and we have our own access to our suppliers and our customers for the provision of services;
- (b) we are the holder of all relevant licenses material to the operation of our business and have sufficient capital, equipment and employees to operate our business independently from our Controlling Shareholders and their respective close associates;
- (c) we have our own administrative and corporate governance infrastructure, including our own accounting, internal control, risk management and human resources departments;
- (d) save for the sub-lease of an office space within our leased premises to Zeta as disclosed in the sub-section of this document headed “Connected Transactions — 3. Sub-leasing of premises to Zeta”, our Group does not share any operational resources, such as office premises, sales and marketing and general administration resources with our Controlling Shareholders and their respective close associates; and

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (e) none of our Controlling Shareholders and their respective close associates has any interest which competes or is likely to compete with the business of our Group, and each of our Controlling Shareholders has executed a Deed of Non-Competition in favour of our Company as disclosed above.

In light of the above, our Directors consider that we are operationally independent from our Controlling Shareholders and their respective close associates.

Financial Independence

Our group has its independent financial management system, internal control and accounting systems, independent treasury function for cash receipts and payments, and the ability to operate independently from our Controlling Shareholders from a financial perspective. We can make financial decisions independently, and our Controlling Shareholders (other than Ms. Choi and Mr. Ding in their capacity as executive Directors) and their respective close associates do not interfere with our use of funds. In addition, we maintain and manage bank accounts independently and our Controlling Shareholders and their respective close associates do not share any bank accounts with our Group.

Our Directors confirm that, as at the Latest Practicable Date, save as disclosed in this section and the paragraph headed “*Financial Information — Indebtedness*” of this document, our Controlling Shareholders have not provided any other guarantee or loan to our Group, and all intra-group loans and guarantees provided by our Controlling Shareholders and/or their respective close associates to our Group will be fully settled and discharged before the [REDACTED].

Our Directors believe that our Group has sufficient capital for our financial needs without dependence on our Controlling Shareholders, in view of our Group’s internal resources and the estimated [REDACTED] from the [REDACTED]. Our Directors also believe that, upon [REDACTED], our Group will be capable of obtaining financing from external sources independently without the need of any guarantee or security provided by our Controlling Shareholders and their respective close associates after the [REDACTED], which enables our Group to maintain financial independence from our Controlling Shareholders and their respective close associates.

CORPORATE GOVERNANCE MEASURES

Our Company will comply with the provisions of the CG Code, which sets out principles of good corporate governance in relation to, among other things, Board composition, the appointment, re-election and removal of Directors, their responsibilities and remuneration and communications with Shareholders.

Each of the Controlling Shareholders has also confirmed that he/she/it fully comprehends his/her/its obligations to act in the best interests of our Company and the Shareholders as a whole. We will adopt the following corporate governance measures to manage potential conflict of interests between our Group and the Controlling Shareholders:

- (a) our Board will ensure that any material conflict or potential conflict of interests involving our Controlling Shareholders will be reported to our independent non-executive Directors as soon as practicable;

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (b) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors (or their respective close associates), the interested Directors shall abstain from voting at the relevant Board meeting and shall not be counted in the quorum;
- (c) where a Shareholders’ meeting is to be held for considering proposed transactions in which the Controlling Shareholders or their respective associates has/have a material interest, the Controlling Shareholders shall not vote on the resolutions and shall not be counted in the quorum for the voting;
- (d) the Company has established internal control mechanisms to identify connected transactions. Upon [REDACTED], if the Company enters into connected transactions with the Controlling Shareholders or their respective associates, the Company will comply with the relevant provisions of the GEM Listing Rules, including, where appropriate, the reporting, annual review, announcement and independent Shareholders’ approval requirements;
- (e) our Board will consist of a balanced composition of executive and non-executive Directors, including not less than one-third of independent non-executive Directors to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors, details of whom are set out in the section headed “Directors and Senior Management” in this [REDACTED], individually and together possess the requisite knowledge and experience. Our independent non-executive Directors will review whether there is any conflict of interests between the Group and the Controlling Shareholders annually and provide impartial and professional advice to protect the interest of our Company and the Shareholders as a whole;
- (f) each of the Controlling Shareholders will make an annual confirmation as to compliance with his/her/its undertakings under the Deed of Non-Competition for inclusion in the annual report of our Company;
- (g) the Controlling Shareholders have undertaken to provide all information requested by our Group which is necessary for the annual review by our independent non-executive Directors and the enforcement of the Deed of Non-Competition;
- (h) our independent non-executive Directors will, based on the information available to them, review on an annual basis (i) the compliance with the Deed of Non-Competition; and (ii) all the decisions made in relation to whether to pursue the Restricted Business Opportunities under the Deed of Non-Competition, and the findings of such review will be disclosed in the annual report of our Company;
- (i) in the event that our independent non-executive Directors are requested to review any conflicts of interests circumstances between the Group and the Controlling Shareholders, the Controlling Shareholders and/or the Company shall provide the independent non-executive Directors with all necessary information and the Company shall disclose the decisions of the independent non-executive Directors (including why business opportunities referred to it by the Controlling Shareholders were not taken up) either in its annual report or by way of announcements;

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- (j) where the advice from an independent third-party professionals, such as that from legal or financial advisors, is reasonably requested by our Directors (including the independent non-executive Directors), the appointment of such independent third-party professionals will be made at our Company’s expenses; and
- (k) we have appointed Patrons Capital Limited as our compliance adviser, which will provide advice and guidance to us in respect of compliance with the applicable laws and the GEM Listing Rules including various requirements relating to corporate governance.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and our Controlling Shareholders, and to protect the interests of our Company and the Shareholders as a whole after the [REDACTED].

CONNECTED TRANSACTIONS

OVERVIEW

We have entered into certain transactions with our connected person(s), details of which are set out below. The transactions disclosed in this section will constitute our continuing connected transactions under Chapter 20 of the GEM Listing Rules upon [REDACTED].

CONNECTED PERSON(S)

Upon [REDACTED], the following part(ies) with whom we have entered into transactions in our ordinary and usual course of business will become our connected person(s):

Name of connected person	Principal business	Connected relationship
Zeta	Procurement and resale of electronics and consumer products	Zeta is a company wholly owned by Mr. Ding, our executive Director, chief executive officer and one of our Controlling Shareholders

OUR CONTINUING CONNECTED TRANSACTIONS

The following table summarises transactions with our connected person(s) which will constitute our continuing connected transactions under Chapter 20 of the GEM Listing Rules:

Nature of transaction	Counterparty	Applicable GEM Listing Rules	Exempt/ Non-exempt	Waivers sought
Supply of products	Zeta	20.74(1)	Fully exempt	N/A
Procurement of products	Zeta	20.74(1)	Fully exempt	N/A
Sub-leasing of premises	Zeta	20.74(1)	Fully exempt	N/A

1. Supply of products to Zeta

In the ordinary and usual course of the business of our Group, we have supplied certain products of our Group to Zeta, being a customer of our Group, under terms and conditions determined by the parties after arm’s length negotiations.

On 10 June 2026, we entered into a supply framework agreement (the “**Supply Framework Agreement**”) with Zeta, pursuant to which our Group may, from time to time, provide Zeta with our personal protective and healthcare products. The Supply Framework Agreement has an initial term commencing with effect from 1 April 2026 and ending on 31 March 2029, both days inclusive, and may be extended or renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 20 of the GEM Listing Rules and all other applicable laws and regulations.

CONNECTED TRANSACTIONS

Reasons for the transactions

Our Group supplies personal protective and healthcare products to Zeta in our ordinary and usual course of business. Zeta is primarily engaged in the procurement and resale of electronics and consumer products. We have established a continuous and stable cooperation relationship with Zeta since 2021. Through such cooperation, our Group and Zeta have acquired a comprehensive understanding of the business and operational requirements of each other, which helped build mutual trust and reduced communication costs. The transactions also enable us to extend the market reach and of our Group’s products through online retail sales and other established distribution channels of Zeta. Considering the long-standing relationship and Zeta’s demand to transact with quality and reliable suppliers like our Group, we believe that the entry into the Supply Framework Agreement is mutually beneficial for our Group and Zeta, and is in the interest of our Company and our Shareholders as a whole.

Pricing basis

The price of the transactions contemplated under the Supply Framework Agreement shall be determined after arm’s length negotiations between the parties, and shall be subject to our Group’s pricing policy. The prices of the products supplied by our Group to Zeta shall be charged in the form of unit prices of the products as set out in the specific purchase orders with reference to the price list maintained by our Group and updated on a quarterly basis or such other intervals as we consider appropriate. Our Group will determine the selling prices of the products required by Zeta according to our pricing policy, which shall take into account, among other things, the prevailing market prices of comparable products, costs of manufacture or procurement and the order size. The prices offered by our Group to Zeta shall not be lower than those offered by our Group to other customers who are Independent Third Parties for the same or similar products and sale volume at the time of the relevant purchase order(s). To ensure the terms of sale are in line with the prevailing market prices and conditions, we will also compare the selling prices of the same or similar products sold to other customers which are Independent Third Parties on at least an annual basis.

Historical amounts

For historical transaction amounts of our sales to Zeta during FY2025 and FY2026, please refer to the sub-section headed “Business — Overlapping customers and suppliers — Quantum and proportion of transactions with Zeta”.

CONNECTED TRANSACTIONS

Annual caps and basis

The maximum annual transaction amounts in respect of the Supply Framework Agreement for the years ending 31 March 2027, 31 March 2028 and 31 March 2029 shall not exceed the caps as set out below:

	Annual caps (HK\$'000)		
	For the year ending 31 March 2027	For the year ending 31 March 2028	For the year ending 31 March 2029
Aggregate transaction amount to be paid by Zeta to our Group	1,500	1,500	1,500

In arriving at the above annual caps, the Directors have considered, among other things: (a) the historical transaction amounts during the Track Record Period; (b) the anticipated demand of Zeta for our Group’s personal protective and healthcare products; (c) the estimated unit price of our personal protective and healthcare products to be provided to Zeta determined based on the existing arrangements between our Group and Zeta; and (d) the selling prices of similar products charged by the Group to other customers who are Independent Third Parties.

GEM Listing Rules implications

As the highest applicable percentage ratio in respect of the annual caps of the Supply Framework Agreement is less than 5% and the total consideration to be received by our Group for the transactions contemplated under the Supply Framework Agreement in each of the years ending 31 March 2027, 31 March 2028 and 31 March 2029 shall be less than HK\$3,000,000, the Supply Framework Agreement and the transactions contemplated thereunder will constitute a de minimis continuing connected transaction of our Company pursuant to Rule 20.74(1) of the GEM Listing Rules, which will be fully exempt from reporting, annual review, announcement, circular and independent Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

2. Procurement of products from Zeta

In the ordinary and usual course of the business of our Group, we have also procured certain non-core products, such as electronic items and suitcases, from Zeta, being a supplier of our Group, under terms and conditions determined by the parties after arm’s length negotiations. These non-core products are resold by our Group through our retail network to customers which have demand for such products.

On 10 June 2026, we entered into a procurement framework agreement (the “**Procurement Framework Agreement**”) with Zeta, pursuant to which our Group may, from time to time, purchase from Zeta various electronic and other products. The Procurement Framework Agreement has an initial term commencing with effect from 1 April 2026 and ending on 31 March 2029, both days inclusive, and may be renewed or extended as the parties may mutually agree, subject to compliance with the requirements under Chapter 20 of the GEM Listing Rules and all other applicable laws and regulations.

CONNECTED TRANSACTIONS

Reasons for the transactions

Our Group conducts the procurement and resale of certain of our non-core products in our ordinary and usual course of business. As Zeta is an authorised distributor of the relevant products in Hong Kong and given that setting up new accounts with the underlying suppliers may take up to a year and require account fees, we have elected to source these products from Zeta for resale in order to reduce administrative costs and burden. Having regard to the aforesaid and our long-standing relationship with Zeta, we believe that the entry into the Procurement Framework Agreement is mutually beneficial for our Group and Zeta, and is in the interest of our Company and our Shareholders as a whole.

Pricing basis

The pricing for the products to be supplied by Zeta to our Group shall be determined based on arm’s length negotiations between the parties based on, among other things, (i) the prevailing market prices of similar products or alternatives, taking into account factors such as the type of products concerned, the specifications and quantity of purchase by our Group, and (ii) the total cost of such Products to our Group plus a profit margin mutually agreed between the parties, and shall be subject to our Group’s procurement policies and procedures. The prices of the products supplied by Zeta to our Group shall be charged in the form of unit prices of the products as set out in the specific purchase orders.

The terms of the transactions shall be no less favorable to our Group than those for transactions between our Group and Independent Third Parties under the same or substantially the same conditions at the time of the relevant purchase order(s). We will regularly review the prices charged by Zeta in providing the relevant products with reference to prevailing market prices of similar products or alternatives to ensure they are on normal commercial terms and are fair and reasonable. We will also compare the prices of the products offered by Zeta against the prices charged for the same or similar products by at least two suppliers who are Independent Third Parties.

Historical amounts

For historical transaction amounts paid by us to Zeta for procurement of products during FY2025 and FY2026, please refer to the sub-section headed “Business — Overlapping customers and suppliers — Quantum and proportion of transactions with Zeta”.

CONNECTED TRANSACTIONS

Annual caps and basis

The maximum annual transaction amounts in respect of the Procurement Framework Agreement for the years ending 31 March 2027, 31 March 2028 and 31 March 2029 shall not exceed the caps as set out below:

	Annual caps (HK\$'000)		
	For the year ending 31 March 2027	For the year ending 31 March 2028	For the year ending 31 March 2029
Aggregate transaction amount to be paid by our Group to Zeta	500	500	500

In arriving at the above annual caps, the Directors have considered, among other things: (a) the historical transaction amounts during the Track Record Period; (b) the anticipated demand of our Group for non-core products provided by Zeta; and (c) the estimated unit price of the relevant products to be provided by Zeta to our Group determined based on the existing arrangements between our Group and Zeta.

GEM Listing Rules implications

As the highest applicable percentage ratio in respect of the annual caps of the Procurement Framework Agreement is less than 5% and the total consideration to be paid by our Group to Zeta for the transactions contemplated under the Procurement Framework Agreement in each of the years ending 31 March 2027, 31 March 2028 and 31 March 2029 shall be less than HK\$3,000,000, the Procurement Framework Agreement and the transactions contemplated thereunder will constitute a de minimis continuing connected transaction of our Company pursuant to Rule 20.74(1) of the GEM Listing Rules, which will be fully exempt from reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

3. Sub-leasing of premises to Zeta

During the Track Record Period and as at the Latest Practicable Date, we have sub-leased to Zeta certain office space within our leased premises situated at 2/F, 266–270 Texaco Road, Tsuen Wan, New Territories, Hong Kong. For details of the lease of the premises entered into between our Group and our lessor, please refer to the sub-section of this document headed “Business — Properties”.

On 10 June 2026, we entered into a sub-tenancy agreement (the “**Sub-tenancy Agreement**”) with Zeta, pursuant to which our Group has, with the consent of our Group's lessor, sub-leased an office space area of approximately 941 square feet within the subject premises to Zeta for a term of two (2) years commencing from 1 April 2026 to 31 March 2028, both days inclusive, unless earlier terminated in accordance with the terms of the Sub-tenancy Agreement. The term of the Sub-tenancy Agreement may be renewed or extended by mutual written agreement of the parties, subject to compliance with: (a) the terms and conditions of the lease entered into between our Group and our lessor; and (b) all relevant requirements under the GEM Listing Rules and other applicable laws and regulations.

CONNECTED TRANSACTIONS

The rent payable by Zeta to our Group under the Sub-tenancy Agreement is charged at the initial rate HK\$6,000 per month, payable in arrears every three (3) months commencing from 30 June 2026 as the first payment due date. The rent is inclusive of utility charges for electricity, management fees, government rates and government rent. Any revisions or adjustments to the rent and/or other fees, charges and rates payable by Zeta to the Group under the Sub-tenancy Agreement shall be subject to compliance with the requirements of the GEM Listing Rules.

The Sub-tenancy Agreement may be terminated by either party with not less than one month’s prior notice in writing to the other party, or by our Group with immediate effect in the case of certain material breaches by Zeta. The Sub-tenancy Agreement will also terminate automatically in the event that the lease with our lessor is terminated for any reason.

Reasons for the sub-leasing arrangement

Zeta is both a customer and supplier of our Group in the ordinary and usual course of our Group’s business. We sell to Zeta our personal protective and healthcare products and purchase from Zeta certain non-core products for resale through our retail network. Our Directors (excluding Mr. Ding and Ms. Choi) are of the view that the relationship between our Group and Zeta is of a complementary nature, and the close proximity of the locations of administrative and other operations of our Group and Zeta would promote smooth communication and cooperation between the parties. In addition, such arrangement also enables our Group to reduce the costs of delivery of our products to Zeta, as the inventories of our products are located in the warehouse premises located within the same building leased by us. Based on the foregoing factors, our Directors (excluding Mr. Ding and Ms. Choi) are of the view that the entry into the Sub-tenancy Agreement is to the mutual benefit of both parties, and is in the interest of the Company and our Shareholders as a whole.

Basis of consideration

The rent payable by Zeta to our Group under the Sub-tenancy Agreement has been determined after arm’s length negotiations between the parties, by reference to (i) the rental cost of our Group under the lease entered into between our Group and our lessor and (ii) the prevailing market rents of similar properties in the vicinity of the subject premises. Based on the amount of rent payable by our Group to our lessor and proportion of the area sub-leased to Zeta to the total floor area of the premises, our Directors (excluding Mr. Ding and Ms. Choi) are satisfied that the amount of rent charged by our Group to Zeta is not less than the pro rata cost of rental of the premises incurred by our Group.

Historical amounts

As at the Latest Practicable Date, no amount has been paid or payable by Zeta to our Group with respect to the sub-lease of the subject premises or any portion thereof. The first rental payment under the Sub-tenancy Agreement will fall due on 30 June 2026.

CONNECTED TRANSACTIONS

Annual caps and basis

The maximum annual rental amounts under the Sub-tenancy Agreement for the years ending 31 March 2027 and 31 March 2028 shall not exceed the caps as set out below:

	Annual caps (HK\$'000)	
	For the year ending 31 March 2027	For the year ending 31 March 2028
Aggregate rental amount to be paid by Zeta to our Group	100	100

In arriving at the above annual caps, our Directors (excluding Mr. Ding and Ms. Choi) have considered, among other things: (i) the Rent and any other fees, rates and charges (if applicable) payable by Zeta as provided in the Sub-tenancy Agreement; (ii) reasonable allowance for any adjustments or increase to the Rent and/or any other fees, rates and charges (if applicable) payable by the Zeta during term of the sub-tenancy; and (iii) any potential increase in the rental cost of the subject premises (including rental and any fees, rates and charges, if applicable) payable by our Group to our lessor.

GEM Listing Rules implications

As the highest applicable percentage ratio in respect of the annual caps of the Sub-tenancy Agreement is less than 5% and the total consideration to be received by our Group for the transactions contemplated under the Sub-tenancy Agreement in each of the years ending 31 March 2027 and 31 March 2028 shall be less than HK\$3,000,000, the Sub-tenancy Agreement and the sub-lease of premises thereunder will constitute a de minimis continuing connected transaction of our Company pursuant to Rule 20.74(1) of the GEM Listing Rules, which will be fully exempt from reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

INTERNAL CONTROL MEASURES TO SAFEGUARD SHAREHOLDERS' INTERESTS

In order to further safeguard the interests of the Shareholders as a whole (including the minority Shareholders), our Group has implemented the following internal control measures in relation to the above continuing connected transactions:

- (a) Our Group shall maintain an updated price list for each type of personal protective and healthcare product offered by our Group to our customers (including customers who are Independent Third Parties). Our Group shall make reference to the price list before providing quotations to Zeta for the sale and purchase of our personal protective and healthcare products under the Supply Framework Agreement.
- (b) Our Group shall regularly review, monitor and benchmark the market price of our personal protective and healthcare products. Our Group will compare the selling price of these products with the set benchmark before the approval of purchaser orders between our Group

CONNECTED TRANSACTIONS

and Zeta to ensure that the sale and purchase of these products pursuant to the Supply Framework Agreement will be conducted in the interest of our Group and our Shareholders as a whole.

- (c) Our Group has approved internal guidelines which provide that if the value of any proposed connected transaction is expected to exceed certain thresholds, the relevant staff must report the proposed transactions to the relevant responsible personnel in order for our Group to commence the necessary additional assessment and approval procedures and ensure that we will comply with the applicable requirements under Chapter 20 of the GEM Listing Rules.
- (d) Our independent non-executive Directors will conduct annual review on the continuing connected transactions under the Supply Framework Agreement, the Procurement Framework Agreement and the Sub-tenancy Agreement to confirm whether such transactions have been entered into: (i) (with respect to the Supply Framework Agreement and the Procurement Framework Agreement) in the ordinary and usual course of business of our Group; (ii) on normal commercial terms or better; and (iii) in accordance with the agreement(s) governing them on terms that are fair and reasonable and in the interests of our Group and our Shareholders as a whole.
- (e) The auditors of the Company will conduct annual review on the continuing connected transactions under the Supply Framework Agreement, the Procurement Framework Agreement and the Sub-tenancy Agreement to confirm that: (i) the transactions under the said agreements have been approved by our Board; (ii) the transactions under the Supply Framework Agreement were, in all material respects, in accordance with the pricing policies of the Group; (iii) the transactions under the Supply Framework Agreement were, in all material respects, in accordance with the procurement policies and procedures of our Group; (iv) the amount of rent charged by our Group under the Sub-tenancy Agreement is not less than the pro rata amount of cost of our Group under the lease between our Group and our lessor and the prevailing market rents of similar properties in the vicinity of the subject premises; (v) the transactions under the Supply Framework Agreement, the Procurement Framework Agreement and the Sub-tenancy Agreement were entered into, in all material respects, in accordance with the relevant agreement(s) governing them; and (vi) the transactions under the Supply Framework Agreement, the Procurement Framework Agreement and the Sub-tenancy Agreement have not exceeded the applicable annual caps as set out above (as may be revised from time to time subject to the terms and conditions of the relevant agreement(s) governing the transactions and compliance with the requirements of the GEM Listing Rules).
- (f) Our Company will provide information and supporting documents to our independent non-executive Directors and the auditors in order for them to conduct an annual review of the continuing connected transactions entered into by our Company.
- (g) We will, pursuant to the terms and conditions of the Supply Framework Agreement, the Procurement Framework Agreement and the Sub-tenancy Agreement, require Zeta to, during the respective terms of the agreements and for a period of two (2) years thereafter, upon the request of our Group, provide to our Group and/or the auditors of our Company with access to the information and records relating to the transactions entered into between our Group

CONNECTED TRANSACTIONS

and Zeta (which shall be true, accurate and non-misleading in all material respects) for the purpose of our Group’s compliance with the GEM Listing Rules and all applicable laws and regulations and/or requests of the Stock Exchange or other relevant regulatory authorities.

- (h) When considering any renewal or revisions to the agreements after the [REDACTED], the interested Directors and Shareholders shall abstain from voting on the resolutions to approve such transactions at board meetings or shareholders’ general meetings (as the case may be). If the independent Directors’ or independent Shareholders’ approvals cannot be obtained, we will not continue the transactions under the Supply Framework Agreement and/or the Procurement Framework Agreement (as the case may be) to the extent that they constitute non-exempt continuing connected transactions under Chapter 20 of the GEM Listing Rules.

Our Directors (whereas Mr. Ding and Ms. Choi abstain) consider that the above methods and procedures will effectively ensure that the transaction(s) under the Supply Framework Agreement, the Procurement Framework Agreement and the Sub-tenancy Agreement will be conducted on normal commercial terms, in compliance with the requirements of the GEM Listing Rules and not prejudicial to the interests of our Group and our Shareholders.

DIRECTORS AND SENIOR MANAGEMENT

OUR BOARD

Upon [REDACTED], our Board will consist of five Directors, comprising two executive Directors and three independent non-executive Directors. Our Board is responsible for and has general power for the management and conduct of our Group’s business. The following table sets forth information regarding our Directors:

Directors

The following table sets forth the general information regarding our Directors:

Name	Age	Current Position	Date of Appointment as a Director	Date of Joining our Group	Role and Responsibilities	Relationship with other Directors and/or Senior Management
Ms. Choi Sze Man (蔡詩敏)	39	Executive Director, chairlady of our Board and compliance officer	17 April 2026	22 April 2020	Responsible for the overall business strategy, development and compliance of our Group, and acting as chairlady of the nomination committee of the Board	Spouse of Mr. Wong Yuet Yeung Harry (黃越洋), our sales manager and factory manager
Mr. Ding Zhen (丁圳)	38	Executive Director, chief executive officer	17 April 2026	22 April 2020	Responsible for the overall operation and management of our Group	None
Ir. Daniel Lai, BBS, JP (賴錫璋)	79	Independent non-executive Director	[●]	[●]	Responsible for supervising and providing independent opinion to our Board, and serving as a member of audit committee and the remuneration committee of the Board	None
Mr. Lai Tsz Kit Danny (黎子傑)	54	Independent non-executive Director	[●]	[●]	Responsible for supervising and providing independent opinion to our Board, and serving as chairman of the audit committee of the Board and a member of the remuneration committee and the nomination committee of the Board	None
Mr. Chan But Ping (陳不平)	40	Independent non-executive Director	[●]	[●]	Responsible for supervising and providing independent opinion to our Board, and serving as chairman of the remuneration committee of the Board and a member of the audit committee and the nomination committee of the Board	None

DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Ms. CHOI Sze Man (蔡詩敏), aged 39, is our executive Director, chairlady of our Board and our compliance officer. She was appointed as our Director on 17 April 2026 and redesignated as an executive Director on [●].

Ms. Choi is one of the co-founders of our Group and has been primarily responsible for establishing our Group’s financial architecture, governance framework and operational systems, and has supported our Group’s expansion into a multi-line manufacturing operation and a leading supplier and distributor of health protection gear, personal protective products and other products in Hong Kong.

Prior to founding our Group, Ms. Choi accumulated over 10 years of experience in the banking and finance industry through her work at a number of leading banking and financial institutions, including Hang Seng Bank Limited, BNP Paribas Hong Kong Branch and ICBC International Holdings Limited, where she served in management roles in the private banking, wealth management and sales and trading teams.

Ms. Choi obtained her degree of Bachelor of Business Administration from the Chinese University of Hong Kong in 2008. She subsequently obtained her degree of Executive Master of Business Administration from the Chinese University of Hong Kong in 2021. Further, Ms. Choi has been a chartered financial analyst of the CFA Institute of Hong Kong since September 2014.

As at the Latest Practicable Date, Ms. Choi is a Controlling Shareholder and holds 46.0% of the Shares through Water Fun. Pursuant to the Acting in Concert Confirmation, Ms. Choi, Water Fun (being an investment holding entity wholly owned by Ms. Choi), Mr. Ding and Index PI (being an investment holding entity wholly owned by Mr. Ding) have acted and will continue to act in concert to exercise their voting rights in our Company and each of them will be interested or deemed to be interested in a total of [REDACTED] of the issued share capital of our Company upon the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and any options which may be granted by our Company upon the exercise of options that may be granted under the [REDACTED]).

DIRECTORS AND SENIOR MANAGEMENT

Mr. DING Zhen (丁圳), aged 38, is our executive Director and chief executive officer. He was appointed as our Director on 17 April 2026 and redesignated as an executive Director on [●].

Mr. Ding is one of the co-founders of our Group and has been primarily responsible for leading the business direction, overall operation and management, as well as the research and development function of our Group since its establishment.

Prior to and concurrent with his role at our Group, Mr. Ding has been the founder and director of Zeta Limited, a company engaged in the procurement and resale of electronics and other consumer products. For further details of Mr. Ding’s involvement and interest in Zeta Limited and the relationship between Zeta Limited and our Group, please refer to the sections headed “*Business — Overlapping customers and suppliers*”, “*Connected Transactions*” and “*Relationship with our Controlling Shareholders*” of this document.

Since 2020, Mr. Ding has led our Group’s research and development team in building its core technologies from the ground up, including the design of mask production machinery, the formulation of mask materials, and the development of various high-performance electronic products. Mr. Ding has been instrumental in key aspects of materials research and development and production processes, ensuring that our Group’s products meet international quality standards while maintaining a high pace of innovation. Under Mr. Ding’s leadership, our Group has obtained multiple international professional certifications and has built a patent portfolio covering machinery structures, materials technology and innovative product design.

Mr. Ding obtained his degree of Bachelor of Science in Computing Mathematics from the City University of Hong Kong in 2010.

As at the Latest Practicable Date, Mr. Ding is a Controlling Shareholder and holds 46.0% of the Shares through Index PI. Pursuant to the Acting in Concert Confirmation, Ms. Choi, Water Fun (being an investment holding entity wholly owned by Ms. Choi), Mr. Ding and Index PI (being an investment holding entity wholly owned by Mr. Ding) have acted and will continue to act in concert to exercise their voting rights in our Company and each of them will be interested or deemed to be interested in a total of [REDACTED] of the issued share capital of our Company upon the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and any options which may be granted by our Company upon the exercise of options that may be granted under the [REDACTED]).

DIRECTORS AND SENIOR MANAGEMENT

Independent Non-Executive Directors

Ir. Daniel Lai, BBS, JP (賴錫璋), aged 79, is an independent non-executive Director. He was appointed as an independent non-executive Director on [●] with effect from the [REDACTED].

Ir. Lai possesses extensive experience in information technology (“IT”) and business management. He has held a number of senior leadership positions in government, listed corporations and academia sectors. Notably, Ir. Lai served as head of information technology of MTR Corporation Limited (stock code: 0066) for over 10 years, where he was responsible for the formulation and implementation of the strategic directions on IT planning, development, implementation, governance and operations, prior to his departure from that role in December 2011. Between 2012 and 2015, Ir. Lai served as the Government Chief Information Officer of the Government of the Hong Kong SAR, where he oversaw the development of information technology policies, infrastructure and systems in Hong Kong. From 2015 to 2017, Ir. Lai served as professor of Practice (Computing) and Interim Vice President (Administration) of The Hong Kong Polytechnic University. Concurrently, Ir. Lai served as an independent non-executive director of Digital China Holdings Limited (stock code: 861) from 2015 to 2018, during which he was also a member of the company’s audit committee and remuneration committee. Since 2020, Ir. Lai has also been an independent non-executive director of Sanvo Fine Chemicals Group Limited (stock code: 0301), and also serves as the chairman of the remuneration committee and a member of the audit committee, nomination committee and ESG committees of the company. Since 11 March 2016, Ir. Lai has served as a director of Digital Technology and Consultancy Company Limited, a digital technology and business consultancy firm based in Hong Kong, and as a director of Wise Inclusion Hong Kong Company Limited, a social enterprise which provides recruitment services, career advisory services and training, since 22 September 2025.

Ir. Lai also holds a wide range of professional qualifications and memberships. He became a member of The Institute of Supervisory Management in 1976 and a member of the Institution of Industrial Managers in 1979. He first joined the Hong Kong Computer Society as a member in 1989, subsequently becoming a Fellow in 2004 and a Distinguished Fellow in 2005. He has also been a member of the Australian Computer Society since 1993 and a member of the Hong Kong Management Association since 1995. In addition, he has been a Fellow of The Hong Kong Institute of Engineers since 2012, a Quality Assurance Manager of The Hong Kong Institute for IT Professional Certification since 2013, and a Fellow of The Hong Kong Institute of Directors since 2015.

In recognition of his contribution to the development and promotion of information technology, Ir. Lai was appointed as a Justice of the Peace (JP) by the Government in 2001 and was awarded the Bronze Bauhinia Star (BBS) by the Government in 2004.

Ir. Lai obtained his degree in Management Studies (Commercial) from the Hong Kong Polytechnic University in 1975. He subsequently obtained his degree of Master of Technology Management from Griffith University in 1995.

DIRECTORS AND SENIOR MANAGEMENT

Mr. LAI Tsz Kit Danny (黎子傑), aged 54, is an independent non-executive Director. He was appointed as our independent non-executive Director on [●] with effect from the [REDACTED].

Mr. Lai is experienced in asset management and financial services industry. In particular, Mr. Lai served as a licensed representative of Type 1 (dealing in securities) and Type 9 (asset management) regulated activities at Carlyon Securities Limited and Carlyon Asset Management Limited, respectively, from September 2021 to June 2022. Since September 2023, Mr. Lai has served as Vice President and a licensed representative for Type 4 (advising on securities) and Type 9 (asset management) regulated activities at CG Asset Management Limited in Hong Kong.

Since September 2022, Mr. Lai has also served as co-chairman of the Greater Bay Area Education Resources Centre, a non-profit organisation in Hong Kong, where he facilitates cooperation between Hong Kong educational institutions and their counterparts in the PRC and makes policy recommendations to the Government on education and youth affairs.

Mr. Lai obtained his degree of Bachelor of Science from the University of Hong Kong in 1995. He has been a Certified Practising Accountant from CPA Australia since March 2019.

Mr. CHAN But Ping (陳不平), aged 40, is an independent non-executive Director. He was appointed as our independent non-executive Director on [●] with effect from the [REDACTED].

Mr. Chan possesses extensive experience in corporate investment and portfolio management. From October 2010 to January 2013, Mr. Chan held the position as assistant manager at Newton Resources Ltd (formerly known as China Tian Yuan Mining Ltd. (stock code: 1231). From February 2013 to November 2021, Mr. Chan held a number of managerial positions in investor relations, merger and acquisition, corporate development and investment at a subsidiary of CTF Services Limited (formerly known as NWS Holdings Limited) (stock code: 00659), his last position at the company being assistant general manager of corporate development and investment. From December 2021 to December 2022, Mr. Chan served as vice president of business development at a family office based in Hong Kong, responsible for post-deal management of investment portfolio(s). Since January 2023, Mr. Chan has been serving as investment director at CSC Holdings Limited (stock code: 0235), a company listed on the Stock Exchange, where he is responsible for overseeing investment activities and leading the investment team with a focus on the finance, banking, technology, media, and telecommunications sectors.

Mr. Chan obtained his degree of Bachelor of Engineering in Civil Engineering from the University of Hong Kong in 2007 and his degree of Master of Social Science from the Chinese University of Hong Kong in 2021.

DIRECTORS AND SENIOR MANAGEMENT

Disclosure under Rule 17.50(2) of the GEM Listing Rules

Save as disclosed above, each of our Directors confirms in respect of himself or herself that:

- (a) for the three years preceding the Latest Practicable Date, he or she has not held directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas;
- (b) he or she does not hold any interests in the Shares within the meaning of Part XV of the SFO;
- (c) he or she is not related to and is independent from any other Directors, members of senior management, Controlling Shareholders and/or substantial Shareholders of our Company;
- (d) Save as disclosed in the section headed “*Relationship with Our Controlling Shareholders*” of this document, he or she does not have any interests in any business apart from the business of our Group which competes or is likely to compete, either directly or indirectly, with business of our Group; and
- (e) as at the Latest Practicable Date, save as disclosed in the section headed “*Substantial Shareholders*” and the sub-section headed “*Statutory and General Information — C. Further information about Directors, management and staff*” in Appendix IV to this document, he or she did not have any interest in the Shares within the meaning of Part XV of the SFO.

Please refer to Appendix IV to this document for further information about our Directors, including details of the interests of our Directors in the Shares and underlying Shares (within the meaning of Part XV of the SFO) and particulars of their respective service contracts or letters of appointment and remunerations.

Each of our Directors has also confirmed that he or she has obtained legal advice from a firm of solicitors qualified to advise on Hong Kong law on 3 June 2026, as regards the requirements under the GEM Listing Rules that are applicable to him or her as a Director and the possible consequences of making a false declaration or giving false information to the Stock Exchange. Each of our Directors has confirmed that he or she understood his or her obligations as a director of a listed issuer.

Except as disclosed in this document, each of our Directors has confirmed that there is no other matter relating to his or her appointment as a Director that needs to be brought to the attention of our Shareholders and there is no information which is required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules.

Each of our independent non-executive Directors has confirmed: (i) his or her independence as regards each of the factors referred to in Rules 5.09(1) to (8) of the GEM Listing Rules; (ii) that he or she has no past or present financial or other interest in the business of our Company or its subsidiaries or any connection with any core connected person of our Company under the GEM Listing Rules as at the Latest Practicable Date; and (iii) that there are no other factors that may affect his or her independence at the time of his appointment.

DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

The table below sets out certain information concerning our senior management team:

Name	Age	Position	Date of Appointment	Date of Joining our Group	Role and Responsibilities	Relationship with other Directors and/or Senior Management
Mr. Wong Yuet Yeung Harry (黃越洋)	45	Sales manager and factory manager	22 April 2020	22 April 2020	Responsible for sales and factory operations of our Group	Spouse of Ms. Choi Sze Man (蔡詩敏), our executive Director, chairlady of our Board and compliance officer
Mr. Cheuk Anthony (卓鴻謙)	42	Chief technology officer	1 April 2023	3 January 2022	Responsible for the technology and research and development functions of our Group	None
Mr. Chung Pui Sei Best (鍾貝斯)	43	Financial controller	24 February 2026	24 February 2026	Responsible for the financial management and reporting of our Group	None

Mr. WONG Yuet Yeung Harry (黃越洋), aged 45, is our sales manager and factory manager and is responsible for overall management and oversight of the sales and factory operations of our Group.

Mr. Wong possesses extensive experience in the sales and marketing industry. In 2017, Mr. Wong founded Social Monitoring Limited (then known as P8 Communication Limited), a company incorporated in Hong Kong which is principally engaged in the provision of marketing services. Since 2018, Mr. Wong has also served in management roles at a number of other digital marketing and artist management companies in Hong Kong. Mr. Wong is also a founder and a director of The Hong Kong Outstanding Tertiary Students’ Services Association Foundation Limited, an organisation established in Hong Kong which aims to provide funding and opportunities for students to participate in social services.

Mr. Wong obtained his degree of Bachelor of Business Administration from Lingnan University in 2003. In 2016, Mr. Wong was awarded the Pride of Lingnan (嶺南之光) award by the Lingnan University.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Wong is the spouse of Ms. Choi. By virtue of Part XV of the SFO, Mr. Wong is deemed to be interested in the Shares in which Ms. Choi is interested or deemed to be interested. Accordingly, Mr. Wong, together with Water Fun, Ms. Choi, Index PI and Mr. Ding, will constitute a group of our Controlling Shareholders upon the [REDACTED].

Mr. CHEUK Anthony (卓鴻謙), aged 42, is our chief technology officer. He joined our Group in January 2022 and has served as our chief technology officer since 1 April 2023.

Mr. Cheuk began his career as a contract technician at Bureau Veritas Hong Kong Limited in 2006. Prior to joining our Group, Mr. Cheuk served as sales executive from 2009 to 2011 at Fortress Computer, and then at Wellgrow Development Limited, a company engaged in retail and wholesale distribution of digital products, where he served as operations manager until 2021.

Mr. Cheuk obtained his higher diploma in applied physics from the Hong Kong Polytechnic University in 2006. He subsequently obtained his degree of Bachelor of Engineering in Materials Engineering from the City University of Hong Kong in 2009. He later obtained his degree of Master in Science in E-commerce from the Hong Kong Polytechnic University in 2018.

Mr. CHUNG Pui Sei Best (鍾貝斯), aged 43, is our financial controller. He joined our Group and was appointed as financial controller on 24 February 2026.

Mr. Chung has over 15 years of experience in finance and accounting sector across the medical, toy and semiconductor industries, with over 10 years of experience in management roles.

From November 2006 to April 2010, Mr. Chung was an assistant accountant at ASM Assembly Automation Ltd., a subsidiary of ASMPT Limited (stock code: 0522), a company listed on the Main Board of the Stock Exchange. Mr. Chung then served as assistant accounting manager at LED Artist Limited from April 2010 to July 2011, and transitioned to Join Merit Media Holdings Limited on 1 August 2011. Mr. Chung also held several accounting roles at Rehab-Robotics Company Limited from August 2015 to May 2017. He then served as finance manager at Wah Shing Toys Company Limited from June 2017 to November 2018, at Sky Wise Hong Kong Limited from November 2021 to August 2023, at Fulum Group Holdings Limited (stock code: 1443) from August 2023 to February 2026, and as manager at Oneday Capital Limited from December 2018 to May 2020.

Mr. Chung obtained his degree of Bachelor of Commerce from the University of Queensland, Australia in 2005 and his degree of Master in Business Administration from the Open University of Hong Kong in 2013. He has been a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants since 2011.

Save as disclosed above, none of our senior management holds any directorship in any listed companies in the last three years, and none of our senior management had any relationship with any Director, senior management, Controlling Shareholders or substantial Shareholders.

DIRECTORS AND SENIOR MANAGEMENT

COMPANY SECRETARY

Ms. Lau Mei Wah (劉美華) was appointed as our company secretary on [●]. Ms. Lau has over 20 years of experience in the corporate governance and company secretarial service fields. She possesses extensive experience in providing professional corporate secretarial services to companies listed on the Stock Exchange. Currently, she also serves as the company secretary, authorised representative and process agent of Radiance Global Group Holdings Limited (stock code: 8208), a company listed on the GEM of the Stock Exchange.

Ms. Lau holds a degree of Master in Corporate Governance from The Hong Kong Polytechnic University and a Bachelor of Science from University of Bradford in United Kingdom. Ms. Lau is a chartered secretary, chartered governance professional and an associate member of The Chartered Governance Institute in Hong Kong and in the United Kingdom and Ireland.

BOARD COMMITTEES

Audit Committee

We have established an audit committee on [●] with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and code provision D.3.3 of the CG Code. The audit committee consists of three members, namely Mr. Lai Tsz Kit Danny, Ir. Daniel Lai and Mr. Chan But Ping. The audit committee is chaired by Mr. Lai Tsz Kit Danny, who possesses appropriate professional qualifications or accounting or related financial management expertise as required by Rule 5.05(2) of the GEM Listing Rules.

The primary duties of the audit committee are to assist our Board in providing an independent view of the effectiveness of the financial reporting process, the internal control and risk management systems of our Group, to oversee the audit process, to develop and review our policies and to perform other duties and responsibilities as assigned by our Board and as required by the GEM Listing Rules from time to time.

Remuneration Committee

We have established a remuneration committee on [●] with written terms of reference in compliance with Rule 5.34 of the GEM Listing Rules and code provision E.1.2 of the CG Code. The remuneration committee consists of three members, namely Mr. Chan But Ping, Mr. Lai Tsz Kit Danny and Ir. Daniel Lai. The remuneration committee is chaired by Mr. Chan But Ping.

DIRECTORS AND SENIOR MANAGEMENT

The primary duties of the remuneration committee include, without limitation: (a) making recommendations to our Board regarding our policy and structure for the remuneration of all our Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policies; (b) making recommendations to our Board on the remuneration packages of our Directors and senior management; (c) reviewing and/or approving the management’s remuneration proposals with reference to our Board’s corporate goals and objectives; and (d) reviewing and/or approving matters relating to any share schemes under Chapter 23 of the GEM Listing Rules.

Nomination Committee

We have established a nomination committee on [●] with written terms of reference in compliance with Rule 5.36A of the GEM Listing Rules and code provision B.3.1 of the CG Code. The nomination committee consists of three members, namely Ms. Choi, Mr. Chan But Ping and Mr. Lai Tsz Kit Danny. The nomination committee is chaired by Ms. Choi, being the chairlady of our Board.

The primary duties of the nomination committee include, without limitation, to ensure that our Board and its committees consist of Directors with an appropriate balance of skills, diversity and knowledge of the Group to enable our Board and its committees to discharge their respective duties effectively, to identify, consider and recommend appropriate candidates to serve as Directors, to oversee the process for evaluating the performance of our Board, to develop and recommend nomination guidelines to our Board, to carry out its responsibilities and duties as set out in the CG Code, and to perform other duties and responsibilities as assigned by our Board and as required by the GEM Listing Rules from time to time.

CORPORATE GOVERNANCE

Our Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group so as to achieve effective accountability. Our Company has adopted the code provisions stated in the CG Code as set forth in Appendix C1 to the GEM Listing Rules.

Our Company is committed to the view that our Board should include a balanced composition of executive and independent non-executive Directors so that there is a strong independent element on our Board, which can effectively exercise independent judgment.

Our Directors are aware that upon [REDACTED], we are expected to comply with the code provisions of the CG Code. Any deviation shall be carefully considered, and the reasons for such deviation shall be given in the interim report and the annual report in respect of the relevant period. We are committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders as a whole. We will comply with the code provisions as set forth in Appendix C1 to the GEM Listing Rules after the [REDACTED].

DIRECTORS AND SENIOR MANAGEMENT

BOARD DIVERSITY POLICY

We have adopted a board diversity policy (the “**Board Diversity Policy**”) which sets out the approach to achieve and maintain an appropriate balance of diversity perspectives of our Board that are relevant to our business growth. Pursuant to the Board Diversity Policy, selection of Board candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, industry experience, ethnicity and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to our Board.

Our Board comprises five members, including two executive Directors and three independent non-executive Directors. Our Directors have a balanced mix of experiences, including insurance and financial services, accounting and property valuation. Furthermore, the ages of our Directors range from 38 years old to 79 years old. We will take steps to promote gender diversity at all levels of our Company, including but without limitation at the Board and senior management levels. While we recognise that gender diversity at the Board level can be improved given its current composition of a majority of male Directors, we will continue to apply the principle of appointments based on merits with reference to our Board Diversity Policy as a whole.

Upon [REDACTED], one of our Directors will be female. Under the objectives of the Board Diversity Policy, we will give preference to female candidates on the succession planning of Directors. As female representation in senior roles throughout the industry and the pool of qualified females keeps growing, we expect to have more female members who would be qualified to sit on our Board in the future.

We are also committed to adopting a similar approach to promote diversity of the management (including but not limited to the senior management) of our Company to enhance the effectiveness of our corporate governance.

Our nomination committee is responsible for ensuring the diversity of our Board. Upon [REDACTED], our Nomination Committee will review the Board Diversity Policy from time to time to ensure its continued effectiveness and we will disclose the implementation of the Board Diversity Policy in our corporate governance report on an annual basis.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The aggregate amounts of remuneration (including fees, salaries, allowances and benefits in kind, discretionary bonus and/or contributions to defined contribution plan, as applicable) which were paid to by our Group to our Directors for the financial years ended 31 March 2025 and 31 March 2026 were approximately HK\$0 and HK\$166,000, respectively.

Further details of the remuneration of our Directors are set out in the sub-section headed “*Statutory and General Information — C. Further information about Directors, management and staff*” in Appendix IV to this document.

DIRECTORS AND SENIOR MANAGEMENT

The five individuals whose emoluments were the highest in our Group include 0 and 0 Director(s) for the financial years ended 31 March 2025 and 31 March 2026, respectively. The aggregate remuneration including salaries, allowances and benefits in kind, discretionary bonus, contributions to defined contribution plan and other employee benefits paid to our Group’s five highest paid individuals (excluding our Directors) for the financial years ended 31 March 2025 and 31 March 2026 were as follows:

	Financial year ended 31 March 2025 HK\$’000	Financial year ended 31 March 2026 HK\$’000
Salaries and other allowances	1,967	2,010
Retirement benefit scheme contributions	<u>87</u>	<u>90</u>
	<u><u>2,054</u></u>	<u><u>2,100</u></u>

During the Track Record Period, no emolument was paid by our Group to any of our Directors or past directors or the five highest paid individuals (including Directors and employees) as an inducement to join or upon joining our Group or as compensation for loss of office. Further, none of our Directors waived any emoluments during the same periods.

Except as disclosed above, no other payments of remuneration have been made, or are payable, in respect of the Track Record Period, by our Group to or on behalf of any of the Directors. For additional information on Directors’ remuneration during the Track Record Period as well as information on the highest paid individuals, please refer to note 12 to the Accountants’ Report set out in Appendix I to this [REDACTED].

An aggregate sum of approximately HK\$[●] is expected to be paid to our Directors (including the independent non-executive Directors) as Directors’ fees and other emoluments by our Group for the year ending 31 March 2027 under the arrangements in force at the date of this [REDACTED].

REMUNERATION POLICY

The Director’s fee and/or other emoluments for each of our Directors shall be subject to the Board’s review from time to time in its discretion after taking into account the recommendation of our remuneration committee. The remuneration package of each of our Directors is determined by reference to, among other things, market terms, experiences, duties and responsibilities of that Director within our Group.

The remuneration committee will review annually the remuneration of all our Directors to ensure that it is attractive enough to attract and retain a competent team of executive members.

DIRECTORS AND SENIOR MANAGEMENT

[REDACTED]

We have conditionally adopted the [REDACTED] on [●]. For details of the [REDACTED], please refer to the section headed “*Statutory and General Information — D. [REDACTED]*” in Appendix IV to this document.

COMPLIANCE ADVISER

We have appointed Patrons Capital Limited as our compliance adviser pursuant to Rule 6A.19 of the GEM Listing Rules. As our compliance adviser, Patrons Capital Limited, will advise us in the following circumstances:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share repurchases;
- (c) where our Company proposes to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this [REDACTED] or where the business activities, developments or results of our Company deviate from any forecast, estimate (if any), or other information in this [REDACTED]; and
- (d) where the Stock Exchange makes an inquiry to us regarding unusual movements in the price or trading volume of our [REDACTED] securities or any other matters under Rule 17.11 of the GEM Listing Rules.

The term of the appointment of our compliance adviser shall commence on the [REDACTED] and end on the date on which our Company distributes to the Shareholders the annual report of our financial results for the first full financial year commencing after the [REDACTED], unless otherwise agreed.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and any options which may be granted by our Company upon the exercise of options that may be granted under the [REDACTED]), the following persons will have an interest or a short position in the Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 10% or more of the issued voting shares of our Company or any other member of our Group:

INTEREST IN THE SHARES

Name	Capacity/nature of interest ^(Note 1)	As at the Latest Practicable Date		Immediately after completion of the [REDACTED] and the [REDACTED] ^(Note 2)	
		Number of Shares held	Approximate percentage of shareholding in our Company	Number of Shares held	Approximate percentage of shareholding in our Company
Ms. Choi ^(Notes 3 and 4)	Interest in controlled corporation; concert party to an agreement to acquire interest in voting shares of our Company as described in section 317(1)(a) of the SFO	10,870	92.0%	[REDACTED]	[REDACTED]%
Water Fun	Beneficial owner; concert party to an agreement to acquire interest in voting shares of our Company as described in section 317(1)(a) of the SFO	10,870	92.0%	[REDACTED]	[REDACTED]%
Mr. Ding ^(Notes 3 and 5)	Interest in controlled corporation; concert party to an agreement to acquire interest in voting shares of our Company as described in section 317(1)(a) of the SFO	10,870	92.0%	[REDACTED]	[REDACTED]%
Index PI	Beneficial owner; concert party to an agreement to acquire interest in voting shares of our Company as described in section 317(1)(a) of the SFO	10,870	92.0%	[REDACTED]	[REDACTED]%
Mr. Wong ^(Note 6)	Interest of spouse; concert party to an agreement to acquire interest in voting shares of our Company as described in section 317(1)(a) of the SFO	10,870	92.0%	[REDACTED]	[REDACTED]%

Notes:

- All interests stated are long positions in the Shares.
- Assuming the [REDACTED] is not exercised.
- On 10 June 2026, Ms. Choi and Mr. Ding entered into the Acting in Concert Confirmation to acknowledge, agree and confirm, among other things, that they were and had been parties acting in concert in respect of each of the members of our Group since the date on which they became the registered owners and/or beneficial owners of the shares of each of the members of our Group and would continue to be parties acting in concert until the Acting in Concert Confirmation was

SUBSTANTIAL SHAREHOLDERS

terminated or revoked in accordance with its terms. Details of the Acting in Concert Confirmation are set out in the section headed “Relationship with Controlling Shareholders — Acting in Concert Confirmation” of this document. Accordingly, by virtue of Part XV of the SFO and pursuant to the Acting in Concert Confirmation, Water Fun (being wholly owned by Ms. Choi), Ms. Choi, Index PI (being wholly owned by Mr. Ding) and Mr. Ding, being our Controlling Shareholders, are all deemed to be interested in the total number of Shares held by Water Fun and Index PI.

4. As at the Latest Practicable Date, the entire issued share capital of Water Fun is legally and beneficially owned by Ms. Choi. Ms. Choi is deemed to be interested in the Shares in which Water Fun is interested in by virtue of Part XV of the SFO.
5. As at the Latest Practicable Date, the entire issued share capital of Index PI is legally and beneficially owned by Mr. Ding. Mr. Ding is deemed to be interested in the Shares in which Index PI is interested in by virtue of Part XV of the SFO.
6. Mr. Wong is the spouse of Ms. Choi and is deemed to be interested in the Shares in which Ms. Choi is interested or deemed to be interested by virtue of Part XV of the SFO.

Save as disclosed above, our Directors are not aware of any other person who will, immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and any options which may be granted by our Company upon the exercise of options that may be granted under the [REDACTED]), have interests and/or short positions in the Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who will be, directly or indirectly, interested in 10% or more of the issued voting shares of our Company or any other member of our Group.

SHARE CAPITAL

SHARE CAPITAL

The following is a description of the share capital of our Company as at the Latest Practicable Date and the share capital of our Company in issue and to be issued as fully paid or credited as fully paid immediately following the [REDACTED] and the [REDACTED], without taking into account any Shares which may be issued upon the exercise of the [REDACTED] and any options which may be granted under the [REDACTED]:

Authorised share capital

HK\$

[REDACTED] Shares of HK\$0.01 each	[REDACTED]

Issued and to be issued, fully paid or credited as fully paid

[REDACTED] Shares in issue as at the Latest Practicable Date	[REDACTED]
[REDACTED] Shares to be allotted and issued pursuant to the [REDACTED]	[REDACTED]
[REDACTED] Shares to be allotted and issued pursuant to the [REDACTED]	[REDACTED]
[REDACTED] Shares in total immediately upon the [REDACTED] and the [REDACTED]	[REDACTED]
[REDACTED] Shares in total immediately upon the [REDACTED] and the [REDACTED]	[REDACTED]

ASSUMPTIONS

The above table assumes that the [REDACTED] and the [REDACTED] become unconditional and the issue of Shares pursuant thereto is made as described herein. It takes no account of Shares which may be allotted and issued upon the exercise of the [REDACTED] and any options which may be granted under the [REDACTED] or any Shares which may be allotted and issued or repurchased by our Company pursuant to the general mandates for the allotment and issue or repurchase of Shares granted to our Directors as referred to below or otherwise.

MINIMUM [REDACTED]

Pursuant to Rule 11.23(7) of the GEM Listing Rules, where the expected market value at the time of [REDACTED] does not exceed HK\$[REDACTED], at least [REDACTED] of the total issued share capital of our Company (excluding treasury shares) must at all times be held by the public (as defined in the GEM Listing Rules).

The [REDACTED] [REDACTED] represent [REDACTED]% of the total issued share capital of our Company upon the [REDACTED] (as enlarged by the Shares [REDACTED] under the [REDACTED] and the Shares issued under the [REDACTED], without taking into account any Shares which may be allotted and issued upon the exercise of the options which may be granted under the [REDACTED]).

SHARE CAPITAL

RANKING

The [REDACTED] will be ordinary shares of our Company and will rank *pari passu* in all respects with all the Shares in issue or to be issued as mentioned in this [REDACTED] and will qualify for all dividends and other distributions declared, paid or made on the Shares in respect of a record date which falls after the [REDACTED] (except for the entitlement under the [REDACTED]).

[REDACTED]

Our Company has conditionally adopted the [REDACTED] on [●]. The principal terms of the [REDACTED] are summarised in the section headed “Statutory and General Information — D. [REDACTED]” in Appendix IV to this document. As at the Latest Practicable Date, no option has been granted or agreed to be granted under the [REDACTED].

GENERAL MANDATE TO ISSUE SHARES

Subject to the [REDACTED] becoming unconditional, our Directors have been granted a general and unconditional mandate to allot, issue and deal with Shares with a total number not exceeding:

- (a) 20% of the total number of Shares in issue (excluding treasury shares) immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account of any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and any options which may be granted under the [REDACTED]); and
- (b) the total number of Shares repurchased by our Company (if any) pursuant to the general mandate to repurchase Shares as described below.

Our Directors may, in addition to the Shares which they are authorised to issue under the mandate, allot, issue and [REDACTED] in the Shares pursuant to a rights issue, an issue of Shares pursuant to the exercise of subscription rights attaching to any warrant of our Company, scrip dividends or similar arrangements providing for the issue and allotment of Shares in lieu of the whole or part of any cash dividend or option to be granted under the [REDACTED] or any other [REDACTED] or similar arrangement for the time being adopted or such other issue of Shares or other securities of our Company as permitted under the GEM Listing Rules.

This mandate shall remain in effect until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of our Company;
- (b) the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles of Association or any other applicable laws of the Cayman Islands; or
- (c) the passing of an ordinary resolution of our Shareholders in a general meeting revoking, varying or renewing such mandate.

For further details of the general mandate to allot and issue Shares, please refer to the section headed “Statutory and General Information — A. Further information about our Company — 5. Written resolutions of our Shareholders passed on [●]” in Appendix IV to this [REDACTED].

SHARE CAPITAL

GENERAL MANDATE TO REPURCHASE SHARES

Subject to the [REDACTED] becoming unconditional, our Directors have been granted a general and unconditional mandate to exercise all the powers of our Company to repurchase Shares on the Stock Exchange or on any other stock exchange on which the securities of our Company may be [REDACTED] and which is recognised by the SFC and the Stock Exchange for this purpose, such number of Shares as will represent not more than 10% of the total number of Shares in issue (excluding treasury shares) immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account of any Shares which may be allotted and issued by our Company pursuant to the exercise of the [REDACTED] and any options which may be granted under the [REDACTED]).

This mandate relates only to repurchases made on the Stock Exchange or on any other stock exchange on which the Shares are [REDACTED] (and which is recognised by the SFC and the Stock Exchange for this purpose), and which are made in accordance with all applicable laws and the GEM Listing Rules. A summary of the relevant GEM Listing Rules is set out in the paragraphs headed “Statutory and General Information — A. Further information about our Company — 6. Repurchase by our Company of its own securities” in Appendix V to this document.

This mandate shall remain in effect until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of our Company;
- (b) the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles of Association or any other applicable laws of the Cayman Islands; or
- (c) the passing of an ordinary resolution of our Shareholders in a general meeting revoking, varying or renewing such mandate.

For further details of the general mandate for the repurchase of Shares, please refer to the section headed “Statutory and General Information — A. Further information about our Company — 5. Written resolutions of our Shareholders passed on [●]” in Appendix IV to this document.

SHARE CAPITAL

CIRCUMSTANCES UNDER WHICH GENERAL MEETING IS REQUIRED

Our Company has only one class of Shares, namely ordinary Shares, each of which carries the same rights as the other Shares. Pursuant to the Cayman Companies Act and the terms of the Memorandum of Association and the Articles of Association, our Company may from time to time by ordinary resolution of Shareholders: (a) increase its share capital; (b) consolidate and divide its share capital into Shares of larger amount than its existing Shares; (c) sub-divide its Shares into shares of smaller amount than is fixed by the Memorandum of Association; and (d) cancel any shares, which at the date of passing of the resolution, have not been taken and diminish the amount of its share capital by the amount of the Shares so cancelled. In addition, our Company may subject to the provisions of the Cayman Companies Act reduce its share capital or any capital redemption reserve or other undistributable reserve by its Shareholders passing a special resolution.

For further details, please refer to the paragraph headed “Summary of the Constitution of our Company and the Cayman Companies Act — 2. Articles of Association — (a) Shares — (iii) Alteration of Capital” set out in Appendix III to this document.

FINANCIAL INFORMATION

You should read this section in conjunction with our audited combined financial statements as at and for the years ended 31 March 2025 and 31 March 2026 as set out in the Accountants’ Report, together with the accompanying notes. The Accountants’ Report has been prepared in accordance with HKFRSs. You should read the Accountants’ Report in its entirety and not merely rely on the information contained in this section.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate under the circumstances. However, whether the actual outcome and developments will meet our expectations and predictions depends on a number of risks and uncertainties over which we do not have control. Please also refer to the sections headed “Risk Factors” and “Forward-looking Statements” in this document.

The following discussion and analysis also contain certain amounts and percentage figures that have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them and all monetary amounts shown are approximate amounts only.

OVERVIEW

We are a Hong Kong-based, R&D-driven manufacturer and multi-channel distributor of personal protective and healthcare products. Our principal product segments comprise (i) face masks, RAT kits and consumables, (ii) healthcare equipment and complementary accessories and (iii) others. During the Track Record Period, we generated revenue of approximately HK\$73.2 million in FY2025 and approximately HK\$75.5 million in FY2026. Our name “Savewo” is derived from “Save the World” (救世), reflecting our founding aspiration to alleviate suffering and protect health through innovation in personal protective and healthcare products.

Our operations involve the key stages of (i) market research and product development, (ii) procurement, (iii) manufacturing production, (iv) sales and (v) the collection of customer feedback. We manufacture certain Self-Branded Products at our production facility in Tsuen Wan, Hong Kong, and source certain Self-Branded Products from third-party suppliers or arrange production through qualified subcontractors in accordance with our specifications and/or proprietary formulae. Our products are sold through our self-operated retail and e-commerce channels, as well as through business and institutional channels, including wholesale, institutional and tender channels.

For FY2024/25, FY2025/26, we recorded revenue of approximately HK\$73.2 million and HK\$75.5 million respectively. Our Group recorded net profit of approximately HK\$8.3 million and HK\$16.8 million for FY2024/25, FY2025/26 respectively.

FINANCIAL INFORMATION

BASIS OF PRESENTATION

Our Company is an exempted company incorporated in the Cayman Islands with limited liability on 17 April 2026. Pursuant to the Reorganisation, which was completed on 9 June 2026, our Company became the holding company of the companies now comprising our Group. For further details, please refer to the section headed “History, Reorganisation and Corporate Structure” in this document.

The companies now comprising our Group were under the control of Ms. Choi Sze Man and Mr. Ding Zhen before and after the Reorganisation. The financial information in the Accountants’ Report presented in Appendix I to this document has been prepared by applying the principles of merger accounting as if the companies now forming our Group had been combined from the beginning of the Track Record Period, except for the disposal of certain subsidiaries as detailed in notes 29 to the Accountants’ Report in Appendix I, respectively. The net assets of the combining companies have been combined using the existing book values from the perspective of the Controlling Shareholder.

The historical financial information has been prepared in accordance with HKFRS Accounting Standards under the historical cost conversion, except for the investment property which has been measured at fair value at each reporting date.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION OF CONTINUING OPERATIONS

Our results of operations and financial condition have been, and will continue to be, affected by a number of factors, including those set forth in the section headed “Risk Factors” in this document and the following factors, which primarily include the following:

- Seasonal and cyclical demand for respiratory protection products
- Raw material supply and pricing.
- Higher operating costs in Hong Kong and capacity constraints for certain new products

Seasonal and cyclical demand for respiratory protection products

Demand for our face masks 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.

FINANCIAL INFORMATION

Disruption in the supply of key raw materials or significant raw material price volatility

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.

Higher operating costs in Hong Kong and capacity constraints for certain new products

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.

As at March 31 2026, our production facilities had a total of 13 production lines for our major products. During the Track Record Period, our average utilisation rate for our product production lines were approximately 83.3% and 70.6%, respectively.

Our financial performance also hinges on our operating efficiency. We maintain control over key stages of the industry value chain, including design, R&D, raw material procurement, production, quality control, and product marketing and sales. This control facilitates optimal inventory management, flexible production, and enhanced operating efficiency. For more details about our production capacity, see “Business — Our Production Facility”. Moving forward, we plan to further improve our production efficiency to lower production costs.

SENSITIVITY ANALYSIS

For FY2024/25 and FY2025/26, our net profit amounted to approximately HK\$8.3 million and HK\$16.8 million, respectively.

FINANCIAL INFORMATION

Fluctuation in our cost of sales

Our key cost of sales mainly consisted cost of materials, subcontracting fee, depreciation and costs of employee expenses. For FY2024/25 and FY2025/26, the aggregate cost of materials, subcontracting fee, depreciation and costs of employee expenses represented approximately 90.6% and 91.1% of our total cost of sales respectively.

The table below presents a sensitivity analysis illustrating the impact of changes in the costs of materials on our profit before tax during the Track Record Period. This analysis aligns with historical fluctuations in our profit before tax attributable to variations in the direct material cost throughout the Track Record Period.

	FY2024/25	FY2025/26
	<i>HK\$'000</i>	<i>HK\$'000</i>
Changes in cost of materials		
+/- 5%	467	513
+/- 10%	933	1,025

For illustrative purpose only, the following sensitivity analysis illustrates the impact of hypothetical fluctuations of the subcontracting fees on our profit before income tax, assuming other variables remain unchanged for the dates indicated. Fluctuations in our subcontracting fees are assumed to be 10% and 20%.

	FY2024/25	FY2025/26
	<i>HK\$'000</i>	<i>HK\$'000</i>
Changes in subcontracting fees		
+/- 10%	529	937
+/- 20%	1,057	1,874

For illustrative purpose only, the following sensitivity analysis illustrates the impact of hypothetical fluctuations of the employee expenses on our profit before income tax, assuming other variables remain unchanged for the dates indicated. Fluctuations in our employee expenses are assumed to be 5%, 10% and 15%.

	FY2024/25	FY2025/26
	<i>HK\$'000</i>	<i>HK\$'000</i>
Changes in cost of employee expenses		
+/- 5%	484	436
+/- 10%	968	871
+/- 15%	1,451	1,307

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MATERIAL ACCOUNTING POLICIES

Our financial information have been prepared in accordance with accounting policies which conform to the HKFRS Accounting Standards. We have identified certain accounting policies that are material to the preparation of our financial information and are important in understanding our financial condition and results of operations. The material accounting policies are set out in note 4 to the Accountants’ Report in Appendix I to this document. The material accounting policies are summarised as follows:

Revenue from contracts with customers

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognised revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- The Group’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or service.

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For further details regarding our accounting policy relating to revenue recognition, please refer to “Revenue” in note 6 to the Accountant’s Report in Appendix I to this document.

Intangible assets

Intangible assets (other than goodwill)

Our intangible assets during the Track Record Period include trademarks, patents, capitalized development costs, software and leases. Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to finite. Intangible assets with finite lives are subsequently amortized over the useful economic life of 5 to 15 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each financial year.

Research and development costs (Internally-generated intangible assets — research and development expenditure)

Research costs are expensed as incurred. Costs incurred on development activities, which involve the application of research findings to a plan or design for the production of new or substantially improved products and processes, are capitalised if the product or process is technically and commercially feasible and our Group has sufficient resources to complete the development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in profit or loss as an expense as incurred. When the asset is available for use, the capitalised development costs are amortised on a straight-line basis over their estimated useful lives.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value of inventories is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

Impairment of financial assets

Our Group recognises loss allowances for expected credit losses (“ECL”) on financial assets that are measured at amortised cost. At each reporting date, our Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, our Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

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In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, our Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, our Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Our Group recognises a loss allowance based on lifetime ECL at each reporting date based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors, the economic environment and the domicile of the debtors’ countries.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of our accounting policies, which are described in note 4 to the Accountants’ Report in Appendix I to this document, estimates and assumptions concerning the future and judgements are made by the management of our Group in the preparation of our historical financial information. They affect the application of our accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

Useful Lives of Intangible Assets, Plant and Equipment and Right-of-Use Assets

Our management determines the estimated useful lives of our intangible assets, plant and equipment and right-of-use assets based on the historical experience of the actual useful lives of assets of a similar nature and function. The depreciation and amortisation expenses for future periods are adjusted if there are significant changes from previous estimates.

Impairment of Non-Financial Assets

Our management determines whether our Group’s intangible assets, plant and equipment and right-of-use assets are impaired when an indication of impairment exists. This requires estimating the recoverable amount of these assets, which is equal to the higher of their fair value less costs of disposal and their value in use. Estimating the value in use requires management to make an estimate of the expected future cash flows from these assets and to choose a suitable discount rate to calculate the present value of those cash flows. Any impairment is charged to profit or loss.

Income Taxes

Significant estimates are required in determining the provision for income taxes and deferred taxation. There are transactions and calculations where the ultimate tax determination is uncertain, and the final tax outcome of these matters may differ from the amounts initially recorded. Such differences will affect the income tax and deferred tax provisions in the period in which such determination is made.

Our subsidiaries located in Hong Kong were subject to HK Profits tax at two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying entity will be taxed at [REDACTED], and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of entity not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong

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Kong Profits Tax of the qualifying entity is calculated at 8.25% of the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated profits above HK\$2,000,000, taking into account the tax concession granted by the Government during the Track Record Period. To encourage more enterprises to conduct R&D activities in Hong Kong, the Inland Revenue (Amendment) (No. 7) Ordinance 2018 (the 2018 Amendment (No. 7) Ordinance) was enacted on 2 November 2018 (Commencement Date) to provide for enhanced tax deduction for expenditure incurred by enterprises on a qualifying research and development (“**R&D**”) activity. Our subsidiary currently qualified as R&D activity enterprise under the HK Profits tax, was entitled to enjoy additional tax deduction for expenditure incurred on domestic R&D. The first \$2 million spent on a qualifying R&D activity will enjoy a 300% deduction and expenditure beyond that will enjoy a 200% deduction. There is no cap on the amount of enhanced tax deduction. According to the Inland Revenue Ordinance, the enterprises engaging in R&D activities are entitled to claim the first \$2 million spent on a qualifying R&D activity will enjoy a 300% deduction and expenditure beyond that will enjoy a 200% deduction. Since FY2020/21 so incurred as tax deductible expenses when determining their assessable profits for that year (“**Deduction for R&D expenditure**”). We plan to reapply for such qualification, and as of the Latest Practicable Date, we do not foresee material obstacles in being requalified.

We have made our best estimate for the deduction for R&D expenditure to be claimed for our entities in ascertaining their assessable profits during the Track Record Period.

Deferred Tax Assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. In cases where the actual future profits generated differ from the original estimates, a material adjustment to the recognition of deferred tax assets may arise, which would be recognised in profit or loss in the period in which such estimate is changed.

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RESULTS OF OPERATIONS

The combined statements of profit or loss during the Track Record Period are summarised below, which are extracted from the Accountants’ Report:

	Year ended 31 March	
	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	73,213	75,543
Cost of sales	<u>(38,898)</u>	<u>(38,895)</u>
Gross profit	34,315	36,648
Other income, gains and losses, net	635	10,064
Selling and distribution expenses	(15,991)	(15,449)
Administrative expenses	(8,776)	(8,893)
Research and development expenses	(3,467)	(3,611)
Reversal of impairment losses/(impairment losses) on financial assets, net	[521]	(767)
Finance cost	<u>[(280)]</u>	<u>(265)</u>
Profit before tax	6,957	17,727
Income tax credit/(expenses)	<u>1,310</u>	<u>(946)</u>
Profit for the year	<u><u>8,267</u></u>	<u><u>16,781</u></u>

Non-HKFRS financial measure

To supplement our combined financial statements which are presented in accordance with HKFRSs, we also presented the adjusted net profit (Non-HKFRS measure) and adjusted net profit margin (Non-HKFRS measure) as additional financial measures, which are not required by, or presented in accordance with HKFRSs. We believe that the presentation of non-HKFRS financial measures when shown in conjunction with the corresponding HKFRS financial measures provides useful information to potential investors and management in facilitating a comparison of our operating performance from period to period. Such non-HKFRS financial measures allow investors to consider matrices used by our management in evaluating our performance.

The use of non-HKFRS financial measures has limitations as an analytical tool, and investors should not consider these in isolation from, or as a substitute for, or superior to, analysis of our results of operations or financial conditions as reported in accordance with HKFRSs. In addition, the non-HKFRS financial measures may be defined differently from similar terms used by other companies.

The non-HKFRS measures used by us adjusted for gain on disposal of plant and equipment and subsidiaries, which may be considered recurring in nature but are neither considered by us as related to our ordinary course of business nor indicative of our ongoing core operating performance. In order to provide potential investors with a complete and fair understanding of our core operating results and financial performance, so that potential investors can assess our underlying core performance undistorted

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by items unrelated to our ordinary course of business operations, especially in (i) making year-to-year comparisons of, and assessing the profile of, our operating and financial performance, and (ii) making comparisons with other comparable companies with similar business operations. We set out our detailed reasons below:

(i) *gain on disposal of plant and equipment and subsidiary*

A significant part of the gain on disposal of plant and equipment in 2026 derived from the disposal of office equipment, motor vehicle and subsidiary. We did not dispose of any plant and equipment and subsidiary in 2025 and do not expect to do so on a regular basis in our ordinary course of business. As such, we do not consider such item to be indicative of our ongoing core operating performance.

For gain on disposal of plant and equipment and subsidiary, this is related to a reclassification of investment property. See “Appendix I — Accountants’ Report”. The relevant transaction was completed in 2026, and resulted in a gain of HK\$8.8 million by us in 2026. Therefore, it is non-operational in nature. As such, we do not consider such item to be indicative of our ongoing core operating performance.

Adjusted net profit (Non-HKFRS measure)

We defined adjusted net profit (Non-HKFRS measure) as net profit for the year adjusted by adding back gain on disposal of plant and equipment and subsidiary. The table below sets forth the adjusted net profit (Non-HKFRS measure) and the adjusted net profit margin (Non-HKFRS measure) for each respective year during the Track Record Period:

	FY2024/25 <i>HK\$'000</i>	FY2025/26 <i>HK\$'000</i>
Profit for the year	8,267	16,781
Adjusted:		
gain on disposal of plant and equipment	—	(6,696)
gain on disposal of subsidiary	—	(2,058)
	<u>8,267</u>	<u>(8,965)</u>
Adjusted net profit (Non-HKFRS measure) for the year	<u>8,267</u>	<u>8,027</u>
Adjusted net profit margin (Non-HKFRS measure)	<u>11.3%</u>	<u>10.6%</u>

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PRINCIPAL COMPONENTS OF THE COMBINED STATEMENTS OF PROFIT OR LOSS

Revenue

The following table sets forth the breakdown of our revenue by segments during the Track Record Period:

	FY2024/25		FY2025/26	
	HK\$'000	%	HK\$'000	%
Face masks, RAT kits and consumables	63,699	87.0	60,223	79.7
Healthcare equipment and complementary accessories	8,175	11.2	11,675	15.5
Others	<u>1,339</u>	<u>1.8</u>	<u>3,645</u>	<u>4.8</u>
	<u>73,213</u>	<u>100.0</u>	<u>75,543</u>	<u>100.0</u>

Our revenue is primarily derived from the design, manufacture and sale of disposable face masks, RAT kits, Healthchair mobility products, and other products. Revenue increased from approximately HK\$73.2 million in FY2024/25 to approximately HK\$75.5 million in FY2025/26, representing an increase of approximately 3.2%.

Face masks, RAT kits and consumables

Our revenue decreased by approximately HK\$3.5 million or approximately 5.5% from approximately HK\$63.7 million for FY2024/25 to HK\$60.2 million for FY2025/26. This decline was primarily driven by reduced demand for face masks due to seasonal and cyclical factors, which partially offset the growth in sales orders for our RAT kits.

Healthcare equipment and complementary accessories

Our revenue increased by approximately HK\$3.5 million or approximately 42.8% from approximately HK\$8.2 million for FY2024/25 to HK\$11.7 million for FY2025/26. Such increase was mainly as a result of the increase in sales volume of electric wheelchair and Rainec[®] performance umbrellas products.

Others

Our revenue increased by approximately HK\$2.3 million or approximately 172.2% from approximately HK\$1.3 million for FY2024/25 to HK\$3.6 million for FY2025/26. Such increase was mainly due to the increase in the sales volume of airflow and Self-Branded product.

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The following table sets forth the breakdown of our revenue by sales channel during the Track Record Period:

Channel	FY2025		FY2026	
	Revenue (HK\$'000)	%	Revenue (HK\$'000)	%
Self-operated retail stores, pop up stores and exhibition (offline)	19,001	26.0%	16,665	22.1%
Online channels	22,832	31.2%	17,443	23.1%
Wholesale channels	27,698	37.8%	37,026	49.0%
Government and institutional tenders	3,682	5.0%	4,409	5.8%
Total	73,213	100.0	75,543	100.0

Self-operated retail stores, pop up stores and exhibition (offline)

Our revenue generated from our self-operated retail stores, pop up stores and exhibition (offline) decreased from approximately HK\$19.0 million in FY2024/25 to HK\$16.7 million in FY2025/26 which was mainly due to a decrease in the demand of face masks product due to seasonal and cyclical factor.

Online channels

Our revenue generated from our online channels decreased from approximately HK\$22.8 million in FY2024/25 to HK\$17.4 million in FY2025/26 which was mainly due to a decrease in the demand of face masks product due to seasonal and cyclical factor.

Wholesale channels

Our revenue generated from our wholesale channels increased from approximately HK\$27.7 million in FY2024/25 to HK\$37.0 million in FY2025/26 which was mainly due to (i) an increase in the sales order of RAT kits product; and (ii) the sales order of airflow product.

Government and institutional tenders

Our revenue generated from our government and institutional tenders increased from approximately HK\$3.7 million in FY2024/25 to HK\$4.4 million in FY2025/26 which was remained stable.

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Cost of sales

Our cost of sales mainly comprised cost of materials, depreciation and employee expenses. The following table sets forth the breakdown of our overall cost of sales for the years indicated:

	FY2024/25		FY2025/26	
	HK\$'000	%	HK\$'000	%
Cost of materials	9,332	24.0	10,250	26.4
Subcontracting fee	5,286	13.6	9,372	24.1
Employee expenses	9,676	24.9	8,712	22.4
Depreciation	10,945	28.1	7,089	18.2
Others (<i>Note</i>)	<u>3,659</u>	<u>9.4</u>	<u>3,472</u>	<u>8.9</u>
Total cost of sales (overall)	<u>38,898</u>	<u>100.0</u>	<u>38,895</u>	<u>100.0</u>

Note: Others mainly included transportation and utilities expenses.

Cost of materials

Our materials costs mainly include non-woven filter fabrics, TPU-based materials and components of electric wheelchair. For FY2024/25, our material costs increased by approximately HK\$1.0 million or approximately 9.8% from approximately HK\$9.3 million to HK\$10.3 million. These increases were generally in line with the increase in our sales in electric wheelchair.

Subcontracting fees

During the Track Record Period, we subcontracted certain manufacturing work to third-party manufacturers. This comprised principally the manufacture of certain of our Self-Branded Products on our Group’s specifications and/or proprietary formulae, including our RAT kits, and the outsourcing arrangement principally involves manufacturers based in Mainland China.

Subcontracting fees were amounting to approximately HK\$5.3 million and HK\$9.4 million for FY2024/25 and FY2025/26, respectively, constituting approximately 13.6% and 24.1% of our total cost of sales for the corresponding years. The increase in our subcontracting fees was in line with the increase in our sales in RAT kits.

For FY2024/25 and FY2025/26, the ratio of our subcontracting fees to our total revenue remained stable at approximately 7.2% and 12.4%, respectively.

Cost of employee expenses

Our Cost of employee expenses, which include the wages, salaries, and retirement benefit scheme contributions for employees under costs of sales, decreased by approximately HK\$1.0 million or approximately 10.3% from approximately HK\$9.7 million for FY2024/25 to HK\$8.7 million for FY2025/26 mainly due to the decrease in headcount was primarily due to labour saving in production and procurement staff primarily as a result of our efforts in streamlining our production lines. For more details, see “Business — Employees”.

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Gross profit and gross profit margin

The following table sets forth the breakdown of our gross profit and gross profit margin by types of product category for the years indicated:

	FY2024/25		FY2025/26	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	HK\$'000	%	HK\$'000	%
Face masks, RAT kits and consumables	31,624	49.6	30,988	51.5
Healthcare equipment and complementary accessories	2,377	29.1	4,527	38.8
Others	<u>314</u>	<u>23.4</u>	<u>1,133</u>	<u>31.1</u>
Total	<u><u>34,315</u></u>	<u><u>46.9</u></u>	<u><u>36,648</u></u>	<u><u>48.5</u></u>

Our gross profit margin for face masks, RAT kits, and consumables rose from 49.6% to 51.5% during the reporting period. This increase was primarily driven by a HK\$[REDACTED] drop in depreciation costs in FY2025/26. Because we no longer have to account for these machinery costs, our fixed production costs decreased, which boosted our profit margins even though we sold fewer units.

Our gross profit margin for healthcare equipment and complementary accessories rose from 29.1% to 38.8%, This growth was primarily contributed by higher sales volumes of the product mix that exhibit higher profit margin electric wheelchairs and Rainec[®] performance umbrellas.

Our gross profit margin generated from our other healthcare products significantly increased from approximately 23.4% to 31.1%, an increase of approximately 7.7%, which was due to an increase in sales of airflow with higher margin of approximately 62.5%.

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OTHER INCOME, GAINS AND LOSSES, NET

The following table sets forth the breakdown of our other income, gains and losses for the year indicated:

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Bank interest income	26	7
Government grants	101	—
Compensation income	148	399
Management fee income	412	930
Exchange loss, net	(71)	(27)
Gain on disposal of a subsidiary	—	2,058
Gain on disposal of plant and equipment	—	6,696
Others	19	1
	<u>635</u>	<u>10,064</u>
Total	<u>635</u>	<u>10,064</u>

Our other income and gains increased from HK\$0.6 million in FY2024/25 to HK\$10.1 million in FY2025/26. This growth was primarily driven by (i) a substantial gain of approximately HK\$2.1 million from the disposal of a subsidiary; and (ii) an increase in gain on disposal of plant and equipment, amounted to approximately HK\$6.7 million. This latter was due the disposal of certain motor vehicles and office equipment in FY2025/26, whereas no disposals of plant and equipment were recorded in FY2024/25.

Selling and Distribution Expenses

Our selling and distribution expenses primarily consist of (i) advertising fee; (ii) staff cost in relation to sales and distribution staff; (iii) trade marketing expenses in relation to marketing and branding expenses primarily at our sales channel; (iv) business development expenses; and (v) short-term lease expenses and others. The following table sets forth the breakdown of our selling and distribution expenses for the periods indicated:

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Advertising fee	566	1,073
Staff cost	8,063	8,060
Trade marketing expenses	2,000	1,403
Business development expenses	957	396
Short-term lease expenses and others	4,405	4,517
	<u>15,991</u>	<u>15,449</u>
Total	<u>15,991</u>	<u>15,449</u>

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Our selling and distribution expenses decreased by 3.4% from HK\$16.0 million in FY2024/25 to HK\$15.4 million in FY2025/26, primarily due to which result in decrease lower commission expenses resulting from a decline in sales generated through online channels, in trade marketing expenses.

Administrative Expenses

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Staff cost	2,479	3,299
Professional service fees	679	510
Depreciation and amortization	3,652	3,060
Office expenses and others	<u>1,966</u>	<u>2,024</u>
Total	<u><u>8,776</u></u>	<u><u>8,893</u></u>

Our staff costs primarily comprise wages, salaries, and contributions to the retirement benefit schemes for the administrative department. Our staff costs increased from approximately HK\$2.5 million in FY2024/25 to HK\$3.3 million in FY2025/26. This increase was mainly attributable to an expansion in administrative staff headcount and general salary increment.

Research and Development Expenses

Our research and development expenses consist of staff cost, raw materials and depreciation of right-of-use assets are remains stable of approximately HK\$3.5 million and HK\$3.6 million for the Track Record Period.

Finance costs

During the Track Record Period, our finance costs primarily comprised interest on long service payment liabilities and interest expenses on lease liabilities. Our finance costs remained stable at relatively low levels of approximately HK\$0.3 million and HK\$0.3 million for FY2024/25 and FY2025/26, respectively.

Income tax expense

We are not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Our Group is subject to income tax on an entity basis on profits arising in or derived from the Hong Kong.

Our subsidiaries located in Hong Kong, under the two-tiered profits tax rates regime in Hong Kong Profits Tax, the first HK\$2,000,000 of profits of the qualifying entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of entity not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying entity is calculated at 8.25% of the first HK\$2,000,000 of the estimated

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assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000, taking into account the tax concession granted by the Government during the Track Record Period. Our subsidiary SAVEWO LIMITED, qualified as a qualifying research and development (“R&D”) activity under the HK Profit Tax, was entitled to enjoy additional tax deduction for expenditure incurred on domestic R&D. The first \$2 million spent on a qualifying R&D activity will enjoy a 300% deduction and expenditure beyond that will enjoy a 200% deduction. There is no cap on the amount of enhanced tax deduction. We plan to reapply for such qualification and additional tax deduction for expenditure, and as of the Latest Practicable Date, we do not foresee material obstacles in being requalified. We have made our best estimate for the Super Deduction to be claimed for our entities in ascertaining their assessable profits during the Track Record Period. We have made our best estimate for the deduction for R&D expenditure to be claimed for our entities in ascertaining their assessable profits during the Track Record Period.

For FY2024/25 and FY2025/26, our effective tax rate, which is calculated by dividing income tax expense by profit before income tax, was approximately -18.8% and 5.3%, respectively. The increase in our effective tax rate was mainly due to the increase in [REDACTED] expenses which are non-deductible for tax.

Our Directors confirmed that during the Track Record Period and up to the Latest Practicable Date, our Group had fulfilled all of our income tax obligations and had no unresolved income tax issues or disputes with the relevant tax authorities.

Net profit and net profit margin

As a result of the foregoing, our net profit for FY2024/25 and FY2025/26 amounted to approximately HK\$8.3 million and HK\$16.8 million, respectively. Our net profit margin for FY2024/25 and FY2025/26 was approximately 11.3% and 22.2%, respectively.

Excluding gain on disposal of plant and equipment and a subsidiary, our adjusted net profit (Non-HKFRS measure) and adjusted net profit margin (Non-HKFRS measure) for FY2024/25 and FY2025/26 would be approximately HK\$8.3 million/11.3% and HK\$8.0 million/10.6% respectively. For details, please refer to the paragraph headed “Results of operations — Non-HKFRS financial measure” in this section.

WORKING CAPITAL

Taking into account the financial resources available to us, including our existing cash and cash equivalents, estimated [REDACTED] to be received by us from the [REDACTED] and cash flows from our operations, our Directors are of the view that, after due and careful inquiry, we have sufficient working capital for at least the next 12 months commencing from the date of this document.

Financial resources

During the Track Record Period, one of the principal sources of liquidity of our Group has been our cash generated from our operations, where we generated net cash inflow from our operating activities for each year during the Track Record Period. Our primary liquidity requirements are to

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finance our working capital, and fund our capital expenditures and growth of our operations./ Historically, our working capital and other capital requirements were principally satisfied by shareholders’ funds and cash generated from our operations.

As at 31 March 2025 and 2026, we had cash and bank balances of approximately HK\$8.2 million, and HK\$14.0 million, respectively. Going forward, our Group expects to continue to generate cash from operations as our principal source of liquidity, and we may use a portion of the [REDACTED] from the [REDACTED] to finance our liquidity requirements. See “Future Plans and [REDACTED]” for details. Our Directors believe that, in the long term, our Group’s operations will be funded by internal resources and, if necessary, bank borrowings.

The table below sets forth the condensed summary of the combined statements of cash flows for the years indicated:

	FY2024/25	FY2025/26
	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating profit before working capital changes	24,658	23,667
Changes in working capital	3,723	(13,022)
Cash generated from operations	28,381	10,645
Income tax paid	(4,944)	—
Net cash from operating activities	23,437	10,645
Net cash used in investing activities	(5,885)	(292)
Net cash used in financing activities	(15,408)	(4,556)
Net increase in cash and cash equivalents	2,144	5,797
Cash and cash equivalents at beginning of the year	<u>6,101</u>	<u>8,245</u>
Cash and cash equivalents at end of the year	<u><u>8,245</u></u>	<u><u>14,042</u></u>

During the Track Record Period, we recorded net cash from operating activities and net cash used in investing and financing activities for all years presented.

Net cash from operating activities

Our net cash from operating activities for FY2024/25 was approximately HK\$23.4 million, primarily comprising cash generated from operations of approximately HK\$28.4 million and income tax paid of approximately HK\$4.9 million. Our cash generated from operations reflected profit before tax for the year of approximately HK\$7.0 million, as adjusted for the following major items: (i) depreciation of plant and equipment and right-of-use assets of approximately HK\$16.2 million in aggregate; and (ii) amortisation of intangible assets of approximately HK\$1.8 million. Our change in working capital contributed to a cash inflow of approximately HK\$3.7 million, which was primarily due to (i) decrease in trade and other receivables of approximately HK\$1.4 million; and (ii) increase in contract liabilities of approximately HK\$2.3 million; and partially offset by the decrease in trade and other payables of approximately HK\$1.1 million primarily due to increase in purchase during FY2024/25.

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Our net cash from operating activities and generated from operations for FY2025/26 was approximately HK\$10.6 million. Our cash generated from operations reflected profit before tax for the year of approximately HK\$17.7 million, as adjusted for the following major items: (i) depreciation of plant and equipment and right-of-use assets of approximately HK\$11.5 million in aggregate; (ii) amortisation of intangible assets of approximately HK\$2.2 million; (iii) gain on disposal of plant and equipment of approximately HK\$6.7 million; and (iv) gain on disposal of subsidiaries of approximately HK\$2.1 million. Our change in working capital contributed to a cash outflow of approximately HK\$13.0 million, which was primarily due to (i) the increase in inventories of approximately HK\$1.7 million; (ii) increase in trade and other receivables of approximately HK\$4.1 million; and (iii) decrease in trade and other payables of approximately HK\$2.4 million; (iv) decrease in contract liabilities of approximately HK\$2.5 million and (v) increase in amount due from related parties of approximately HK\$2.5 million during FY2025/26.

Net cash used in investing activities

Our net cash used in investing activities for FY2024/25 was approximately HK\$[REDACTED], primarily representing the purchase of plant and equipment and cash outflow for the payment made for intangible assets of approximately HK\$5.9 million in aggregate, which is composed of (i) approximately HK\$0.5 million payment for the purchase of plant and equipment and (ii) approximately HK\$[REDACTED] cash outflow for the payment made for intangible assets.

Our net cash used in investing activities for FY2025/26 was approximately HK\$0.3 million, primarily representing the cash outflow for the payment made for intangible assets and purchase of plant and equipment of approximately HK\$2.4 million in aggregate which was partially set off by the proceed from disposal of a subsidiary of approximately HK\$2.1 million.

Net cash used in financing activities

For FY2024/25, our net cash used in financing activities was approximately HK\$15.4 million, which was primarily due to reflecting (i) the dividend paid of HK\$4.1 million; (ii) the repayment of directors of approximately HK\$3.5 million; and (iii) the payment of capital element of lease liabilities of approximately HK\$6.2 million.

For FY2025/26, our net cash used in financing activities was approximately HK\$4.6 million, which was primarily due to reflecting (i) HK\$6.0 million of proceeds from issue of [REDACTED] Investor Shares; offset by (ii) the dividend paid of HK\$3.0 million; (iii) the repayment of directors of approximately HK\$3.2 million; and (iv) the payment of capital element of lease liabilities of approximately HK\$6.0 million.

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LIQUIDITY & CAPITAL RESOURCES

Net current assets

	As at 31 March	
	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current assets		
Inventories	11,745	13,462
Trade receivables	9,057	8,632
Deposits, prepayments and other receivables	5,041	7,395
Tax recoverable	3,185	1,440
Bank balances and cash	<u>8,245</u>	<u>14,042</u>
Total current assets	<u>37,273</u>	<u>44,971</u>
Current liabilities		
Trade and other payables	4,862	8,487
Contract liabilities	2,480	—
Amounts due to directors	16,495	5,422
Lease liabilities	<u>5,746</u>	<u>6,503</u>
Total current liabilities	<u>29,583</u>	<u>20,412</u>

Our net current assets increased significantly from approximately HK\$7.7 million as at 31 March 2025 to approximately HK\$24.6 million as at 31 March 2026. Such significant increase was mainly because our current assets increased and at the same time our current liabilities decreased. The increase in our current assets was mainly driven by the increase in our deposits, prepayment and other receivables of approximately HK\$2.4 million; the increase in our inventories of approximately HK\$1.7 million; and the increase in our cash and cash equivalents of approximately HK\$5.8 million; while the decrease in our current liabilities was mainly driven by decrease in our payment to directors of approximately HK\$11.1 million; and the decrease in contract liabilities of approximately HK\$2.5 million; and offset by the increase in trade and other payable of approximately HK\$3.6 million.

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DESCRIPTION OF CERTAIN LINE ITEMS IN THE COMBINED STATEMENTS OF FINANCIAL POSITION

Inventories

Our inventories primarily include raw materials and finished goods. The following table sets forth the breakdown of our inventories as of the dates indicated (which are stated net of provision) and the turnover of average inventories for the periods indicated:

	As at 31 March	
	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
Raw materials	2,986	2,831
Work in progress	1,568	1,318
Finished goods	<u>7,191</u>	<u>9,313</u>
	<u>11,745</u>	<u>13,462</u>

Pursuant to our inventory policy, the value of inventory shall be stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average basis and net realisable value means the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. For the track record period, our Group had no write-down provision as a result of damaged or unsold finished goods.

The table below sets forth an ageing analysis for our inventories, net of loss allowances as at the dates indicated.

	As at 31 March	
	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 3 months	7,877	8,566
3 to 6 months	1,925	2,418
6 to 12 months	1,389	1,772
Over 12 months	<u>554</u>	<u>706</u>
Total	<u>11,745</u>	<u>13,462</u>

The table below sets forth the turnover days of our inventories during the Track Record Period.

	As at 31 March	
	2025	2026
Inventory turnover days	114	118

Note: The number of inventory turnover days is calculated using the average balance of inventory divided by the cost of sales for the relevant year and multiplied by 365 days in the relevant year. Average balance of inventory is calculated as the sum of the beginning and the ending balance for the relevant year, divided by two.

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The inventories increased from HK\$11.7 million for FY2024/2025 to HK\$13.5 million for FY2025/26, primarily due to the increase of finished goods of face masks product. The average inventory turnover days increased from 114 days to 118 days.

As at the Latest Practicable Date, approximately HK\$10.6 million or 78.5% of our inventories as at 31 March 2026 had been sold or utilized.

Trade Receivable

The table below sets forth the breakdown of our trade receivable as of the dates indicated:

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Trade receivables (gross)	9,806	10,085
Less: Allowance for credit loss	<u>(749)</u>	<u>(1,453)</u>
Total trade receivables (net)	<u><u>9,057</u></u>	<u><u>8,632</u></u>

Our trade receivables represent the amounts receivable from customers, net of any identified impairment losses. Our Group generally grants credit terms of up to 90 days, depending on the specific payment terms in each contract.

In FY2024/25, a reversal of loss allowance on trade receivables of approximately HK\$0.5 million has made. For FY2025/26, we recorded a provision of loss allowance in trade receivables, net of approximately HK\$0.7 million. Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, our Group has not experienced any material default for our trade receivables.

Our net trade receivables decreased from approximately HK\$9.1 million as at 31 March 2025 to approximately HK\$8.6 million as at 31 March 2026.

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The following is an analysis of trade receivables by invoice date, net of allowance for expected credit losses, presented based on the date of revenue recognition as at 31 March 2025 and 2026:

	As at 31 March	
	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 30 days	3,624	2,346
31–60 days	3,388	2,560
61–90 days	714	977
91–120 days	666	553
121–180 days	277	775
181–365 days	<u>388</u>	<u>1,421</u>
	<u><u>9,057</u></u>	<u><u>8,632</u></u>

For FY2024/25 and FY2025/26, our trade receivables, net of loss allowances, of approximately HK\$0.2 million and HK\$0.8 million, respectively, were past due. Such amounts were due from our customers whom, to the best knowledge of our Directors, had no financial difficulties. Based on the previous experience of business cooperation, the overdue amounts can be recovered.

For FY2024/25 and FY2025/26, 97.7% and 91.1% of the trade receivables were still within the credit period and not yet due. This closing balance is mainly composed of the outstanding receivables from Customer A which was substantially subsequently settled as at the Latest Practicable Date.

The balance of trade receivables represented the amount of outstanding receivables from our customers. Our trade receivables remain stable during the Track Record Period.

The table below sets forth the turnover days of our trade receivables during the Track Record Period.

	As at 31 March	
	2025	2026
Trade receivables turnover days	88	75

Note: The number of trade receivables turnover days is calculated using the average balance of trade receivables and bill receivables divided by total revenue for the relevant year and multiplied by 365 days in the relevant year. Average balance of trade receivables and bill receivables is calculated as the sum of the beginning and the ending balance for the relevant year, divided by two.

For the Track Record Period, the decrease in trade receivables turnover days is mainly due to the high closing balance of trade receivables, mainly arising from wholesale channels for the sales of our face masks, RAT kits products.

As at the Latest Practicable Date, approximately HK\$5.8 million, or 57.5% of our gross trade receivables as at 31 March 2026 were subsequently settled.

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Trade Payable

The table below sets forth the breakdown of our trade payable by segment as of the dates indicated:

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Total trade payables	<u>2,038</u>	<u>467</u>

Our suppliers generally offer our Group normal credit terms of up to 30 days.

Our net trade payable decreased from approximately HK\$2.0 million as at 31 March 2025 to approximately HK\$0.5 million as at 31 March 2026, which was mainly attributable to improved controls of timely payments to maintain better relationships with our materials suppliers.

The following table sets forth an aging analysis of our trade payable as of the date of service provided and date of goods acceptance at the end of each reporting period.

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
0–30 days	694	317
31–60 days	56	—
61–90 days	6	11
91–180 days	57	40
181–365 days	365	15
Over 1 year	<u>860</u>	<u>84</u>
	<u>2,038</u>	<u>467</u>

As at the Latest Practicable Date, approximately HK\$0.5 million, or 100.0%, of our total trade payables as at 31 March 2026 were subsequently settled.

The table below sets forth the turnover days of our trade payables during the Track Record Period.

	As at 31 March	
	2025	2026
Trade payable turnover days	21	12

Note: The number of trade payables turnover days is calculated using the average balance of trade payables divided by cost of sales for the relevant year and multiplied by 365 days in the relevant year. Average balance of trade payables is calculated as the sum of the beginning and the ending balance for the relevant year, divided by two.

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Our trade payables turnover days were approximately 21 days and 12 days during the Track Record Period, respectively. The decrease in our trade payables turnover days from FY2024/25 to FY2025/26 was mainly due to/improved controls of timely payments to maintain better relationships with our materials suppliers.

Contract liabilities

Our contract liabilities decreased from approximately HK\$2.5 million as at 31 March 2025 to nil as at 31 March 2026. The fluctuation in our contract liabilities represents the prepayment we have received mainly from our customers but not yet delivered.

Provision for long service payment

Provision for long service payment represented the long service payment obligations for our employees in Hong Kong.

The Government gazetted the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “**Amendment Ordinance**”) in June 2022, which came into effect from 1 May 2025. The Amendment Ordinance abolishes the statutory right of an employer to reduce its long service payment and severance payment payable to a Hong Kong employee by drawing on its mandatory contributions to the Mandatory Provident Fund scheme (also known as the ‘offsetting mechanism’).

Pension costs are assessed using the projected unit credit cost method. The pension costs are spread over the service lives of employees. A full valuation of the defined benefit obligation based on the projected unit credit cost method.

Please refer to Note 27 to the Accountants’ Report for movement of our provision for long service payment.

SELECTED FINANCIAL RATIOS

The following table sets forth certain key financial ratios as at/for the years ended 31 March 2025 and 31 March 2026:

	As at/For the year end 31 March	
	2025	2026
Gross profit margin ⁽¹⁾	46.9%	48.5%
Net profit margin ⁽²⁾	11.3%	22.2%
Return on equity ⁽³⁾	23.8%	34.7%
Return on assets ⁽⁴⁾	12.1%	21.5%
Current ratio ⁽⁵⁾	1.3	2.2
Gearing ratio ⁽⁶⁾	N/A	N/A
Interest coverage ratio ⁽⁷⁾	25.8 times	67.9 times

Notes:

(1) Gross profit margin represents gross profit for the year divided by total revenue for the respective year.

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- (2) Net profit margin represents net profit for the year divided by total revenue for the respective year.
- (3) Return on equity represents profit for the year divided by total equity as at the end of a year.
- (4) Return on assets represents profit for the year divided by total asset as at the end of a year.
- (5) Current ratio represents total current assets divided by total current liabilities as at the relevant year end.
- (6) Gearing ratio represents total interest-bearing borrowings and lease liabilities, less cash and cash equivalents, divided by total equity as at the end of a year.
- (7) Interest coverage ratio represents profit before net finance costs and taxation divided by net finance costs for the relevant year.

Our gross profit margin was approximately 46.9% and 48.5% for FY2024/25 and FY2025/26, respectively. For analysis of our gross profit margin, please refer to the paragraph headed “Principal components of the combined statements of profit or loss — Gross profit and gross profit margin” in this section.

Net profit margin

Our net profit margin was approximately 11.3% and 22.2% for FY2024/25 and FY2025/26, respectively. For analysis of our net profit margin, please refer to the paragraph headed “Principal components of the combined statements of profit or loss — Net profit and net profit margin” in this section.

Return on equity

Our return on equity increased from approximately 23.8% for FY2024/25 to approximately 34.7% for FY2025/26, which was mainly driven by the increase in our profit for the year.

Return on assets

Our return on assets increased from approximately 12.1% for FY2024/25 to approximately 21.5% for FY2025/26, which was mainly driven by the increase in our net profit for the year.

Current ratio

Our current ratio was remained relatively stable at approximately 1.3 and 2.2 as at 31 March 2025 and 31 March 2026, respectively. For analysis of our net current assets, please refer to the paragraph headed “Liquidity & capital resources — Net current assets” in this section.

Gearing ratio

Gearing ratio is not applicable as our cash and cash equivalents exceeded the total of our lease liabilities as at 31 March 2025 and 31 March 2026.

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Interest coverage ratio

Our interest coverage ratio increased from approximately 25.8 times for FY2024/25 to approximately 67.9 times for FY2025/26. Such increase was mainly due to the increase in our profit for the year.

INDEBTEDNESS

During the Track Record Period and at the close of business on 30 April 2026, our Group did not have any indebtedness except for those disclosed below.

	As at March 31		As at 30 April
	2025	2026	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Lease liabilities	5,746	12,059	12,564
Amounts due to the directors	<u>16,495</u>	<u>5,422</u>	<u>4,983</u>
	<u><u>22,241</u></u>	<u><u>17,481</u></u>	<u><u>17,547</u></u>

Lease liabilities

Our lease liabilities represented the present value of minimum lease payment in respect of our leased properties. The following table sets forth the breakdown of our lease liabilities by time band as at the dates indicated:

	As at 31 March	
	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 1 year	5,746	6,503
After 1 year but within 2 years	<u>—</u>	<u>5,556</u>
Total lease liabilities	<u><u>5,746</u></u>	<u><u>12,059</u></u>

Our Group entered into lease agreements for leasing of premises located in Hong Kong, which are recognised as right-of-use assets and lease liabilities. Our lease liabilities increased from approximately HK\$5.7 million as at 31 March 2025 to approximately HK\$12.1 million as at 31 March 2026, which was mainly due to our entry into a new lease agreement.

Amounts due to Directors

As at 31 March 2025 and 2026, our amounts due to Directors amounted to approximately HK\$16.5 million and HK\$5.4 million, respectively. Such amounts due to Directors represent the disbursement claim from Ms. Choi Sze Man and Mr. Ding Zhen, and settlement of consideration of the disposal of

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motor vehicle and office equipment, our executive Directors for petty expenses pending reimbursement, which were non-trade in nature and were generally reimbursed by our Group on a monthly basis, and will be settled prior to the [REDACTED].

Contingent liabilities

As at 31 March 2025, 31 March 2026 and 30 April 2026, we had no contingent liabilities. We are currently not a party to any litigation that is likely to have a material adverse effect on our business, results of operations or financial condition taken as a whole. We have confirmed that there was no material change in our contingent liabilities since 31 March 2026 and up to the Latest Practicable Date.

Statement of indebtedness

As at 30 April 2026, save as disclosed in this sub-section headed “Indebtedness”, we did not have any outstanding debt securities, charges, mortgages, or other similar indebtedness, finance lease commitments, any guarantees or other material contingent liabilities, or other banking facilities. Since 30 April 2026 and up to the date of this document, there has been no material change in our indebtedness.

Our Directors confirm that, since the Latest Practicable Date and up to the date of this document, there has been no material change in the above indebtedness statement. Our Directors further confirm that, during the Track Record Period and up to the Latest Practicable Date, (i) there was no material covenant on any of outstanding indebtedness or any breach thereof; and (ii) our Group had not experienced any difficulty in obtaining bank loans and other borrowings or default in repayment of bank loans and other borrowings.

CAPITAL EXPENDITURES AND COMMITMENTS

Historical capital expenditure

Our capital expenditures during the Track Record Period were primarily related to the purchases of plant and equipment and additions of intangible assets, which amounted to approximately HK\$5.9 million and HK\$2.4 million during the Track Record Period, respectively. We have financed our capital expenditure through cash flow generated from operating activities and current account with the directors.

Planned capital expenditure

Save for the planned capital expenditure as disclosed in the section headed “Future Plans and [REDACTED]” in this document and the additions of furniture, fixtures and office equipment and production equipment necessary for our business operations which will be made by our Group from time to time, our Group had no material planned capital expenditure as at the Latest Practicable Date.

Capital commitments

Our capital commitments primarily relate to the acquisition of plant and equipment. As at 31 March 2025 and 2026, we had no capital commitments contracted in respect of the acquisition of plant and equipment.

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RELATED PARTY TRANSACTIONS

Our Group has entered into certain related party transactions, which are set out in note 34 to the Accountants’ Report in Appendix I to this document. Our Directors are of the view that these related party transactions were conducted on normal commercial terms and on arm’s length basis.

All of our outstanding related party balances will be fully settled before the [REDACTED].

OFF-BALANCE SHEET ARRANGEMENTS

An off-balance sheet arrangement is any transaction, agreement or other contractual arrangement involving another entity under which we have made guarantees or any obligation arising out of a material variable interest in another entity that provides financing, liquidity, market risk or credit risk support to us, or that engages in leasing, hedging, or research and development arrangements with us. During the Track Record Period and up to 31 March 2026, save as the contingent liabilities disclosed above, we did not have any off-balance sheet arrangements.

QUANTITATIVE AND QUALITATIVE DISCLOSURE OF FINANCIAL RISKS

We are exposed to a variety of financial risks including credit risk, foreign risk and liquidity risk. Details of such risks are set out in note 31 to the Accountants’ Report in Appendix I to this document.

DIVIDENDS AND DIVIDEND POLICY

For FY2024/25, members of our Group declared dividends of approximately HK\$4.1 million to their then shareholders, which have been settled in cash during FY2025/26 and were financed by our internal resources. For FY2025/26, members of our Group declared dividends of approximately HK\$3.0 million to their then shareholders, which will be settled in cash before the [REDACTED].

We do not have any formal dividend policy or predetermined dividend payout ratio. Any future declarations and payments of dividends will be at the discretion of our Directors, subject to certain restrictions under Cayman Islands law, and will depend on our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors which our Directors consider relevant. Our Company may declare dividend (a) out of profits of our Company if our Company has sufficient profits, realised or unrealised, unless such is contrary to the accounting principles adopted by our Company or (b) out of the share premium of our Company if, in each case, following the date on which the dividend is proposed to be paid, our Company is able to pay its debts as they fall due in the ordinary course of business. In determining whether to declare a dividend, our Board will need to be satisfied that the declaration of dividend is in the best interest of our Company and may make provision for losses.

We have not adopted any predetermined dividend payout ratio to be effective after the [REDACTED].

DISTRIBUTABLE RESERVES

As at 31 March 2026, our Company did not have any distributable reserves available for distribution to equity holders.

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[REDACTED]

The total amount of [REDACTED] represents professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED] is estimated to be approximately HK\$[REDACTED] million (based on the mid-point of the indicative [REDACTED] range and assuming the [REDACTED] is not exercised), representing approximately [REDACTED]% of our estimated [REDACTED] from the [REDACTED] (based on the mid-point of the indicative [REDACTED] range and assuming the [REDACTED] is not exercised). We estimate that our [REDACTED], comprising (i) [REDACTED]-related expenses, including [REDACTED], of approximately HK\$[REDACTED]; and (ii) non-[REDACTED]-related expenses of approximately HK\$[REDACTED], including (a) fees paid and payable to legal advisers and the Reporting Accountants of approximately HK\$[REDACTED] million; and (b) other fees and expenses of approximately HK\$[REDACTED] million. The [REDACTED] of: (i) approximately HK\$[REDACTED] million is directly attributable to the issue of the [REDACTED] and is to be accounted for as a deduction from equity in accordance with the relevant accounting standards; and (ii) approximately HK\$[REDACTED] million has been or is to be charged to the consolidated statements of profit or loss. Expenses in relation to the [REDACTED] are non-recurring in nature.

DISCLOSURE REQUIRED UNDER THE GEM LISTING RULES

Our Directors have confirmed that, as at the Latest Practicable Date, there were no circumstances which would have given rise to any disclosure requirement under Rules 17.15 to 17.21 of the GEM Listing Rules.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Our Directors confirm that our business operations and business model have remained stable after the Track Record Period and up to the date of this document as there were no material changes to our business model and the general economic and regulatory environment in which we operate.

For our recent development subsequent to the Track Record Period, please see the paragraph headed “Summary — Recent Development and No Material Adverse Change”.

Our Directors confirm that, save for the expenses in connection with the [REDACTED], since 31 March 2026 and up to the date of this document, there had been no material adverse change in our financial or trading position, and there had been no event which would materially affect the information shown in the Accountants’ Report as set out in Appendix I to this document.

Decline in financial performance for FY2026/27

Our Group expects a substantial decrease in net profit for FY2026/27 as compared to that for FY2025/26, which is mainly due to the impact of a higher [REDACTED] and addition to depreciation of strengthening R&D capabilities and expanding our product pipeline.

FUTURE PLANS AND [REDACTED]

BUSINESS OBJECTIVES AND STRATEGIES

Our Group intends to pursue the expansion of its business operations by implementing the business strategies as set out below. For further details of our business strategies, please refer to the paragraph headed “Business — Business Strategies” in this document.

Our Group’s actual course of business may vary from the business objectives as set out in this document. There can be no assurance that the plans of our Group will materialise in accordance with the expected timeframe or that the business objectives of our Group will be achieved at all.

REASONS FOR THE [REDACTED] AND THE [REDACTED]

The principal business objective of our Group is to further strengthen our market position, increase our market share and capture the growth opportunities in the personal protective and healthcare products markets in Hong Kong.

Our Directors believe that the [REDACTED] is beneficial to our Company and our Shareholders as a whole for the following reasons:

- the [REDACTED] from the [REDACTED] will provide additional financial resources to our Group for our business plans as set out in the paragraph headed “Business — Business strategies” in this document, which will further strengthen our market position and enable us to capture the future opportunities arising from the growth of the healthcare products industry in Hong Kong;
- a public [REDACTED] status will enhance our corporate profile and recognition and enable our Group to be considered more favourably by our customers when competing for or securing manufacturing contracts and orders for our healthcare products, given that a [REDACTED] company is subject to ongoing regulatory compliance for announcements, financial disclosures and corporate governance;
- the [REDACTED] will provide a fund-raising platform for our Company, thereby enabling us to raise the capital required to finance our future growth and expansion plans without reliance on our Controlling Shareholders. This platform will allow us to gain direct access to the capital market for equity and/or debt financing, both at the time of the [REDACTED] and in the future, to fund our existing operations as well as our expansion into local and overseas markets. Such access to capital is expected to be instrumental to our business expansion, improve our operating and financial performance, and ultimately enhance returns to our Shareholders; and
- Upon the [REDACTED], our Shares will be freely traded on the GEM. A public listing status will provide us with a broader shareholder base, which could in turn lead to a more liquid market for the trading of our Shares.

FUTURE PLANS AND [REDACTED]

[REDACTED]

We estimate that the [REDACTED] from the [REDACTED] (assuming the [REDACTED] is not exercised) based on the [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED], after deducting the related [REDACTED], are estimated to be approximately HK\$[REDACTED] million. We intend to apply such [REDACTED] in the following manner:

Strengthening R&D capabilities and expanding our product pipeline

- (a) approximately HK\$[REDACTED], representing approximately [REDACTED] of the estimated [REDACTED], will be used for research and development, of which (i) approximately HK\$[REDACTED], representing approximately [REDACTED]% of the estimated [REDACTED], will be used for refining our existing wheelchair projects; (ii) approximately HK\$[REDACTED], representing approximately [REDACTED]% of the estimated [REDACTED], will be used for developing three new projects (namely foldable cane chair, SAP material related personal care products and electronic healthcare products with smart system); and (iii) approximately HK\$[REDACTED], representing approximately [REDACTED]% of the estimated [REDACTED], will be used for acquiring the required R&D equipment.

Our Directors believe that continued investment in R&D is essential to refining our existing projects and product lines, developing new projects, expanding our product pipeline, and procuring the necessary supporting equipment. In this regard, our R&D strategy will continue to align with broader industry trends, including cross-category expansion, digital transformation, the intelligent and portable transformation of medical products, to address the growing demand for healthcare and wellness products. We may also explore the development of high-performance SAP base formulations where appropriate. In particular, we intend progressively to adopt the USB-C universal interface across our applicable medical products and integrate intelligent functionalities, in order to improve user convenience, enhancing charging compatibility and align with product modernization trends, and support compliance with applicable requirements in overseas markets. We will also explore opportunities to develop products in categories adjacent to our existing business where such opportunities are consistent with our business strategy, technical capabilities and market positioning. In addition, we will continue to monitor changes in customer preferences and developments in the relevant markets in order to support the refinement of our product offering.

Expanding product capacity and manufacturing capabilities

- (b) approximately HK\$[REDACTED], representing approximately [REDACTED] of the estimated [REDACTED], will be used for investment in our production facility to improve our operational efficiency and strengthen our manufacturing capabilities, including capacity expansion, equipment investment and selected production arrangements to support expansion of our wound care products, and GMP-standard certified facility and other capabilities not currently available in Hong Kong.

Our Directors believe that further investment in our production facility is important to improving our operational efficiency and strengthening our manufacturing capabilities. Currently, our wound care products are in the prototyping and trial production stage at our Tsuen Wan facility in Hong Kong. The proposed investment includes capacity expansion,

FUTURE PLANS AND [REDACTED]

equipment investment and selected production arrangements to support the mass production of our wound care products, as well as exploring access to GMP-standard production facilities, whether in Hong Kong or overseas, to support product commercialisation.

Deepening downstream market presence and expansion of sales channels

- (c) approximately HK\$[REDACTED], representing approximately [REDACTED] of the estimated [REDACTED], will be used for sales and operation capabilities, including expansion into downstream expansion and overseas marketing to strengthen our market presence. In particular, we intend to pursue selective downstream expansion opportunities, including acquisitions or other means of strengthening our downstream channels.

Our Directors believe that the [REDACTED] will provide additional financial resources to strengthen our sales and operations capabilities and deepen our downstream market presence. In particular, we intend to pursue selective downstream expansion opportunities, including acquisitions or other means of strengthening our downstream channels. In evaluating potential acquisition or investment targets, we intend to focus principally on businesses with established institutional sales channels, including hospitals, clinics and elderly care institutions, and which are capable of supporting our downstream expansion and broader product commercialisation strategy. We may also seek to enhance our production processes and quality control capabilities through selected automation and other manufacturing technologies to further improve our efficiency, consistency and operational flexibility.

Recruitment of additional personnel and market development

- (d) approximately HK\$[REDACTED], representing approximately [REDACTED] of the estimated [REDACTED], will be used to recruit additional personnel to support our business expansion, including in areas such as production, sales and operations, exhibition participation, overseas market development and other overseas market initiatives, quality assurance, certification and compliance, and other supporting functions.

Our Directors believe that the continued growth of our business will require additional personnel across a range of functions, including R&D, production, sales and operations, quality assurance, certification and compliance, and other supporting functions. The [REDACTED] from the [REDACTED] will also support exhibition participation, overseas market development and other overseas market initiatives in Hong Kong and selected overseas markets.

Enhancing our financial flexibility and supporting general working capital needs

- (e) approximately HK\$[REDACTED], representing approximately [REDACTED] of the estimated [REDACTED], will be used for our general working capital.

Our Directors believe that the [REDACTED] will broaden our shareholder and capital base, provide a fund-raising platform for future growth and expansion, and strengthen our financial flexibility. Part of the [REDACTED] will be applied towards our general working capital, which will support our day-to-day operations and facilitate the implementation of our business strategies.

FUTURE PLANS AND [REDACTED]

IMPLEMENTATION PLANS

In order to achieve the business objectives and strategies set out above, our implementation plans are set out below, commencing from the [REDACTED] to 31 March 2029. These implementation plans are formulated based on the assumptions set out in the paragraph headed “Basis and assumptions” in this section and are subject to various uncertainties, variables and unforeseen factors. There can be no assurance that the implementation plans will materialise in accordance with the timetable set out below or that our business objectives will be achieved at all.

For the period from the [REDACTED] to 31 March 2027

Business strategies	Implementation plans	[REDACTED]
1. Strengthening R&D capabilities and expanding our product pipeline	- Lease and expand our R&D office - Recruit the initial research and development team for the expanded R&D office, comprising one head of the research and development team, one senior engineer and two junior engineers - Commence procurement of R&D testing, production equipment (including scanning and imaging equipment) and R&D software	[REDACTED] of approximately HK\$[REDACTED]
2. Deepening downstream market presence and expansion of sales channels	- Identify and evaluate potential channel-led medical device distributors and retailers; conduct due diligence - Complete selective acquisition(s)/investment(s) where suitable targets are identified, with target selection focusing on businesses that maintain both institutional distribution capabilities and direct consumer-facing retail and online sales channels.	[REDACTED] of approximately HK\$[REDACTED]
3. Recruitment of additional personnel and market development	- Recruit initial sales and sales-support personnel for the Hong Kong and overseas markets, comprising one Hong Kong sales staff, one overseas sales staff and one sales-support staff - Participate in two exhibitions (one in Hong Kong and one overseas) - Commence marketing and promotional activities	[REDACTED] of approximately HK\$[REDACTED]
4. General working capital	Apply towards our general working capital	[REDACTED] of approximately HK\$[REDACTED]

FUTURE PLANS AND [REDACTED]

For the six months ending 30 September 2027

Business strategies	Implementation plans	[REDACTED]
1. Strengthening R&D capabilities and expanding our product pipeline	- Continue to expand the R&D team by recruiting one senior engineer and four junior engineers - Procure additional R&D equipment (including modeling equipment) and raw materials for product development	[REDACTED] of approximately HK\$[REDACTED]
2. Expanding product capacity and manufacturing capabilities	Carry out capacity expansion and equipment investment at our production facility for our wound care products	[REDACTED] of approximately HK\$[REDACTED]
3. Recruitment of additional personnel and market development	Continue marketing, promotional and overseas-certification activities	[REDACTED] of approximately HK\$[REDACTED]

For the six months ending 31 March 2028

Business strategies	Implementation plans	[REDACTED]
1. Strengthening R&D capabilities and expanding our product pipeline	Procure additional R&D equipment (including precision measurement equipment)	[REDACTED] of approximately HK\$[REDACTED]
2. Recruitment of additional personnel and market development	- Recruit one Hong Kong sales staff and one overseas sales staff - Participate in two exhibitions (one in Hong Kong and one overseas) - Continue overseas certification and marketing activities	[REDACTED] of approximately HK\$[REDACTED]

FUTURE PLANS AND [REDACTED]

For the six months ending 30 September 2028

Business strategies	Implementation plans	[REDACTED]
1. Strengthening R&D capabilities and expanding our product pipeline	Continue procurement of equipment and materials	[REDACTED] of approximately HK\$[REDACTED]
2. Recruitment of additional personnel and market development	Continue sales, overseas-certification and marketing activities	[REDACTED] of approximately HK\$[REDACTED]

For the six months ending 31 March 2029

Business strategies	Implementation plans	[REDACTED]
1. Strengthening R&D capabilities and expanding our product pipeline	- Complete the planned R&D team build-out by recruiting one further junior engineer and complete the product development programme - Complete final procurement of equipment and materials	[REDACTED] of approximately HK\$[REDACTED]
2. Recruitment of additional personnel and market development	- Recruit one Hong Kong sales staff and one overseas sales staff - Participate in two exhibitions (one in Hong Kong and one overseas) - Complete the planned market development programme	[REDACTED] of approximately HK\$[REDACTED]

BASIS AND ASSUMPTIONS

The implementation plan set out by our Directors is based on the following assumptions:

- our Group will have sufficient financial resources to meet the planned capital expenditure and business development requirements during the period to which our future plans relate;
- there will be no material changes in the funding requirement for each of our Group’s future plans described in this document from the amount as estimated by our Directors;
- there will be no material changes in existing laws and regulations, or other Government policies relating to our Group, or in the political, economic or market conditions in which our Group operates in;
- there will be no changes in the effectiveness of the licences, permits and qualifications obtained by our Group, where applicable;

FUTURE PLANS AND [REDACTED]

- there will be no material changes in the bases or rates of taxation applicable to the activities of our Group;
- there will be no disasters, natural, political or otherwise, which would materially disrupt the businesses or operations of our Group; and
- our Group will not be materially affected by the risk factors as set out in the section headed “Risk Factors” in this document.

There can be no assurance that the [REDACTED] from the [REDACTED] will be sufficient for fully implementing our business expansion plans. In the event any of the above occurs or that the [REDACTED] becomes unsuccessful such that the [REDACTED] from the [REDACTED] become unavailable to us, we may adjust the timing and scale of our business expansion plans and/or seek alternative form of financing.

To the extent that the [REDACTED] are not immediately applied to the above purposes and to the extent permitted by the applicable laws and regulations, we will deposit the [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions (as defined under the SFO or applicable laws or regulations in other jurisdictions).

In the event that the [REDACTED] is exercised in full, we estimate that we will receive additional [REDACTED] of approximately HK\$[REDACTED] after deducting the related [REDACTED] and assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED]. In the event that the [REDACTED] is set at the low-end of the indicative [REDACTED] range and the [REDACTED] is exercised in full, our Company will receive additional [REDACTED] of approximately HK\$[REDACTED] after deducting the related [REDACTED]. In the event that the [REDACTED] is set at the high-end of the indicative [REDACTED] range and the [REDACTED] is exercised in full, our Company will receive additional [REDACTED] of approximately HK\$[REDACTED] after deducting the related [REDACTED]. The allocation of the additional [REDACTED] will be used in the same proportion as the original [REDACTED].

Assuming the [REDACTED] is not exercised at all, and in the event that the [REDACTED] is set at the highest or lowest point of the indicative [REDACTED] range, the [REDACTED] to be received from the [REDACTED] after deducting the related [REDACTED] will increase or decrease by approximately HK\$[REDACTED], respectively, than the [REDACTED] to be received based on the mid-point of the indicative [REDACTED] range. In such event, the [REDACTED] allocated to the payment of upfront costs for our new projects will increase or decrease accordingly.

We will issue an announcement in the event that there is any material change in the [REDACTED] of the [REDACTED] as described above.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

STRUCTURE AND CONDITIONS OF THE [REDACTED]

[REDACTED]

STRUCTURE AND CONDITIONS OF THE [REDACTED]

[REDACTED]

STRUCTURE AND CONDITIONS OF THE [REDACTED]

[REDACTED]

STRUCTURE AND CONDITIONS OF THE [REDACTED]

[REDACTED]

STRUCTURE AND CONDITIONS OF THE [REDACTED]

[REDACTED]

STRUCTURE AND CONDITIONS OF THE [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

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HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

APPENDIX I

ACCOUNTANTS’ REPORT

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SAVEWO GROUP LIMITED AND PATRONS CAPITAL LIMITED

Introduction

We report on the historical financial information of Savewo Group Limited (the “**Company**”) and its subsidiaries (collectively referred as to the “**Group**”) set out on pages I-3 to I-47, which comprises the combined statements of financial position of the Group as at 31 March 2025 and 2026 and the combined statements of profit or loss and other comprehensive income, the combined statements of changes in equity and the combined statements of cash flows of the Group for the years ended 31 March 2025 and 2026 (the “**Track Record Period**”) including material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-3 to I-47 forms an integral part of this report, which has been prepared for inclusion in the [REDACTED] of the Company dated [●] (the “[REDACTED]”) in connection with the initial [REDACTED] of the shares of the Company on the GEM of The Stock Exchange of Hong Kong Limited.

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “*Accountants’ Report on Historical Financial Information in Investment Circulars*” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgment, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the Group’s financial position as at 31 March 2025 and 2026 and of the Group’s financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-3 have been made.

Dividends

We refer to note 13 to the Historical Financial Information which contains information about the dividends declared and paid by the Company’s subsidiaries in respect of the Track Record Period and states that no dividend was declared and paid by the Company since its date of incorporation.

Historical financial statements of the Company

No financial statements have been prepared for the Company since its date of incorporation to report date.

SHINEWING (HK) CPA Limited

Certified Public Accountants

[●]

Practising Certificate Number: [●]

Hong Kong

[●]

APPENDIX I

ACCOUNTANTS’ REPORT

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The combined financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), and were audited by SHINEWING (HK) CPA Limited in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the “**Underlying Financial Statements**”).

The Historical Financial Information is presented in Hong Kong Dollar (“**HK\$**”) and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

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COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Notes</i>	Year ended 31 March	
		2025	2026
		<i>HK\$’000</i>	<i>HK\$’000</i>
Revenue	6	73,213	75,543
Cost of sales		<u>(38,898)</u>	<u>(38,895)</u>
Gross profit		34,315	36,648
Other income, gains and losses, net	8	635	10,064
Selling and distribution expenses		(15,991)	(15,449)
Administrative expenses		(8,776)	(8,893)
Research and development expenses		(3,467)	(3,611)
Reversal of impairment losses/(impairment losses)			
on financial assets, net	11	521	(767)
Finance costs	9	<u>(280)</u>	<u>(265)</u>
Profit before tax		6,957	17,727
Income tax credit/(expenses)	10	<u>1,310</u>	<u>(946)</u>
Profit for the year	11	<u>8,267</u>	<u>16,781</u>
Other comprehensive expense			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement on long service payment obligation	27	<u>(137)</u>	<u>(170)</u>
Other comprehensive expense for the year		<u>(137)</u>	<u>(170)</u>
Total comprehensive income for the year attributable to equity holders of the Company		<u><u>8,130</u></u>	<u><u>16,611</u></u>

APPENDIX I

ACCOUNTANTS’ REPORT

COMBINED STATEMENTS OF FINANCIAL POSITION

		As at 31 March	
	<i>Notes</i>	2025	2026
		<i>HK\$’000</i>	<i>HK\$’000</i>
Non-current assets			
Plant and equipment	15	9,006	2,852
Right-of-use assets	16	5,736	12,055
Intangible assets	17	16,588	16,659
Rental deposits	20	—	1,446
Total non-current assets		31,330	33,012
Current assets			
Inventories	21	11,745	13,462
Trade receivables	19	9,057	8,632
Deposits, prepayments and other receivables	20	5,041	7,395
Tax recoverable		3,185	1,440
Bank balances and cash	23	8,245	14,042
Total current assets		37,273	44,971
Current liabilities			
Trade and other payables	24	4,862	8,487
Contract liabilities	25	2,480	—
Amounts due to directors	22	16,495	5,422
Lease liabilities	26	5,746	6,503
Total current liabilities		29,583	20,412
Net current assets		7,690	24,559
Total assets less current liabilities		39,020	57,571

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ACCOUNTANTS’ REPORT

	<i>Notes</i>	As at 31 March	
		2025	2026
		<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities			
Deferred tax liabilities	18	3,817	2,943
Long service payment obligation	27	454	712
Lease liabilities	26	<u>—</u>	<u>5,556</u>
Total non-current liabilities		<u>4,271</u>	<u>9,211</u>
Net assets		<u><u>34,749</u></u>	<u><u>48,360</u></u>
Capital and reserves			
Share capital	28	50	50
Reserve		<u>34,699</u>	<u>48,310</u>
Total equity		<u><u>34,749</u></u>	<u><u>48,360</u></u>

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ACCOUNTANTS’ REPORT

COMBINED STATEMENTS OF CHANGES IN EQUITY

	Share capital <i>HK\$’000</i>	Retained profits <i>HK\$’000</i>	Total <i>HK\$’000</i>
At 1 April 2024	50	30,669	30,719
Profit for the year	—	8,267	8,267
Other comprehensive expense			
Remeasurement on long service payment obligation (<i>note 27</i>)	—	(137)	(137)
Total comprehensive income	—	8,130	8,130
Transaction with owners in their capacity as owners			
Dividend recognised as distribution (<i>note 13</i>)	—	(4,100)	(4,100)
At 31 March 2025 and 1 April 2025	50	34,699	34,749
Profit for the year	—	16,781	16,781
Other comprehensive expense			
Remeasurement on long service payment obligation (<i>note 27</i>)	—	(170)	(170)
Total comprehensive income	—	16,611	16,611
Transaction with owners in their capacity as owners			
Dividend recognised as distribution (<i>note 13</i>)	—	(3,000)	(3,000)
At 31 March 2026	<u>50</u>	<u>48,310</u>	<u>48,360</u>

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COMBINED STATEMENTS OF CASH FLOWS

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
OPERATING ACTIVITIES		
Profit before tax	6,957	17,727
Adjustments for:		
Depreciation of plant and equipment	10,251	5,513
Depreciation of right-of-use assets	5,939	5,959
Amortisation of intangible assets	1,778	2,197
Bank interest income	(26)	(7)
Finance costs	280	265
Gain on disposal of plant and equipment	—	(6,696)
Gain on disposal of a subsidiary (<i>note 29</i>)	—	(2,058)
(Reversal of impairment losses)/impairment losses on financial assets, net	(521)	767
Operating cash flows before movements in working capital	24,658	23,667
Decrease/(increase) in inventories	735	(1,717)
Decrease/(increase) in trade and other receivables	1,433	(4,142)
Decrease in trade and other payables	(1,138)	(2,361)
Increase/(decrease) in contract liabilities	2,305	(2,480)
Increase in amount due from related parties	—	(2,544)
Increase in amount due to related parties	348	—
Increase in amounts due to directors	—	160
Increasing in long service payment obligation	40	62
Cash generated from operations	28,381	10,645
Income taxes paid	(4,944)	(—)
NET CASH FROM OPERATING ACTIVITIES	23,437	10,645
INVESTING ACTIVITIES		
Interests received	26	7
Purchases of plant and equipment	(549)	(141)
Additions to intangible assets	(5,362)	(2,268)
Proceed from disposal of a subsidiary (<i>Note 29</i>)	—	2,110
NET CASH USED IN INVESTING ACTIVITIES	(5,885)	(292)

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ACCOUNTANTS’ REPORT

	Year ended 31 March	
	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
FINANCING ACTIVITIES		
Dividends paid	(4,100)	(3,000)
Repayment to directors	(3,478)	(3,197)
Repayment to related parties	(1,467)	(1,964)
Advance from related parties	53	3,809
Repayment of bank overdraft	(1)	—
Receipt from [REDACTED] investors	—	6,000
Capital elements of lease rentals paid	(6,152)	(5,965)
Interest elements of lease rentals paid	<u>(263)</u>	<u>(239)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(15,408)</u>	<u>(4,556)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,144	5,797
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>6,101</u>	<u>8,245</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u><u>8,245</u></u>	<u><u>14,042</u></u>

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ACCOUNTANTS’ REPORT

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 17 April 2026. The address of the Company’s registered office is 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands. The Company’s principal place of business in Hong Kong is situated at 1/F & 2/F, 266–270 Texaco Road, Tsuen Wan, Hong Kong. In the opinion of the directors, since its date of incorporation and up to the date of this report, the Company and the combining entities are ultimately controlled by Ms. Choi Sze Man and Mr. Ding Zhen (collectively referred as to the “**Controlling Shareholders**”).

The Company acts as an investment holding Company and its subsidiaries are principally engaged in manufacturing and sales of personal healthcare products. Particulars of subsidiaries have been set out below.

The Historical Financial Information is presented in Hong Kong Dollar (“**HK\$**”) which is also the functional currency of the Company.

The Company’s subsidiaries are as follows:

Name	Place and date of incorporation/ operation	Paid up issued share capital	Proportion of ownership interest and voting power attributable to the Company		At date of report	Principal activities
			As at 31 March 2025	2026		
Directly held:						
Sawewo Holdings Limited (note a)	The British Virgin Islands (the “BVI”) 4 May 2026	United States Dollar 100	N/A	N/A	100%	Investment holding
Indirectly held:						
Sawewo Limited (note b)	Hong Kong 22 April 2020	HK\$10,000	100%	100%	100%	Investment holding, manufacturing and sales of disposable face masks
Sawewo International Limited (note c)	Hong Kong 12 August 2020	HK\$10,000	100%	100%	100%	Sale of disposable face masks to public organisations
Sawewo Hong Kong Limited (note c)	Hong Kong 2 September 2020	HK\$10,000	100%	100%	100%	Holding of trademark and trademark licensing
Sawewo Retail Limited (note c)	Hong Kong 15 July 2021	HK\$10,000	100%	100%	100%	Rental of retail store premises and internal leasing to Group entit(ies)
Sawewo Distribution Limited (note c)	Hong Kong 21 February 2022	HK\$10,000	100%	100%	100%	Sale and distribution of disposable face masks and rapid antigen test-kits

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Name	Place and date of incorporation/ operation	Paid up issued share capital	Proportion of ownership interest and voting power attributable to the Company		At date of report	Principal activities
			As at 31 March 2025	2026		
Sawewo Energy Limited (<i>note b</i>)	Hong Kong 1 December 2021	HK\$10,000	100%	100%	100%	Inactive
Free 8 Limited (<i>note b and d</i>)	Hong Kong 14 April 2022	HK\$10,000	100%	—	—	Inactive
Sawewo Korea Limited (<i>note b</i>)	Hong Kong 17 November 2021	HK\$10,000	100%	100%	100%	Inactive

Notes:

- (a) The entity is incorporated on 17 April 2026 and inactive up to the date of report since its incorporation. No statutory financial statements of this company have been prepared since its date of incorporation to report date.
- (b) The statutory consolidated financial statements of Sawewo Limited and its subsidiaries during the year ended 31 March 2025 prepared under HKFRS Accounting Standards were audited by Eric H.K. Ng, Certified Public Accountant (Practising), a Certified Public Accountant in Hong Kong. No statutory financial statements of this company have been prepared for the year ended 31 March 2026 as the financial statements have not been due to issue.
- (c) The statutory financial statements of these entities during the years ended 31 March 2025 and 2026 prepared under Hong Kong Small and Medium-sized Entity Financial Reporting Standards and audited by Oliver T.P. Yu (CPA) Limited, a Certified Public Accountant registered in Hong Kong. No statutory financial statements of this company have been prepared for the year ended 31 March 2026 as the financial statements have not been due to issue.
- (d) This entity has been disposed to an independent third party on 12 March 2026. Details are set out in note 29.
- (e) All combining entities of the Group have adopted 31 March as their financial year end date.

2. BASIS OF PREPARATION AND PRESENTATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared in accordance with the material accounting policy information set out in note 4 which conforms with the HKFRS Accounting Standards issued by the HKICPA.

Prior to the group reorganisation mentioned in the section headed “Historical, Reorganisation and Corporate Structure” in the document, Sawewo Limited and its subsidiaries and combined entities (collectively referred to the “**Group**”) were held as to 100% by the Controlling Shareholders. Pursuant to the Reorganisation, the Company became the holding company of the companies now comprising the Group on 9 June 2026. The companies now comprising the Group resulting from the Reorganisation have been under the common control of the Controlling Shareholders throughout the Track Record Period or since their respective dates of incorporation up to 31 March 2026 and is regarded as a continuing entity. Accordingly, the Historical Financial Information has been prepared and presented on the basis as if the Company had always been the holding company of the companies now comprising the Group throughout the Track Record Period by applying the principles of merger accounting with reference to Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the HKICPA. The combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows including the results, changes in equity and cash flows of the companies comprising the Group have been prepared as if the current group structure had been in existence throughout the Track Record Period or since the respective dates of incorporation up to 31 March 2026, wherever that is a shorter period. The combined statements of financial position of the Group as at 31 March 2025 and 2026 have been prepared to present the assets and liabilities of the companies now comprising the Group as if the current group structure had been in existence as at those dates.

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3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

For the purpose of preparing and presenting the Historical Financial Information for the Track Record Period, the Group has consistently adopted all the HKFRS Accounting Standards issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 April 2025 throughout the Track Record Period.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ¹
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts referencing Nature-dependent Electricity</i> ¹
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ²
Amendments to HKFRS Accounting Standards	<i>Annual Improvements to HKFRS Accounting Standards — Volume 11</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

³ Effective for annual periods beginning on or after a date to be determined

The Group is in the process of making an assessment of the impact of the above new and amendments to HKFRS Accounting Standards upon initial application. So far, it has concluded that, except as described below, the adoption of other new and amendments to HKFRS Accounting Standards will not have a material impact on the results and the financial position of the Group.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements to present specified categories and defined totals and subtotals in the statement of profit or loss and other comprehensive income; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of HKFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the combined statements of profit or loss and other comprehensive income and combined statements of cash flows and disclosures in the future financial statements. The Group will continue to assess the impact of HKFRS 18 on the combined financial statements of the Group.

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ACCOUNTANTS’ REPORT

4. MATERIAL ACCOUNTING POLICY INFORMATION

The combined financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. In addition, the combined financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The Historical Financial Information has been prepared on the historical cost basis at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The material accounting policies are set out below.

Basis of combination

The Historical Financial Information incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group’s returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control listed above.

Combination of a subsidiary begins when the Group obtains control over the subsidiary and cease when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the combined statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company. Total comprehensive income of subsidiaries is attributed to the owners of the Company even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on combination.

Changes in the Group’s ownership interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets, and liabilities of the subsidiary attributable to the owners of the Company.

Merger accounting for business combination involving entities under common control

The Historical Financial Information include the financial statements items of the combining entities or businesses in which the common control combination occurs as if the combination had occurred from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling party’s perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

The combined statements of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the combined financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

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Revenue from contracts with customers and other income

Revenue is recognised to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognised revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good and services that is distinct or a series of distinct goods that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- The Group’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods and services.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer, excludes amounts collected on behalf of third parties and discounts.

Revenue from sale of personal healthcare products recognised when goods are delivered and acknowledged by customers, which is taken to be the point in time when the Group transfers control over the products to the customers.

Advances from customers are contract liabilities which represent the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. The Group also does not expect to have any incremental cost to obtain a contract with a customer. Costs that will be incurred regardless of whether the contract is obtained are expensed as they incurred.

Management fee income arising from provision of service are recognised when such service are rendered.

Leasing

Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

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The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of lease liability comprise to fixed lease payments (including in-substance fixed payments).

The lease liabilities are presented as a separate line in the combined statements of financial position.

The lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets as a separate line in the combined statements of financial position.

The Group applies HKAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

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Lease modification

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand alone price for the increase in scope and any appropriate adjustments to that stand alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefits costs and termination benefits

Payments to Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the consolidated statement of financial position with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income will not be reclassified to profit or loss. Past service cost is recognised in profit or loss when the plan amendment or curtailment occurs, or when the Group recognises related restructuring costs or termination benefits, if earlier. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset.

Defined benefit costs are categorised as:

- service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements;
- net interest expense or income; and
- remeasurements.

The Group recognises service costs within profit or loss. Net interest expense or income is recognised within finance costs.

The retirement benefit obligation recognised in the combined statement of financial position represents the deficit or surplus in the Group’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value of inventories is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the combined statements of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

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For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Current and deferred tax are recognised in profit or loss.

Plant and equipment

Plant and equipment are stated in the combined statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to allocate the cost of items of plant and equipment over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Internally-generated intangible assets — research and development expenditure

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is stated at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

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Impairment on plant and equipment, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its plant and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately in profit or loss.

Cash and cash equivalents

In the combined statements of financial position, bank balances and cash comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purpose of the combined statements of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above.

Investments in subsidiaries

Investments in subsidiaries are stated on the statement of financial position of the Company at cost less accumulated impairment less.

Financial instruments

Financial assets and financial liabilities are recognised in the combined statements of financial position when a group entity becomes a party to the contractual provisions of the instrument.

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Financial assets and financial liabilities are initially measured at fair value, except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 Revenue from Contracts with Customers. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding the expected credit losses (“ECL”), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included in the “other income, gain and losses, net” line item (note 8).

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Impairment of financial assets subject to impairment assessment under HKFRS 9

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, and forward looking information that is available without undue cost or effort.

For all other financial instruments, the Group measures the loss allowance equal to 12-month ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s operations.

In particular, the following information is taken in to account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument’s external (if available) or internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor’s ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor’s ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) the debt instrument has a low risk of default, ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

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Definition of default

The Group considers the following as constituting an event of default as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets’ gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

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Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Foreign currencies

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

Borrowings costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, which are described in note 4, the directors of the Company are required to make estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the Historical Financial Information. The estimates are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements is applying accounting policies

The following are the key estimates and assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Capitalisation of development costs

Development costs incurred on the Group’s medical related technical know-how are capitalised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, the Group’s intention to complete and the Group’s ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the products and the ability to measure reliably the expenditure during the development. Development costs which do not meet these criteria are expensed when incurred. Determining the amounts to be capitalised requires management to make assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

Key sources of estimation uncertainty

Provision of ECL for financial assets at amortised cost

The Group calculates ECL for trade receivables, deposits and other receivables under HKFRS 9. The carrying amounts of these financial assets were approximately HK\$9,057,000 and HK\$5,041,000 as at 31 March 2025, and HK\$8,632,000 and HK\$8,841,000 as at 31 March 2026, respectively. The provision rates are based on the Group’s historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. Details of the key assumptions and inputs used are set out in Note 31(b). Changes in these assumptions and estimation could materially affect the assessment and it may be necessary to make additional loss allowance in future periods. During the years end 31 March 2025 and 2026, reversal of impairment loss recognised in profit or loss on trade receivables approximately to HK\$534,000 and impairment loss recognised of HK\$704,000, respectively. During the years ended 31 March 2025 and 2026, the impairment of deposits and other receivable recognised in profit or loss approximately to HK\$13,000 and HK\$63,000, respectively.

Useful lives and estimated impairment assessment of non-current assets

The Group’s management determines the estimated useful lives and the related depreciation and amortisation charges for its plant and equipment, right-of-use assets, and intangible assets. The carrying amounts of these assets were approximately HK\$9,006,000, HK\$5,736,000, and HK\$16,588,000 as at 31 March 2025, and HK\$2,852,000, HK\$12,055,000, and HK\$16,659,000 as at 31 March 2026, respectively. This estimate is based on the historical experience of the actual useful lives of plant and equipment and intangible assets of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will adjust the depreciation and amortisation charge where useful lives are different to that of previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

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The Group assesses whether there are any indicators of impairment for plant and equipment, right-of-use assets and intangible assets at the end of each reporting period. If such an indication exists, the recoverable amount of plant and equipment, right-of-use assets and intangible assets are estimated using the higher of its fair value less costs of disposals and its value-in-use. If the carrying amount of plant and equipment, right-of-use assets and intangible assets exceeds its recoverable amount, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in profit or loss.

Estimated provision for inventories

The Group makes allowance for inventories based on an assessment of the net realisable value of inventories. Allowances are applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the cost of inventories. The identification of slow-moving stock and obsolete inventories requires the use of judgement and estimates on the conditions and usefulness of the inventories. Estimation of the net realisable of inventories value takes into account the selling prices, movements, conditions, ageing analysis and subsequent usage of the relevant inventories. As at 31 March 2025 and 2026, the carrying amount of the inventories is approximately to HK\$11,745,000 and HK\$13,462,000. No inventories provision is provided during the Track Record Period.

6. REVENUE

An analysis of the Group’s revenue for the years are as follows:

	Year ended 31 March	
	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major product lines		
Manufacture and sale of goods		
— Face masks, RAT kits and consumables	63,699	60,223
— Healthcare equipment and complementary accessories	8,175	11,675
— Others	1,339	3,645
	<u>73,213</u>	<u>75,543</u>
Revenue from contracts with customers	<u>73,213</u>	<u>75,543</u>
Timing of revenue recognition		
At a point of time	<u>73,213</u>	<u>75,543</u>

Transaction price allocated to the remaining performance obligations for contracts with customers

During the Trade Record Period, all sale contracts are for periods of one year or less. Accordingly, the Group has elected the practical expedient and has not disclosed the amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) during the Track Record Period.

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7. SEGMENT INFORMATION

The directors of the Company, being the chief operating decision makers, review the Group’s internal reporting in order to assess performance and allocate resource. The Group is principally engaged in development, manufacturing and multi-channel distribution of personal protective and healthcare products. Information reported to the chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group’s resources are integrated and no operating results or other discrete operating segment financial information is available for the assessment of performance and allocation of resources.

Geographical information

The Group’s operations and location of non-current assets are mainly in Hong Kong. Information about the Group’s revenue from external customers is presented based on location of the customers. Information about the Group’s non-current assets, excluding deferred tax assets, is presented based on the geographical location of the assets.

Revenue from the external customers, based on the location of its customers, are as follows:

	Year ended 31 March	
	2025	2026
	HK\$’000	HK\$’000
<i>Geographical region</i>		
Hong Kong	72,207	71,363
Overseas	<u>1,006</u>	<u>4,180</u>
Total	<u><u>73,213</u></u>	<u><u>75,543</u></u>

Non-current assets, excluding deferred tax assets, are located in Hong Kong at the end of each reporting period.

The major customers which contributed more than 10% of the total revenue of the Group for the years ended 31 March 2026 and 2025 are listed as below:

	Year ended 31 March	
	2025	2026
	HK\$’000	HK\$’000
Customer A	<u><u>7,380</u></u>	<u><u>—</u></u> *

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

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8. OTHER INCOME, GAINS AND LOSSES, NET

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Bank interest income	26	7
Government grants (<i>Note (i)</i>)	101	—
Compensation income	148	399
Management fee income	412	930
Exchange loss, net	(71)	(27)
Gain on disposal of a subsidiary (<i>Note 29</i>)	—	2,058
Gain on disposal of plant and equipment	—	6,696
Others	19	1
	<u>635</u>	<u>10,064</u>
Total	<u>635</u>	<u>10,064</u>

Notes:

- (i) During the years ended 31 March 2025 and 2026, government grants of approximately HK\$101,000 and nil respectively represented unconditional cash payments granted by government authorities. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

9. FINANCE COSTS

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Interest on long service payment obligation (<i>note 27</i>)	17	26
Interests on lease liabilities	263	239
	<u>280</u>	<u>265</u>
Total	<u>280</u>	<u>265</u>

10. INCOME TAX (CREDIT) EXPENSES

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Current tax- Hong Kong Profits Tax		
— Charge for the year	33	1,820
Deferred tax charge (<i>note 18</i>)	(1,343)	(874)
	<u>(1,310)</u>	<u>946</u>
Total	<u>(1,310)</u>	<u>946</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

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The income tax (credit)/expenses for the Track Record Period can be reconciled to the profit before tax per the combined statements of profit or loss and other comprehensive income as follows:

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Profit before tax	6,957	17,727
Tax at the domestic income tax rate of 16.5%	1,148	2,925
Tax effect of non-deductible expenses	16	509
Tax effect of non-taxable income	(438)	(1,440)
Utilisation of tax losses	(559)	—
Tax effect of two-tiered profit tax regime	(34)	(165)
Deduction for qualified research and development expenses	(1,443)	(883)
Income tax (credit)/expenses	(1,310)	946

11. PROFIT FOR THE YEAR

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Profit for the year has been arrived at after charging/(crediting)		
Directors’ emoluments (<i>note 12</i>)	—	166
Other staff’s salaries and allowances	20,062	20,021
Other staff’s retirement benefit scheme contributions	1,981	1,901
Provision for long service payment obligation (<i>note 27</i>)	40	62
Total staff costs	22,083	22,150
Auditor’s remuneration	416	233
Depreciation of plant and equipment	10,251	5,513
Amortisation of intangible assets (included in cost of sales and administrative expenses)	1,778	2,197
Cost of inventories recognised as expense	12,223	17,879
(Reversal of impairment loss)/impairment losses on financial assets, net		
— Trade receivables	(534)	704
— Deposits and other receivables	13	63
	(521)	767

Research and development costs recognised as expenses for the years ended 31 March 2025 and 2026 included staff costs and depreciation of plant and equipment of total approximately HK\$1,866,000 and HK\$2,080,000, respectively which were also included in the total staff costs and depreciation of plant and equipment.

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(b) Five highest paid employees

The five highest paid individuals of the Group for the years ended 31 March 2025 and 2026, were all non-directors. The emoluments of the five highest paid individuals during the years ended 31 March 2025 and 2026, respectively were as follows:

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Salaries and other allowances	1,967	2,010
Retirement benefit scheme contributions	87	90
	<u>2,054</u>	<u>2,100</u>

The number of the highest paid employees who are not the directors of the Company whose emoluments fell within the following bands is as follows:

	Year ended 31 March	
	2025	2026
	Number of employees	Number of employees
Nil to HK\$1,000,000	<u>5</u>	<u>5</u>

During the Track Record Period, no emolument was paid by the Group to any of the directors of the Group or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors and employees has waived or agreed to waive any emoluments during the Track Record Period.

13. DIVIDENDS

Interim dividends recognised as distribution to the Controlling Shareholders during the Track Record Period were as follows:

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
Interim dividend of 2025, declared of HK\$410 per ordinary share in respect of the year ended 31 March 2025	<u>4,100</u>	<u>—</u>
Interim dividend of 2025, declared of HK\$300 per ordinary share in respect of the year ended 31 March 2026	<u>—</u>	<u>3,000</u>

No final dividend was declared during the year ended 31 March 2025 and 2026 and up to report date.

14. EARNINGS PER SHARE

No earnings per share information is presented as such information is not meaningful having regard to the purpose of this report and the result of the Group during the Track Record Period are presented on combined basis as set out in Note 2.

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15. PLANT AND EQUIPMENT

The Group

	Plant and machinery <i>HK\$'000</i>	Office equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Furniture and fixtures <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Total <i>HK\$'000</i>
COST						
At 1 April 2024	15,046	5,323	9,976	767	15,563	46,675
Additions	<u>350</u>	<u>199</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>549</u>
At 31 March 2025 and 1 April 2025	15,396	5,522	9,976	767	15,563	47,224
Additions	68	58	—	15	—	141
Disposal of a subsidiary (note 29)	—	—	(3,380)	—	—	(3,380)
Disposals	<u>—</u>	<u>(1,707)</u>	<u>(5,630)</u>	<u>—</u>	<u>—</u>	<u>(7,337)</u>
At 31 March 2026	<u>15,464</u>	<u>3,873</u>	<u>966</u>	<u>782</u>	<u>15,563</u>	<u>36,648</u>
DEPRECIATION						
At 1 April 2024	7,749	2,000	5,433	458	12,327	27,967
Provided for the year	<u>3,042</u>	<u>1,090</u>	<u>2,730</u>	<u>153</u>	<u>3,236</u>	<u>10,251</u>
At 31 March 2025 and 1 April 2025	10,791	3,090	8,163	611	15,563	38,218
Provided for the year	2,705	1,019	1,672	117	—	5,513
Eliminated upon disposal of a subsidiary (note 29)	—	—	(3,239)	—	—	(3,239)
Eliminated upon disposals	<u>—</u>	<u>(1,066)</u>	<u>(5,630)</u>	<u>—</u>	<u>—</u>	<u>(6,696)</u>
At 31 March 2026	<u>13,496</u>	<u>3,043</u>	<u>966</u>	<u>728</u>	<u>15,563</u>	<u>33,796</u>
CARRYING VALUES						
At 31 March 2026	<u>1,968</u>	<u>830</u>	<u>—</u>	<u>54</u>	<u>—</u>	<u>2,852</u>
At 31 March 2025	<u>4,605</u>	<u>2,432</u>	<u>1,813</u>	<u>156</u>	<u>—</u>	<u>9,006</u>

The estimated useful lives of items of plant and equipment are as follows:

	Useful lives
Plant and machinery	5 years
Office equipment	5 years
Motor vehicles	3 years
Furniture and fixtures	5 years
Leasehold improvements	Over the lease terms

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16. RIGHT-OF-USE ASSETS

The Group as a lessee

The Group has entered into lease agreements for its factory and retail shops. These leases generally have terms ranging from 12 to 24 months.

	Factory <i>HK\$'000</i>	Retail shops <i>HK\$'000</i>	Total <i>HK\$'000</i>
COST			
At 1 April 2024	30,503	727	31,230
Lease modification	<u>5,290</u>	<u>—</u>	<u>5,290</u>
At 31 March 2025 and 1 April 2025	35,793	727	36,520
Addition	—	690	690
Lease modification	<u>11,207</u>	<u>381</u>	<u>11,588</u>
At 31 March 2026	<u>47,000</u>	<u>1,798</u>	<u>48,798</u>
DEPRECIATION			
At 1 April 2024	24,633	212	24,845
Provided for the year	<u>5,575</u>	<u>364</u>	<u>5,939</u>
At 31 March 2025 and 1 April 2025	30,208	576	30,784
Provided for the year	<u>5,585</u>	<u>374</u>	<u>5,959</u>
At 31 March 2026	<u>35,793</u>	<u>950</u>	<u>36,743</u>
CARRYING VALUES			
At 31 March 2026	<u>11,207</u>	<u>848</u>	<u>12,055</u>
At 31 March 2025	<u>5,585</u>	<u>151</u>	<u>5,736</u>

For the year ended 31 March 2025, the lease modification of approximately HK\$5,290,000 relates to the factory leases, whereby the lease term was extended by one year. For the year ended 31 March 2026, the lease modification of approximately HK\$11,207,000 represents the extension of the factory lease term by two years. In respect of the retail shop lease, the lease modification represents an extension of the lease term by one year.

The addition during the year ended 31 March 2026 represents a lease agreement entered for a new retail shop with two years lease term.

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17. INTANGIBLE ASSETS

	Software HK\$'000	Development costs HK\$'000	Licenses HK\$'000	Total
COST				
At 1 April 2024	—	14,292	1,082	15,374
Additions	<u>681</u>	<u>3,552</u>	<u>1,129</u>	<u>5,362</u>
At 31 March 2025 and 1 April 2025	<u>681</u>	<u>17,844</u>	<u>2,211</u>	<u>20,736</u>
Additions	<u>—</u>	<u>2,268</u>	<u>—</u>	<u>2,268</u>
At 31 March 2026	<u><u>681</u></u>	<u><u>20,112</u></u>	<u><u>2,211</u></u>	<u><u>23,004</u></u>
AMORTISATION AND IMPAIRMENT				
At 1 April 2024	—	2,356	14	2,370
Provided for the year	<u>102</u>	<u>1,620</u>	<u>56</u>	<u>1,778</u>
At 31 March 2025 and 1 April 2025	<u>102</u>	<u>3,976</u>	<u>70</u>	<u>4,148</u>
Provided for the year	<u>136</u>	<u>1,717</u>	<u>344</u>	<u>2,197</u>
At 31 March 2026	<u><u>238</u></u>	<u><u>5,693</u></u>	<u><u>414</u></u>	<u><u>6,345</u></u>
CARRYING VALUES				
At 31 March 2026	<u><u>443</u></u>	<u><u>14,419</u></u>	<u><u>1,797</u></u>	<u><u>16,659</u></u>
At 31 March 2025	<u><u>579</u></u>	<u><u>13,868</u></u>	<u><u>2,141</u></u>	<u><u>16,588</u></u>

The useful lives of software and development costs are 5 and 10 years and the useful lives of licenses are 15 years. All software and licenses are acquired from third parties, while development costs are internally generated.

18. DEFERRED TAXATION

For the purpose of presentation in the combined statements of financial position, the deferred tax assets and liabilities have been offset of the same taxable entity. The deferred tax assets/(liabilities) recognised by the Group and movements thereon during the Track Record Period are as follows:

	Right-of-use assets HK\$'000	Lease liabilities HK\$'000	Depreciation allowances HK\$'000	Provision of loss allowance for trade and other receivables HK\$'000	Tax loss HK\$'000	Total
At 1 April 2024	(1,054)	1,090	(4,858)	221	(559)	(5,160)
Credit to profit or loss for the year	<u>107</u>	<u>(142)</u>	<u>905</u>	<u>(86)</u>	<u>559</u>	<u>1,343</u>
At 31 March 2025 and 1 April 2025	(947)	948	(3,953)	135	—	(3,817)
Credit to profit or loss for the year	<u>(1,005)</u>	<u>1,004</u>	<u>783</u>	<u>92</u>	<u>—</u>	<u>874</u>
At 31 March 2026	<u><u>(1,952)</u></u>	<u><u>1,952</u></u>	<u><u>(3,170)</u></u>	<u><u>227</u></u>	<u><u>—</u></u>	<u><u>(2,943)</u></u>

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19. TRADE RECEIVABLES

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
Trade receivables	9,806	10,085
Less: Expected credit losses	<u>(749)</u>	<u>(1,453)</u>
	<u>9,057</u>	<u>8,632</u>

As at 31 March 2025 and 2026, the gross amount of trade receivables arising from contracts with customers amounted to approximately HK\$9,806,000 and HK\$10,085,000 respectively.

The Group generally allows credit period ranging from 0 day to 90 days, depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The following is an analysis of trade receivables by invoice date, net of allowance for expected credit losses, presented based on the date of revenue recognition as at 31 March 2025 and 2026:

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
0 to 30 days	3,624	2,346
31–60 days	3,388	2,560
61–90 days	714	977
91–120 days	666	553
121–180 days	277	775
181–365 days	<u>388</u>	<u>1,421</u>
	<u>9,057</u>	<u>8,632</u>

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to the historical settlement records, ageing of the debtor, past experience as well as forward looking factors. There has been no change in the estimation techniques or significant assumptions made during the Track Record Period.

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The Group recognised lifetime ECL for trade receivables based on the ageing of customers collectively that are not individually significant as follows:

	Weighted average expected loss rate	Gross carrying amount HK\$’000	Loss allowance HK\$’000
As at 31 March 2025			
0–30 days	0.21%	3,814	8
31–60 days	0.56%	4,796	27
61–90 days	2.14%	278	6
91–120 days	5.44%	222	12
Over 1 years	100%	<u>696</u>	<u>696</u>
		<u>9,806</u>	<u>749</u>
	Weighted average expected loss rate	Gross carrying amount HK\$’000	Loss allowance HK\$’000
As at 31 March 2026			
0–30 days	0.89%	3,053	28
31–60 days	1.53%	3,303	50
61–90 days	7.45%	1,710	127
91–120 days	15.15%	909	138
Over 1 years	100%	<u>1,110</u>	<u>1,110</u>
		<u>10,085</u>	<u>1,453</u>

As the Group’s historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group’s different customer bases.

The movement to the allowance for the impairment of trade receivables is set out below.

	Year ended 31 March	
	2025 HK\$’000	2026 HK\$’000
At the beginning of the year	1,283	749
(Reversal of impairment losses)/impairment losses recognised	<u>(534)</u>	<u>704</u>
At the end of the year	<u>749</u>	<u>1,453</u>

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Due to the economic uncertainty, the Group have increased the expected loss rate for trade receivable based on their judgment.

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20. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
Deposits	4,579	6,138
Prepayments — [REDACTED] and deferred issue costs	—	2,021
Prepayments — others	445	813
Other receivables	87	2
	<u>5,111</u>	<u>8,974</u>
Less: Expected credit losses on deposits and other receivables	<u>(70)</u>	<u>(133)</u>
	<u>5,041</u>	<u>8,841</u>
Analysed for reporting purposes as:		
— Current assets	5,041	7,395
— Non-current assets	—	1,446
	<u>5,041</u>	<u>8,841</u>

The movement in the allowance for impairment of deposits and other receivables is set out below:

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
At the beginning of the year	57	70
Impairment losses recognised	<u>13</u>	<u>63</u>
At the end of the year	<u>70</u>	<u>133</u>

As at 31 March 2025 and 2026, the Group measures the ECL for deposits and other receivables at an amount equal to 12 month ECL of approximately HK\$70,000 and HK\$133,000.

21. INVENTORIES

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
Raw materials	2,986	2,831
Work in progress	1,568	1,318
Finished goods	<u>7,191</u>	<u>9,313</u>
	<u>11,745</u>	<u>13,462</u>

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22. AMOUNTS DUE TO DIRECTORS

Directors’ current accounts disclosed pursuant to section 383 to the Hong Kong Companies Ordinance (Cap.622) are as follows:

	<i>Note:</i>	As at 31 March	
		2025	2026
		<i>HK\$’000</i>	<i>HK\$’000</i>
Amounts due to directors:			
Choi Sze Man	(i)	14,339	4,906
Ding Zhen	(i)	<u>2,156</u>	<u>516</u>
		<u>16,495</u>	<u>5,422</u>

Note:

- (i) The amounts are non-trade nature, unsecured, interest-free and repayable on demand.

23. BANK BALANCES AND CASH

The bank balances and cash are denominated in the following currencies:

	As at 31 March	
	2025	2026
	<i>HK\$’000</i>	<i>HK\$’000</i>
Denominated in Hong Kong Dollar (HK\$)	7,767	13,877
Denominated in United States Dollar (USD)	427	87
Denominated in Euro (EUR)	45	64
Denominated in Renminbi (RMB)	<u>6</u>	<u>14</u>
	<u>8,245</u>	<u>14,042</u>

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

The Group has assessed that the credit risk of the cash and cash equivalents and considered its credit risk has not increased significantly since initial recognition. The Group has measured the impairment based on the 12-month ECL, and has assessed that the expected credit losses are not significant.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these financial assets.

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24. TRADE AND OTHER PAYABLES

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
Trade payables	2,038	467
Accrued expenses	637	278
Payroll and welfare payables	1,983	1,449
[REDACTED] investment payables (<i>note</i>)	—	6,000
Other payables	204	293
	<u>4,862</u>	<u>8,487</u>
Analysed for reporting purposes as:		
— Current liabilities	<u>4,862</u>	<u>8,487</u>

Note: In March 2026, the [REDACTED] Investors advanced cash consideration of HK\$6,000,000 for subscription of shares of a combining entity of the Group.

The following is an aged analysis of trade payables presented based on the date of goods and services provided and date of goods acceptance at the end of each reporting period.

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
0–30 days	694	317
31–60 days	56	—
61–90 days	6	11
91–180 days	57	40
181–365 days	365	15
Over 1 year	860	84
	<u>2,038</u>	<u>467</u>

25. CONTRACT LIABILITIES

Contract liabilities represents the receipt in advance from customers for sales of disposable masks. Revenue recognised during the Track Record Period that were included in the contract liabilities at the beginning of the year are approximately HK\$175,000, HK\$2,480,000, respectively.

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26. LEASE LIABILITIES

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
Lease liabilities payable:		
Within one year	5,746	6,503
Within a period of more than one year but not more than two years	—	5,556
Total	5,746	12,059
Less: Amount due for settlement with 12 months shown under current liabilities	(5,746)	(6,503)
Amount due for settlement after 12 months shown under non-current liabilities	—	5,556

The weighted average incremental borrowing rates applied to lease liabilities range from 7.63% to 8.31% per annum and from 7.31% to 7.76% per annum for the years ended 31 March 2025 and 2026 respectively.

For the year ended 31 March 2025, the lease modification of approximately HK\$5,290,000 relates to the factory leases, whereby the lease term was extended by one year. For the year ended 31 March 2026, the lease modification of approximately HK\$11,207,000 represents the extension of the factory lease term by two years. In respect of the retail shop lease, the lease modification represents an extension of the lease term by one more year and the addition during the year represents a new shop lease entered with two years lease term.

(a) Amounts recognised in profit or loss

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
Depreciation expense on right-of-use assets		
— Factory	5,575	5,585
— Retail Shops	364	374
Short-term leases	4,106	4,182
Interest expense on lease liabilities	263	239

At 31 March 2026, the Group is committed to approximately to HK\$3,822,000 for lease agreements not yet commenced. No lease agreement committed but not yet commenced at 31 March 2025.

During the years ended 31 March 2026 and 2025, the total cash outflow for leases amount to approximately to HK\$10,521,000 and HK\$10,386,000 respectively.

27. LONG SERVICE PAYMENT OBLIGATION

Pursuant to the Employment Ordinance, Chapter 57, the Group has the obligation to pay Long Service Payment (“LSP”) to qualifying employees in Hong Kong under certain circumstances, subject to a minimum of 5 years employment period, based on the following formula:

Last monthly wages (before termination of employment) x 2/3 x Years of service

Last monthly wages are capped at HK\$22,500 while the amount of long service payment shall not exceed HK\$390,000. This obligation is accounted for as a post-employment defined benefit plan.

Furthermore, the Mandatory Provident Fund Schemes Ordinance passed in 1995 permits the Group to utilise the Group’s mandatory MPF contributions, plus/minus any positive/negative returns thereof (collectively, the “Eligible Offset Amount”), for the purpose of offsetting LSP payable to an employee (the “Offsetting Arrangement”).

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The Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “**Amendment Ordinance**”) was gazetted on 17 June 2022, which will eventually abolish the Offsetting Arrangement. The Amendment Ordinance came into effect prospectively from 1 May 2025 (the “**Transition Date**”). Under the Amendment Ordinance, the Eligible Offset Amount after the Transition Date can only be applied to offset the pre-Transition Date LSP obligation but no longer eligible to offset the post-Transition Date LSP obligation. Furthermore, the LSP obligations before the Transition Date will be grandfathered and calculated based on the last monthly wages immediately preceding the Transition Date.

The Group has considered the accrued benefits derived from mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP. As at 31 March 2025 and 2026, the LSP obligation were HK\$454,000 and HK\$712,000 respectively, and presented on a net basis.

Movements in present value of the unfunded LSP obligations are as follows:

	Year ended 31 March	
	2025	2026
	HK\$'000	HK\$'000
At beginning of the year		
Expenses recognised in profit or loss:	260	454
Current service cost (<i>note 11</i>)	40	62
Interest cost (<i>note 9</i>)	17	26
Remeasurements recognised in other comprehensive income:		
Actuarial loss arising from changes in demographic assumptions	—*	63
Actuarial loss arising from changes in financial assumptions	48	15
Actuarial loss arising from changes in experience adjustments	89	92
Subtotal	137	170
At the end of the year	454	712

* Less than HK\$1,000

The average duration of the unfunded LSP obligations at 31 March 2025 and 2026 were 20.12 years and 19.45 years, respectively.

The significant actuarial assumptions used are as follow:

	Year ended 31 March	
	2025	2026
Annual salary increment	1.4%	2.1%
Discount rate	3.66%	3.64%

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions at the Track record period:

	As at 31 March 2025		As at 31 March 2026	
	Change in assumption	Impact on LSP obligation HK\$'000	Change in assumption	Impact on LSP obligation HK\$'000
Discount rate	Increase by 0.25%	Decrease by 23	Increase by 0.25%	Decrease by 34
Salary	Decrease by 0.25%	Decrease by 0.33	Decrease by 0.25%	Decrease by 0.44

The above sensitivity analysis is based on the assumption that changes in actuarial assumptions are not correlated and therefore it does not take into account the correlations between the actuarial assumptions.

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28. SHARE CAPITAL

For the purpose of presenting the share capital of the Group prior to the completion of the Reorganisation in the combined statement of financial position, the share capital in the combined statement of financial position as at 31 March 2025 and 2026 represented the combined share capital of Savewo Limited, Savewo International Limited, Savewo Hong Kong Limited, Savewo Retail Limited and Savewo Distribution Limited.

29. DISPOSAL OF A SUBSIDIARY

During the year ended 31 March 2026, the Group has disposed of a wholly-owned subsidiary to an independent third party with cash consideration of HK\$2,110,000. The gain on disposal of HK\$2,058,000 has been recognised in other income, gains and losses, net.

The net assets disposed of at date of disposal are as follows:

	<i>HK\$'000</i>
Plant and equipment	141
Other payable	<u>(89)</u>
Net assets disposed	52
Consideration paid	<u>2,110</u>
Gain on disposal of a subsidiary	<u><u>2,058</u></u>

30. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group’s overall strategy remains unchanged during the Track Record Period.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising share capital and reserves.

The management of the Group reviews the capital structure periodically. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital and balance its overall capital structure through the payment of dividends, new share issues and share buy-back as well as the issue of new debts or the redemption of existing debts.

31. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	As at 31 March	
	2025	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>
<i>Financial assets</i>		
Financial assets at amortised cost (including cash and cash equivalents)	<u>21,898</u>	<u>28,681</u>
<i>Financial liabilities</i>		
At amortised cost	<u>25,120</u>	<u>18,521</u>

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(b) Financial risk management objectives and policies

The Group’s major financial instruments include, trade receivables, other receivables and deposits, bank balances and cash, certain trade and other payables and amounts due to directors. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk and foreign currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below.

The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) *Interest rate risk*

The Group is exposed to cash flow interest rate risk related primarily to its variable-rate bank balances.

Sensitivity analysis

The Group currently do not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated. It is the Group’s policy to keep its deposits at floating rate of interests so as to minimise the fair value interest rate risk. The management of the Group and the Company considered that the exposure to cash flow in interest rate risk in relation to bank balances are minimal and no sensitivity analysis is presented accordingly.

(ii) *Foreign currency risk*

The Group has foreign currency purchases which expose the Group to foreign currency risk. The Company is not exposed to significant foreign currency risk.

The carrying amounts of the Group’s significant foreign currency denominated monetary assets and monetary liabilities at the end of the Track Record Period are as follows:

	Assets		Liabilities	
	As at 31 March		As at 31 March	
	2025	2026	2025	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
RMB	<u>1,243</u>	<u>2,324</u>	<u>312</u>	<u>220</u>

The Group currently does not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

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Sensitivity analysis

The following table demonstrates the sensitivity at end of Track Record Period to reasonably possible change in RMB exchange rates, with all other variables held constant, of the Group’s profit for the year.

	As at 31 March	
	2025	2026
	HK\$’000	HK\$’000
Increase/(decrease) in profit for the year		
5% strengthening in RMB	39	88
5% weakening in RMB	(39)	(88)

In management’s opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the relevant year.

Credit risk and impairment assessment

In order to minimise the credit risk of trade receivables, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model in accordance with HKFRS 9 on trade balances based on provision matrix. For trade receivables, the Group has applied the simplified approach under HKFRS 9 to measure the loss allowance at lifetime ECL. The Group’s lifetime ECL (reversed) provided for trade and other receivables are in aggregate of approximately HK\$(534,000) and HK\$764,000 (life-time not credit-impaired) for the years ended 31 March 2025 and 2026, respectively based on historical credit loss experience adjusted by forward-looking estimates without undue cost or effort.

The credit risk of other receivables and deposits are managed through an internal process. The credit quality of each counterparty is investigated before an advance is made. The Group and the Company also actively monitors the outstanding amounts owed by each debtor and identifies any credit risks in a timely manner in order to reduce the risk of a credit related loss. The Group performs impairment assessment under ECL model in accordance with HKFRS 9 on these outstanding balances.

For other receivables and deposits, the Group measures the loss allowance at 12 months ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in likelihood or risk of a default occurring since initial recognition. The balances are monitored on an ongoing basis and the Group’s exposure to credit risk is not significant.

The 12 months ECL on the other receivables and deposits are considered as insignificant during the years ended 31 March 2025 and 2026 as the counterparties involved are considered with limited credit risk and the ECL involved is not material.

The credit risk on liquid funds is low because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The management of the Group consider the probability of default is negligible on the basis of high credit-rating counterparties during the years ended 31 March 2025 and 2026.

There has been no significant changes to estimation techniques or assumptions made during the years ended 31 March 2025 and 2026.

The concentration of credit risk in respect of trade receivables is minimal, as the Group has a large number of customers. The management of the Group continue to monitor and assess the financial status of the counterparties, and they believe the exposure to credit risk on these balances is not significant as the counterparties are of good financial position.

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Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of bank balance and cash deemed adequate by the management to finance the Group’s operations and mitigate the effects of fluctuations in cash flows.

The following tables detail the Group’s remaining contractual maturity for its non-derivative financial liabilities and lease liabilities. For non-derivative financial liabilities and lease liabilities, the tables have been drawn up based on the undiscounted cash flows of financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

	Weighted average interest rate	On demand or within 1 year HK\$’000	Total undiscounted cash flows HK\$’000	Carrying amount HK\$’000
<u>At 31 March 2025</u>				
Trade and other payables		2,879	2,879	2,879
Amounts due to directors		16,495	16,495	16,495
Lease liabilities	7.77%	<u>5,979</u>	<u>5,979</u>	<u>5,746</u>
		<u>25,353</u>	<u>25,353</u>	<u>25,120</u>

	Weighted average interest rate	On demand or within 1 year HK\$’000	1–2 years HK\$’000	Total undiscounted cash flows HK\$’000	Carrying amount HK\$’000
<u>At 31 March 2026</u>					
Trade and other payables		1,040	—	1,040	1,040
Amounts due to directors		5,422	—	5,422	5,422
Lease liabilities	7.40%	<u>7,209</u>	<u>5,822</u>	<u>13,031</u>	<u>12,059</u>
		<u>13,671</u>	<u>5,822</u>	<u>19,493</u>	<u>18,521</u>

(c) Fair value measurement of financial instruments

The management of the Group considers that the carrying amounts of all financial assets and financial liabilities of the Group recorded at amortised costs in those combined financial statements approximate their fair values at the end of each reporting period.

32. NOTES TO THE COMBINED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

Other than as disclosed elsewhere in the combined financial statements, below shown the non-cash transactions.

- (i) During the year ended 31 March 2025, the Group entered into with the landlord for the use of the factory to extend for a year. Accordingly, the Group recognised in aggregate of right-of-use assets and lease liabilities of approximately HK\$5,290,000 respectively.

During the year ended 31 March 2026, the Group entered into agreements with the landlord to extend the leases of the factory premises for further two years and entered into a new lease agreement for a retail shop for two years. As a result, the Group recognised additional right-of-use assets and lease liabilities of approximately HK\$12,278,000 respectively.

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- (ii) During the years ended 31 March 2025 and 2026, amounts due from related parties and amount due to related parties with the aggregate of HK\$1,467,000 and HK\$401,000; HK\$4,508,000 and HK\$3,809,000 have been settled through the amounts due to the directors, respectively.
- (iii) During the year ended 31 March 2026, certain property, plant and equipment with carrying value of HK\$641,000 have been disposed to two directors at the aggregate consideration amounts of HK\$7,337,000. The disposals are settled through the amounts due to directors. The gain on disposal of the plant and equipment recognised in profit or loss is approximately HK\$6,696,000.

(b) Changes in liabilities arising from financing activities

	[REDACTED] investment payable*	Amount due to directors HK\$'000	Lease liabilities HK\$'000	Total HK\$'000
At 1 April 2024	—	21,039	6,608	27,647
Cash flows used in financing activities	—	(3,478)	(6,415)	(9,893)
Finance cost for the year (note 9)	—	—	263	263
Non-cash changes (note 32a)	—	(1,066)	5,290	4,224
At 31 March 2025 and 1 April 2025	—	16,495	5,746	22,241
Cash flows from (used in) financing activities	6,000	(3,197)	(6,204)	(3,401)
Cash flows generated from operating activities	—	160	—	160
Finance cost for the year (note 9)	—	—	239	239
Non-cash changes (note 32a)	—	(8,036)	12,278	4,242
At 31 March 2026	6,000	5,422	12,059	23,481

* included in other payable.

(c) Total cash outflow for leases:

The total cash outflow for leases included in the combined statements of cash flows is as follows:

	As at 31 March	
	2025	2026
	HK\$'000	HK\$'000
Within operating activities	4,106	4,182
Within financing activities	6,415	6,204
	10,521	10,386

33. RETIREMENT BENEFITS PLANS

The Group operates a Mandatory Provident Fund Scheme for all qualified employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs, capped at HK\$1,500 per month, to the MPF Scheme, in which the contribution is matched with that made by the employee.

The Group recognised the retirement benefit contributions of approximately of HK\$1,981,000 and HK\$1,907,000 for the years ended 31 March 2025 and 2026, respectively.

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ACCOUNTANTS’ REPORT

34. RELATED PARTY TRANSACTIONS

- (a) Other than as disclosed elsewhere in the combined financial statements during the Track Record Period, the Group entered into the following transactions with related parties:

Related parties	As at 31 March	
	2025 HK\$'000	2026 HK\$'000
<u>Goods sold to:</u>		
Zeta Limited	—	3,749
<u>Goods purchased from:</u>		
Zeta Limited	445	536
<u>Service received from:</u>		
Code Free Soft Limited	180	180
<u>Short-term leases expenses paid to:</u>		
Laser Beam Trading Limited	396	396
<u>Consultancy fee paid to:</u>		
Mr. Wong Yuet Yeung, Harry	150	—
<u>Salaries and other allowance paid to:</u>		
Mr. Wong Yuet Yeung, Harry	—	240

Zeta Limited, Code Free Soft Limited and Laser Beam Trading Limited were held by the controlling shareholders and the related party transactions were made according to the published prices and conditions similar to those [REDACTED] to the respective major customers.

Mr. Wong Yuet Yeung, Harry is the spouse of Ms. Choi Sze Man, a controlling shareholder of the Group.

- (b) The remuneration of key management personnel during the Track Record Period, is as follows:

	As at 31 March	
	2025 HK\$'000	2026 HK\$'000
Salaries and other allowances	336	581
Performance related bonuses	—	200
Retirement benefit scheme contributions	17	24
	<u>353</u>	<u>805</u>

The remuneration of directors and key executives is determined having regard to the performance of individuals and market trends.

35. COMMITMENTS

Other than as disclosed elsewhere in the combined financial statements at 31 March 2025 and 2026, the Group did not have any significant contractual commitments.

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ACCOUNTANTS’ REPORT

36. SUBSEQUENT EVENTS

i. Reorganisation

The Group comprising the Company and its subsidiaries underwent a reorganisation to rationalise the Group’s structure in preparation for the [REDACTED] of the Company’s shares on the GEM of the Stock Exchange. Details of the Reorganisation are set out in the section headed “History, Reorganisation and Corporate Structure” in this document.

ii. [REDACTED]

Pursuant to shareholders’ written resolution passed on [●], a [REDACTED] has been conditionally adopted by the Company (the “[REDACTED]”). The principle terms of the [REDACTED] are summarised in “Statutory and general information — D. [REDACTED]” in Appendix IV to this Document. No share option has been granted under the [REDACTED] up to the date of this report.

37. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Company, the Group or any of the combined entities now comprising the Group have been prepared in respect of any period subsequent to 31 March 2026.

APPENDIX II

[REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

[REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

[REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

[REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

[REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX III

SUMMARY OF THE CONSTITUTION OF OUR COMPANY AND CAYMAN COMPANIES ACT

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of our Company and of certain aspects of the Cayman Companies Act.

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on 17 April 2026 under the Cayman Companies Act. Our Company's constitutional documents consist of its Memorandum of Association and its Articles of Association.

1. MEMORANDUM OF ASSOCIATION

The Memorandum was conditionally adopted on [●] 2026 with effect from the [REDACTED].

The Memorandum states, inter alia, that the liability of members of our Company is limited to the amount from time to time unpaid on such member's shares and that the objects for which our Company is established are unrestricted (including acting as an investment company), and that our Company shall have and be capable of exercising any and all of the powers exercisable by a natural person or body corporate in any part of the world whether as principal, agent, contractor or otherwise and in view of the fact that our Company is an exempted company that our Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of our Company carried on outside the Cayman Islands.

2. ARTICLES OF ASSOCIATION

The Articles were conditionally adopted on [●] 2026 with effect from the [REDACTED]. The following is a summary of certain provisions of the Articles:

(a) Shares

(i) *Classes of shares*

The share capital of our Company consists of ordinary shares.

(ii) *Variation of rights of existing shares or classes of shares*

Subject to the Cayman Companies Act and without prejudice to Article 3(a) of the Articles, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths of the voting rights of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of the Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum (including at an adjourned meeting) shall be two persons (or in the case of a member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third of the issued shares (excluding treasury shares) of that class. Every holder of shares of the class shall be entitled to one vote for every such share held by him.

APPENDIX III

SUMMARY OF THE CONSTITUTION OF OUR COMPANY AND CAYMAN COMPANIES ACT

Any special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

(iii) Alteration of capital

Our Company may by ordinary resolution of its members:

- (aa) increase its share capital as provided in the Articles;
- (bb) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (cc) divide its shares into several classes and attach to such shares any preferential, deferred, qualified or special rights, privileges, conditions or restrictions as our Company in general meeting or as the Board may determine;
- (dd) subdivide its shares or any of them into shares of smaller amount than is fixed by the Memorandum;
- (ee) cancel any shares, which at the date of passing of the resolution, have not been taken and diminish the amount of its share capital by the amount of the shares so cancelled;
- (ff) make provision for the issue and allotment of shares which do not carry any voting rights;
- (gg) change the currency of denomination of its share capital; and
- (hh) reduce its share premium account in any manner authorised and subject to any conditions prescribed by law.

Our Company may by special resolution reduce its share capital or any capital redemption reserve or other undistributable reserve in any way and subject to any conditions prescribed by law.

(iv) Transfer of shares

All transfers of shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve and which may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), under hand or by machine imprinted signature or by such other means of execution as the Board may approve from time to time.

Notwithstanding the foregoing, for so long as any shares are listed on the Stock Exchange, titles to such listed shares may be evidenced and transferred in accordance with the laws applicable to and the Listing Rules that are or shall be applicable to such listed

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shares. The register of members of our Company in respect of our [REDACTED] shares (whether the principal register or a branch register) may be kept by recording the particulars required by Section 40 of the Cayman Companies Act in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the Listing Rules that are or shall be applicable to such [REDACTED] shares.

The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee or accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of that share.

The Board may, in its absolute discretion, at any time and from time to time transfer any share upon the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

Unless the Board otherwise agrees, no shares on the principal register shall be removed to any branch register nor shall shares on any branch register be removed to the principal register or any other branch register. All removals and other documents of title shall be lodged for registration, and be registered, in the case of any shares on a branch register, at the relevant registration office, and, in the case of any shares on the principal register, at the transfer office.

The Board may decline to recognise any instrument of transfer unless a fee (not exceeding the maximum sum as the Stock Exchange may determine to be payable) determined by the Board is paid to our Company, the instrument of transfer is properly stamped (if applicable), it is in respect of only one class of share, is lodged at the relevant registration office, the registered office or the transfer office accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do), and the shares are free of any lien in favour of our Company.

The registration of transfers may be suspended and the register may be closed on giving notice by advertisement in any newspapers or by electronic communication or by any other means in accordance with the requirements of the Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole 30 days in any year) as the Board may determine. The period of 30 days may be extended for a further period or periods not exceeding 30 days in respect of any year if approved by members by ordinary resolution.

Fully paid shares are free from any restriction on transfer (except when permitted by the Stock Exchange) and free of all liens.

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(v) Power of our Company to purchase its own shares

Our Company is empowered by the Cayman Companies Act and the Articles to purchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of our Company subject to any applicable requirements imposed from time to time by the Stock Exchange and/or any competent regulatory authority.

The Board may accept the surrender for no consideration of any fully paid shares.

(vi) Power of any subsidiary of our Company to own shares in our Company

There are no provisions in the Articles relating to the ownership of shares in our Company by a subsidiary.

(vii) Calls on shares and forfeiture of shares

The Board may from time to time make such calls as it thinks fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at a fixed time. A call may be made payable either in one lump sum or by instalments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding [REDACTED] per annum as the Board may agree to accept from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the monies uncalled and unpaid or instalments payable upon any shares held by him.

If a member fails to pay any call or instalment of a call on the day appointed for payment, the Board may, for so long as any part of the call or instalment remains unpaid, serve notice on the member requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. The notice shall name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and shall also name the place where payment is to be made. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

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A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, nevertheless, remain liable to pay to our Company all monies which, at the date of forfeiture, were payable by him to our Company in respect of the forfeited shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment (including the payment of such interest) at such rate not exceeding [REDACTED] per annum as the Board may determine.

(b) Directors

(i) *Appointment, retirement and removal*

At each annual general meeting, one third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. The Directors to retire by rotation shall include any Director who wishes to retire and not offer himself for re-election. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

Neither a Director nor an alternate Director is required to hold any shares in our Company by way of qualification. Further, a Director is not required to retire upon reaching any particular age.

The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director subject to the maximum number determined from time to time by the members in general meeting. Any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office only until the first annual general meeting of our Company after his appointment and shall then be eligible for re-election.

The members may by ordinary resolution remove any Director (including a managing Director or other executive Director) before the expiration of his term of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and our Company) and may by ordinary resolution appoint another person in his stead. Any Director so appointed shall be subject to the "retirement and rotation" provisions. The number of Directors shall not be less than two.

The office of a Director shall be vacated if:

- (aa) he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; or

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- (bb) he dies or becomes of unsound mind as determined pursuant to an order made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated; or
- (cc) if he absents himself from the meetings of the Board during a continuous period of six months, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board pass a resolution that he has by reason of such absence vacated his office; or
- (dd) he becomes prohibited by law from acting as a Director or he ceases to be a Director by operation of law or is removed pursuant to the Articles; or
- (ee) he has been validly required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director and the relevant time period for application for review of or appeal against such requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement; or
- (ff) by notice in writing delivered to the Company at its registered office or at the head office as defined in the Articles or tendered at a meeting of the Board he resigns his office; or
- (gg) he is removed from office by an ordinary resolution pursuant to the Articles; or
- (hh) he is removed from office by notice in writing served on him signed by not less than three-fourths in number (or if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

The Board may appoint any one or more of them to the office of managing director, joint managing director, deputy managing director or other executive director and/or such other office in the management of the business of the Company as it may decide for such period and upon such terms as it thinks fit. The Board may delegate any of its powers, authorities and discretions to committees consisting of such Director(s) and other persons as it thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed must, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

(ii) Power to allot and issue shares and warrants

Subject to the provisions of the Cayman Companies Act, the Memorandum and Articles and without prejudice to any special rights or restrictions attaching to any shares or any class of shares, (a) any share may be issued with or have attached to it such rights, or such

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restrictions, whether with regard to dividend, voting, return of capital or otherwise, as the Directors may determine; or (b) shares may be issued on the terms that may be, or at the option of our Company or the holder are, liable to be redeemed.

The Board may issue warrants to subscribe for any class of shares or other securities of our Company on such terms as the Board may determine.

Subject to the provisions of the Cayman Companies Act and the Articles, any direction that may be given by the Company in general meeting, and, where applicable, the Listing Rules and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all unissued shares in our Company are at the disposal of the Board, which may [REDACTED], allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount to their nominal value.

Neither our Company nor the Board is obliged, when making or granting any allotment of, [REDACTED] of, option over or disposal of shares or other securities of our Company, to make, or make available, any such allotment, [REDACTED], option or shares or other securities of our Company to members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, and shall be deemed not to be, a separate class of members for any purpose whatsoever.

(iii) Power to dispose of the assets of our Company or any of its subsidiaries

There are no specific provisions in the Articles relating to the disposal of the assets of our Company or any of its subsidiaries. The Directors may, however, exercise all powers and do all acts and things which may be exercised or done or approved by our Company and which are not required by the Articles or the Cayman Companies Act to be exercised or done by our Company in general meeting.

(iv) Borrowing powers

The Board may exercise all the powers of our Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and uncalled capital of our Company and, subject to the Cayman Companies Act, to issue debentures, bonds and other securities of our Company, whether outright or as collateral security for any debt, liability or obligation of our Company or of any third party.

(v) Remuneration

The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board or our Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is voted) to be divided among the Directors in such proportions and in such manner as they

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may agree or, failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the ordinary remuneration is payable shall only rank in such division in proportion to the time during such period for which he has held office. The Directors are also entitled to be prepaid or repaid all travelling, hotel and incidental expenses reasonably expected to be incurred or incurred by them in or about the performance of their duties as Directors.

Any Director who, at the request of our Company, goes or resides abroad for any purpose of our Company or who performs services which in the opinion of the Board go beyond the ordinary duties of such Director may be paid such extra remuneration as the Board may determine and such extra remuneration may be in addition to or in substitution for any ordinary remuneration as a Director. An executive Director or a Director appointed to be a managing director, joint managing director, deputy managing director or any other executive officer may receive such remuneration and such other benefits and allowances as the Board may from time to time decide. Such remuneration may be either in addition to or in lieu of his remuneration as a Director.

The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds or personal pension plans for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company, or is allied or associated with the Company or with any such subsidiary company, or who are or were at any time directors or officers of the Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the spouses, widows, widowers, families and dependants of any such persons.

The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

(vi) Compensation or payments for loss of office

Pursuant to the Articles, payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by our Company in general meeting.

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(vii) Loans and provision of security for loans to Directors

Except as would, if the Company were a company incorporated in Hong Kong, be permitted by the Companies Ordinance and the Cayman Companies Act, our Company shall not directly or indirectly make a loan to a Director or a director of any holding company of our Company or any of their respective close associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of our Company or any of their respective close associates, or, if any one or more of the Directors hold(s) (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

(viii) Disclosure of interests in contracts with our Company or any of its subsidiaries

A Director may hold any other office or place of profit with our Company (except that of the auditor of our Company) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor in addition to any remuneration provided for by or pursuant to the Articles. A Director may be or become a director or other officer of, or otherwise interested in, any other company promoted by our Company or any other company in which our Company may be interested, and shall not be liable to account to our Company or the members for any remuneration, profits or other benefits received by him as a director, officer or member of, or from his interest in, such other company. The Directors may exercise the voting power conferred by the shares in any other company held or owned by our Company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

No Director or proposed or intended Director shall be disqualified by his office from contracting with our Company either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to our Company or the members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall declare the nature of his interest in any such contract or transaction at or prior to the consideration and vote on such contract or transaction, either specifically or by way of a general notice stating that, by reason of the facts specified in such notice, he is to be regarded as interested in any such contract or transaction.

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A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition does not apply to any of the following matters namely:

- (aa) the giving of any security or indemnity either: (x) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of our Company or any of its subsidiaries; or (y) to a third party in respect of a debt or obligation of our Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (bb) any proposal concerning an [REDACTED] of shares or debentures or other securities of or by our Company or any other company which our Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the [REDACTED] or sub-[REDACTED] of the [REDACTED];
- (cc) any proposal or arrangement concerning the benefit of employees of our Company or its subsidiaries including the adoption, modification or operation of (x) any employees' share scheme, or any share incentive or [REDACTED] under which the Director or his close associate(s) may benefit; or (y) a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his close associates and employees of our Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates; and
- (dd) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of our Company by virtue only of his/their interest in shares or debentures or other securities of our Company.

(c) Proceedings of the Board

The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

(d) Alterations to constitutional documents and our Company's name

To the extent that the same is permissible under Cayman Islands law and subject to the Articles, a special resolution shall be required to alter the provisions of the Memorandum, to approve any amendment of the Articles or to change the name of our Company.

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(e) Meetings of members

(i) *Special and ordinary resolutions*

A special resolution of our Company must be passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or, in the case of such members as are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with the Articles.

Under the Cayman Companies Act, a copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within 15 days of being passed.

An ordinary resolution is defined in the Articles to mean a resolution passed by a simple majority of the votes of such members of our Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with the Articles.

(ii) *Voting rights and right to demand a poll*

Subject to any special rights or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every share of which he is the holder which is fully paid or credited as fully paid but so that no amount paid up or credited as paid up on a share in advance of calls or instalments shall be treated for the purposes of the Articles as paid on the share. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided by poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. On a show of hands every member who is present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall (save as provided otherwise in the Articles) have one vote. Votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.

Where a clearing house (or its nominee(s)) is a member of our Company, it may (subject to the Articles) authorise such person or persons as it thinks fit to act as its representative or representatives, at any meeting (including but not limited to any general meeting, creditors meeting or at any meeting of any class of members) of our Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same powers on behalf of the

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clearing house (or its nominee(s)) as if such person were an individual member including the right to speak and vote, and where a show of hands is allowed, the right to vote individually on a show of hands.

Members must have the right to: (i) speak at general meetings of our Company; and (ii) vote at a general meeting except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

Where our Company has any knowledge that any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

(iii) Annual general meetings and extraordinary general meetings

In each financial year during the Relevant Period (as defined in the Articles), our Company shall hold an annual general meeting within six months after the end of each financial year in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it.

Extraordinary general meetings shall be convened on the requisition of one or more members holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of our Company having the right of voting at general meetings, on a one vote per share basis in the share capital of our Company and the foregoing members shall be able to add resolutions to the meeting agenda. Such requisition shall be made in writing to the Board or the secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by our Company.

A meeting of the members or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings. Unless otherwise determined by the Directors, the manner of convening and the proceedings at a general meeting set out in the Articles shall, mutatis mutandis, apply to a general meeting held wholly by or in-combination with electronic means.

(iv) Notices of meetings and business to be conducted

An annual general meeting shall be called by a notice in writing of not less than 21 days. All other general meetings shall be called by notice in writing of at least 14 days. The notice shall be exclusive of the day on which it is served or deemed to be served and of the

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day for which it is given, and shall specify the time and place and the agenda of the meeting and particulars of resolutions to be considered at the meeting and, in the case of special business, the general nature of that business.

In addition, notice of every general meeting must be given to all members of our Company other than to such members as, under the provisions of the Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from our Company, and also to, all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a member and to each of the Directors and the auditors.

Any notice or document to be given to or by any person pursuant to the Articles may be served on or delivered to any member of our Company personally, by post to such member's registered address or by advertisement in newspapers in accordance with the requirements of the Stock Exchange. Subject to the Cayman Companies Act and the Listing Rules, a notice or document may also be served or delivered by our Company to any member by electronic means.

All business that is transacted at an extraordinary general meeting shall be deemed special. All business shall be deemed special that is transacted at an annual general meeting with the exception of the following, each of which shall be deemed an ordinary business:

- (aa) the declaration and sanctioning of dividends;
- (bb) the consideration and adoption of the accounts and balance sheets and the reports of the Directors and the auditors and other documents required to be annexed to the balance sheets;
- (cc) the election of Directors whether by rotation or otherwise in place of those retiring;
- (dd) the appointment of auditors and other officers;
- (ee) the fixing of, or the determining of the method of fixing of the remuneration of the Directors and of the auditors;
- (ff) the granting of any mandate or authority to the Board to [REDACTED], allot, grant options over, or otherwise dispose of the unissued shares representing not more than [REDACTED] (or such other percentage as may from time to time be specified in the Listing Rules) in nominal value of its then existing issued share capital and the number of any securities repurchased pursuant to paragraph (gg); and
- (gg) the granting of any mandate or authority to the Board to repurchase securities of our Company.

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(v) *Quorum for meetings and separate class meetings*

No business shall be transacted at any general meeting unless the requisite quorum is present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (including an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third of the issued shares of that class.

(vi) *Proxies*

Any member of our Company entitled to attend and vote at a meeting of our Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of our Company or at a class meeting. A proxy need not be a member of our Company and is entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, every member being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of our Company and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorised officer and such a proxy is entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise as if it were an individual member. On a poll or a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

(f) *Accounts and audit*

The Board shall cause true accounts to be kept of the sums of money received and expended by our Company, and the matters in respect of which such receipt and expenditure take place, and of the assets and liabilities of our Company and of all other matters required by the Cayman Companies Act or necessary to give a true and fair view of the state of our Company's affairs and to show and explain its transactions.

The accounting records shall be kept at the head office or at such other place or places as the Board thinks fit and shall always be open to inspection by the Directors. No member (other than a Director) or other person shall have any right to inspect any account or book or document of our Company except as conferred by the Cayman Companies Act or ordered by a court of competent jurisdiction or authorised by the Board or our Company in general meeting. However, an exempted company must make available at its registered office in electronic form or any other medium,

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copies of its books of account or parts thereof as may be required of it upon service of an order or notice by the Tax Information Authority of the Cayman Islands pursuant to the Tax Information Authority Act of the Cayman Islands.

A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before our Company at its annual general meeting, together with a copy of the Directors' report and a copy of the auditors' report, shall not less than 21 days before the date of the meeting and at the same time as the notice of annual general meeting be sent to every person entitled to receive notices of general meetings of our Company under the provisions of the Articles; however, subject to compliance with the Cayman Companies Act and all applicable rules, including the Listing Rules, our Company may send to such persons summarised financial statements derived from our Company's annual accounts and the directors' report instead provided that any such person may by notice in writing served on our Company, demand that our Company sends to him, in addition to summarised financial statements, a complete printed copy of our Company's annual financial statement and the Directors' report thereon.

At the annual general meeting in each year, the members shall by ordinary resolution appoint an auditor to audit the accounts of our Company and such auditor shall hold office until the next annual general meeting. Moreover, the members may, at any general meeting, by ordinary resolution remove the auditor at any time before the expiration of his term of office and shall, by ordinary resolution, at that meeting appoint another auditor for the remainder of his term. The remuneration of the auditors shall be fixed and approved by our Company by an ordinary resolution passed at a general meeting or in such manner as the members may by ordinary resolution determine.

The auditor shall audit the financial statements of our Company in each year in accordance with generally accepted auditing standards and prepare an auditors' report thereon to be annexed thereto. Such report shall be submitted to the members and laid before our Company in the annual general meeting.

(g) Dividends and other methods of distribution

Our Company in general meeting may declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the Board.

The Articles provide dividends may be declared and paid out of the profits of our Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution, dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Cayman Companies Act.

Unless and to the extent that the rights attaching to, or the terms of issue of, any share may otherwise provide: (i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, but no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share; and (ii) all dividends shall be (as regards any shares not fully paid throughout the period in respect of which the dividend is paid)

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apportioned and paid pro rata according to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Board may deduct from any dividend or other monies payable to any member or in respect of any shares all sums of money (if any) presently payable by him to our Company on account of calls or otherwise.

Whenever the Board or our Company in general meeting has resolved that a dividend be paid or declared on any class of the share capital of our Company, the Board may further resolve either (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment, or (ii) that members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit.

Our Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of our Company that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Unless otherwise directed by the Board, any dividend, interest or other moneys payable in cash to the holder of shares may be paid by cheque or warrant sent through post. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to our Company. Any one of two or more joint holders may give effectual receipts for any dividends and other moneys payable or property distributable in respect of the shares held by such joint holders.

Whenever the Board or our Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

All dividends, bonuses or other distributions or the proceeds of the realisation of any of the foregoing unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of our Company until claimed and our Company shall not be constituted a trustee in respect thereof. All dividends or bonuses or other distributions unclaimed for six years after having been declared may be forfeited by the Board and shall revert to our Company.

No dividend or other monies payable by our Company on or in respect of any share shall bear interest against our Company.

(h) Inspection of corporate records

Pursuant to the Articles, our Company's register and branch register of members shall be open to inspection during business hours by any members without charge, or by any other person upon a maximum payment of HK\$2.50 or such lesser sum specified by the Board, at the registered office or such other place at which the register is kept in accordance with the Cayman Companies

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Act or, upon a maximum payment of HK\$1.00 or such lesser sum specified by the Board, at the office where the branch register of members is kept, except the register is closed in accordance with the Articles.

(i) Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles relating to rights of minority shareholders in relation to fraud or oppression. However, certain remedies are available to shareholders of our Company under Cayman Islands law, as summarised in paragraph 3(f) of this Appendix III.

(j) Procedures on liquidation

Subject to the Cayman Companies Act, our Company may at any time and from time to time be wound up voluntarily by a special resolution.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares:

- (i) if our Company is wound up and the assets available for distribution amongst the members of our Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the surplus assets remaining after payment to all creditors shall be distributed *pari passu* and divided among the members in proportion to the amount paid up on the shares held by them respectively; and
- (ii) if our Company is wound up and the assets available for distribution amongst the members shall be insufficient to repay the whole of the paid-up capital, they shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

If our Company is wound up (whether the liquidation be voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Cayman Companies Act, divide among the members in specie or kind the whole or any part of the assets of our Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, but so that no members shall be compelled to accept any shares or other assets upon which there is a liability.

(k) Subscription rights reserve

The Articles provide that to the extent that they are not prohibited by and are in compliance with the Cayman Companies Act, if warrants to subscribe for shares have been issued by our Company and our Company does any act or engages in any transaction which would result in the

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subscription price of such warrants being reduced below the nominal value of a share, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the nominal value of a share on any exercise of the warrants.

3. CAYMAN ISLANDS COMPANIES ACT

Our Company is incorporated in the Cayman Islands subject to the Cayman Companies Act and, therefore, operates subject to Cayman Islands law. Set out below is a summary of certain provisions of the Cayman Companies Act, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Cayman Companies Act and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar. For the avoidance of doubt, special resolution used in the below summary shall have the meaning as set out in the Cayman Companies Act.

(a) Company operations

As an exempted company, our Company's operations must be conducted mainly outside the Cayman Islands. The Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorised share capital.

(b) Share capital

The Cayman Companies Act provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those shares shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium.

The Cayman Companies Act provides that the share premium account may be applied by a company subject to the provisions, if any, of its memorandum and articles of association in (i) paying distributions or dividends to members; (ii) paying up unissued shares of the company to be issued to members as fully paid bonus shares; (iii) the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Act); (iv) writing-off the preliminary expenses of the company; and (v) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

The Cayman Companies Act provides that, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, reduce its share capital in any way (i) by special resolution and confirmation by the Grand Court of the Cayman Islands (the "**Court**"); or (ii) by special resolution supported by a solvency statement in accordance with section 14A of the Cayman Companies Act.

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(c) Financial assistance to purchase shares of a company or its holding company

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company to another person for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

(d) Purchase of shares and warrants by a company and its subsidiaries

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder and the Cayman Companies Act expressly provides that it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. However, if the articles of association do not authorise the manner and terms of purchase, a company cannot purchase any of its own shares unless the manner and terms of purchase have first been authorised by an ordinary resolution of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares purchased by a company are to be treated as cancelled unless, subject to the memorandum and articles of association of the company, the directors of the company resolve to hold such shares in the name of the company as treasury shares prior to the purchase. Where shares of a company are held as treasury shares, the company shall be entered in the register of members as holding those shares, however, notwithstanding the foregoing, the company is not to be treated as a member for any purpose and must not exercise any right in respect of the treasury shares, and any purported exercise of such a right shall be void, and a treasury share must not be voted, directly or indirectly, at any meeting of the company and must not be counted in determining the total number of issued shares at any given time, whether for the purposes of the company's articles of association or the Cayman Companies Act.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases and the directors of a company may rely upon the general power contained in its memorandum of association to buy and sell and deal in personal property of all kinds.

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Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

(e) Dividends and distributions

The Cayman Companies Act permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account. With the exception of the foregoing, there are no statutory provisions relating to the payment of dividends. Based upon English case law, which is regarded as persuasive in the Cayman Islands, dividends may be paid only out of profits.

No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of a company's assets (including any distribution of assets to members on a winding up) may be made to the company, in respect of a treasury share.

(f) Protection of minorities and shareholders' suits

The Court ordinarily would be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (i) an act which is ultra vires the company or illegal; (ii) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and (iii) an irregularity in the passing of a resolution which requires a qualified (or special) majority.

In the case of a company (not being a bank) having a share capital divided into shares, the Court may, on the application of members holding not less than one fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Court shall direct.

Any shareholder of a company may petition the Court which may make a winding up order if the Court is of the opinion that it is just and equitable that the company should be wound up or, as an alternative to a winding up order: (i) an order regulating the conduct of the company's affairs in the future; (ii) an order requiring the company to refrain from doing or continuing an act complained of by the shareholder petitioner or to do an act which the shareholder petitioner has complained it has omitted to do; (iii) an order authorising civil proceedings to be brought in the name and on behalf of the company by the shareholder petitioner on such terms as the Court may direct; or (iv) an order providing for the purchase of the shares of any shareholders of the company by other shareholders or by the company itself and, in the case of a purchase by the company itself, a reduction of the company's capital accordingly.

Generally claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

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(g) Disposal of assets

The Cayman Companies Act contains no specific restrictions on the power of directors to dispose of assets of a company. However, as a matter of general law, every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(h) Accounting and auditing requirements

A company must cause proper books of account to be kept with respect to (i) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company; and (iii) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

An exempted company must make available at its registered office in electronic form or any other medium, copies of its books of account or parts thereof as may be required of it upon service of an order or notice by the Tax Information Authority of the Cayman Islands pursuant to the Tax Information Authority Act of the Cayman Islands.

(i) Exchange control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

(j) Taxation

Pursuant to the Tax Concessions Act (As Revised) of the Cayman Islands, the Company may obtain an undertaking from the Governor-in-Cabinet that:

- (i) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciation shall apply to the Company or its operations; and
- (ii) the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable on or in respect of the shares, debentures or other obligations of our Company; or by way of the withholding in whole or in part of any relevant payment as defined in the Tax Concessions Act (Revised) of the Cayman Islands.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from

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time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are a party to a double tax treaty entered into with the United Kingdom in 2010 but otherwise is not party to any double tax treaties.

(k) Stamp duty on transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

(l) Loans to directors

There is no express provision in the Cayman Companies Act prohibiting the making of loans by a company to any of its directors.

(m) Inspection of corporate records

The notice of registered office is a matter of public record. A list of the names of the current directors and alternate directors (if applicable) is made available by the Registrar of Companies for inspection by any person on payment of a fee. The register of mortgages is open to inspection by creditors and members.

Members of the Company have no general right under the Cayman Companies Act to inspect or obtain copies of the register of members or corporate records of the Company. They will, however, have such rights as may be set out in the Company's articles of association.

(n) Register of members

An exempted company may maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as the directors may, from time to time, think fit. The register of members shall contain such particulars as required by section 40 of the Cayman Companies Act. A branch register must be kept in the same manner in which a principal register is by the Cayman Companies Act required or permitted to be kept. The company shall cause to be kept at the place where the company's principal register is kept a duplicate of any branch register duly entered up from time to time.

There is no requirement under the Cayman Companies Act for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of members, as may be required of it upon service of an order or notice by the Tax Information Authority of the Cayman Islands pursuant to the Tax Information Authority Act of the Cayman Islands.

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(o) Register of directors and officers

A company is required to maintain at its registered office a register of directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 30 days of any change in such directors or officers.

(p) Beneficial ownership register

An exempted company is required to identify its beneficial owners and provide details of these beneficial owners to its corporate service provider (the "CSP") which maintain its beneficial ownership register in the Cayman Islands. A beneficial owner is defined as an individual who (a) ultimately owns or controls, whether through director or indirect ownership or control 25% or more of the shares, voting rights, or partnership interests in the company, (b) otherwise exercises ultimate effective control over the management of the company, or (c) is identified as exercising control of the company through other means. The beneficial ownership register is not a public document and is only accessible by a designated competent authority of the Cayman Islands although the Cayman Islands government may introduce regulations to allow for public access in the future. An exempted company with its shares [REDACTED] on an approved stock exchange, which includes the Stock Exchange, may provide its registered office provider with details of its [REDACTED] status as an alternative compliance route instead of providing details of its beneficial owners. Accordingly, as long as the shares of the Company remain [REDACTED] on the Stock Exchange, the Company may opt for this alternative compliance route rather than maintain a beneficial ownership register.

(q) Winding up

A company may be wound up (i) compulsorily by order of the Court; (ii) voluntarily; or (iii) under the supervision of the Court.

The Court has authority to order winding up in a number of specified circumstances including where the members of the company have passed a special resolution requiring the company to be wound up by the Court, or where the company is unable to pay its debts, or where it is, in the opinion of the Court, just and equitable to do so. Where a petition is presented by members of the company as contributories on the ground that it is just and equitable that the company should be wound up, the Court has the jurisdiction to make certain other orders as an alternative to a winding-up order, such as making an order regulating the conduct of the company's affairs in the future, making an order authorising civil proceedings to be brought in the name and on behalf of the company by the petitioner on such terms as the Court may direct, or making an order providing for the purchase of the shares of any of the members of the company by other members or by the company itself.

A company (save with respect to a limited duration company) may be wound up voluntarily when the company so resolves by special resolution or when the company in general meeting resolves by ordinary resolution that it be wound up voluntarily because it is unable to pay its debts. In the case of a voluntary winding up, such company is obliged to cease to carry on its business

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(except so far as it may be beneficial for its winding up) from the time of passing the resolution for voluntary winding up or upon the expiry of the period or the occurrence of the event referred to above.

For the purpose of conducting the proceedings in winding up a company and assisting the Court therein, there may be appointed an official liquidator or official liquidators; and the court may appoint to such office such person, either provisionally or otherwise, as it thinks fit, and if more persons than one are appointed to such office, the Court must declare whether any act required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The Court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the Court.

As soon as the affairs of the company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and how the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof. This final general meeting must be called by at least 21 days' notice to each contributory in any manner authorised by the company's articles of association and published in the Gazette.

(r) Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by (i) 75% in value of shareholders or class of shareholders, or (ii) a majority in number representing 75% in value of creditors, as the case may be, as are present at a meeting called for such purpose and thereafter sanctioned by the Court. Whilst a dissenting shareholder would have the right to express to the Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management.

The Cayman Companies Act also contains statutory provisions which provide that a company may present a petition to the Court for the appointment of a restructuring officer on the grounds that the company (i) is or is likely to become unable to pay its debts within the meaning of section 93 of the Cayman Companies Act; and (ii) intends to present a compromise or arrangement to its creditors (or classes thereof) either, pursuant to the Cayman Companies Act, the law of a foreign country or by way of a consensual restructuring. The petition may be presented by a company acting by its directors, without a resolution of its shareholders or an express power in its articles of association. On hearing such a petition, the Court may, among other things, make an order appointing a restructuring officer or make any other order as the Court thinks fit.

(s) Take-overs

Where an [REDACTED] is made by a company for the shares of another company and the holders of not less than 90% in value of the shares which are the subject of the [REDACTED] accept, the [REDACTED] may at any time within two months after the approval by the said holders, by notice in the prescribed manner require the dissenting shareholders to transfer their

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shares on the terms of the [REDACTED]. A dissenting shareholder may apply to the Court within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the [REDACTED] and the holders of the shares who have accepted the [REDACTED] as a means of unfairly forcing out minority shareholders.

(t) Indemnification

Cayman Islands law does not limit the extent to which a company’s articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Court to be contrary to public policy (e.g., for purporting to provide indemnification against the consequences of committing a crime).

(u) Economic substance requirements

Pursuant to the International Tax Cooperation (Economic Substance) Act (As Revised) of the Cayman Islands (the “**ES Act**”) that came into force on 1 January 2019, a “relevant entity” is required to satisfy the economic substance test set out in the ES Act. A “relevant entity” includes an exempted company incorporated in the Cayman Islands as is the Company; however, it does not include an entity that is tax resident outside the Cayman Islands. Accordingly, for so long as the Company is a tax resident outside the Cayman Islands, including in Hong Kong, it is not required to satisfy the economic substance test set out in the ES Act.

4. GENERAL

Ogier, our Company’s legal counsel as to Cayman Islands law, have sent to our Company a letter of advice summarising certain aspects of Cayman Companies Act. This letter, together with a copy of the Cayman Companies Act, is available on display as referred to in the paragraph headed “Documents delivered to the Registrar of Companies and documents on display — B. Documents available on display” in Appendix V to this document. Any person wishing to have a detailed summary of Cayman Companies Act or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

A. FURTHER INFORMATION ABOUT OUR COMPANY

1. Incorporation

Our Company was incorporated in the Cayman Islands under the Cayman Companies Act as an exempted company with limited liability on 17 April 2026. Our Company has established a principal place of business in Hong Kong at 1/F–2/F, 266–270, Texaco Road, Tsuen Wan, New Territories, Hong Kong and was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on [●]. In connection with such registration, Ms. Choi and Ms. Lau Mei Wah have been appointed as authorised representatives of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company is incorporated in the Cayman Islands, it is subject to the Cayman Companies Act and its constitutional documents comprising the Memorandum of Association and the Articles of Association. A summary of various parts of the constitutional documents and relevant aspects of the Cayman Companies Act is set out in Appendix III to this document.

2. Changes in issued share capital of our Company

The authorised share capital of our Company as at the date of its incorporation was HK\$[REDACTED] divided into [REDACTED] Shares of HK\$[REDACTED] each. The following alterations in the share capital of our Company have taken place and will take place since the date of its incorporation:

- (a) On 17 April 2026, one (1) Share was allotted and issued, credited as fully paid at par, to the initial subscriber.
- (b) On 30 April 2026, (i) the one (1) Share held by the initial subscriber was transferred to Water Fun for cash at nominal consideration; and (ii) 49 shares and 50 Shares of HK\$0.01 each, all credited as fully paid, were allotted and issued to Water Fun and Index PI, respectively.
- (c) In consideration of the transfers of shares of Savewo Limited by Ms. Choi, Mr. Ding, [REDACTED], [REDACTED], [REDACTED] and [REDACTED] to Savewo Holdings, the Company allotted and issued [REDACTED] Shares, [REDACTED] Shares, [REDACTED] Shares, [REDACTED] Shares, [REDACTED] Shares and [REDACTED] Shares of HK\$[REDACTED] each, credited as fully paid, to Water Fun, Index PI, [REDACTED], [REDACTED], [REDACTED] and [REDACTED], respectively.
- (d) Immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued upon the exercise of the [REDACTED] or any options which may be granted under the [REDACTED]), [REDACTED] Shares will be allotted and issued, all fully paid or credited as fully paid, and [REDACTED] Shares will remain unissued.
- (e) Other than Shares which may be issued pursuant to the exercise of any options that may be granted under the [REDACTED], or the exercise of the general mandate referred to in “A. Further information about our Company — 5. Written resolutions of our

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Shareholders passed on [●]” in this Appendix, our Directors have no present intention to issue any part of the authorised but unissued share capital of our Company, and without the prior approval of our Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Save as disclosed above, there has been no alteration in the share capital of our Company since its incorporation.

3. Reorganisation

The companies comprising our Group underwent a Reorganisation in preparation for the [REDACTED], details of which are set out in the sub-section headed “*History, Reorganisation and Corporate Structure — Reorganisation*” in this document. Following the Reorganisation, our Company became the holding company of our Group.

Diagrams showing our Group’s structure after the Reorganisation and immediately upon completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued upon the exercise of the [REDACTED] or any options that may be granted under the [REDACTED]) are set out in the sub-section headed “*History, Reorganisation and Corporate Structure — Reorganisation*” in this document.

4. Changes in share capital of subsidiaries

Our Company’s subsidiaries are referred to in the Accountants’ Report, the text of which is set out in Appendix I to this document. Save for the subsidiaries mentioned in Appendix I to this document, our Company has no other subsidiaries.

Save as mentioned in the section headed “History, Reorganisation and Corporate Structure” of this document, there was no material change in the share capital of the major subsidiaries of our Company during the two years immediately preceding the date of this document.

5. Written resolutions of our Shareholders passed on [●]

Pursuant to the written resolutions of our Shareholders passed on [●], among other things, subject to the conditions set forth in the section headed “*Structure and Conditions of the [REDACTED]*” in this document being fulfilled or waived (if applicable):

- (a) our Company approved and adopted the Memorandum of Association and Articles of Association, the terms of which are summarised in Appendix III to this document, with effect upon the [REDACTED];
- (b) the [REDACTED] and the [REDACTED] were approved and our Directors or any committee of the Board were authorised to (i) allot and issue the [REDACTED] to rank *pari passu* with the then existing Shares in all respects; (ii) implement the [REDACTED] and the [REDACTED]; and (iii) do all things and execute all documents in connection with or incidental to the [REDACTED] and the [REDACTED] with such amendments or modifications (if any) as our Directors may consider necessary or appropriate;

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- (c) conditional on the share premium account of our Company being credited as a result of the issue of the [REDACTED] pursuant to the [REDACTED], our Directors were authorised to capitalise HK\$[REDACTED] standing to the credit of the share premium account of our Company and apply such sum to pay up in full at par a total of [REDACTED] Shares for allotment and issue to the holders of Shares on the register of members of our Company at the close of business on [●] (or as they may direct) in proportion to their respective shareholdings (save that no Shareholder shall be entitled to be allotted or issued any fraction of a Share), and the Shares to be allotted and issued pursuant to this resolution shall rank *pari passu* in all respects with the existing issued Shares (other than the right to participate in the [REDACTED]), and our Directors were authorised to give effect to such capitalisation;
- (d) the rules of the [REDACTED], the principal terms of which are set out in the subsection headed “D. [REDACTED]” in this Appendix, were approved and adopted and our Directors or any committee of the Board were authorised, subject to the terms and conditions of the [REDACTED], to implement the [REDACTED], to grant options to subscribe for Shares thereunder and to allot, issue and deal with the Shares pursuant to the exercise of options that may be granted under the [REDACTED] and to take all such steps as may be necessary, desirable or expedient to implement the [REDACTED];
- (e) a general unconditional mandate was given to our Directors to exercise all the powers of our Company to allot, issue and deal with, otherwise than by way of rights issues or an issue of Shares upon the exercise of any subscription rights attached to any warrants of our Company or the exercise of the [REDACTED] or pursuant to the exercise of any options that may be granted under the [REDACTED] or under any other share scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of our Company and/or any of our subsidiaries of shares or rights to acquire shares or any scrip dividend schemes or similar arrangements providing for the allotment and issue of shares of our Company in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association or a specific authority granted by our Shareholders in general meeting, such number of Shares not exceeding (i) [REDACTED] of the aggregate number of our issued Shares (excluding treasury shares) as enlarged by the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued upon the exercise of the [REDACTED] or any options which may be granted under the [REDACTED]); and (ii)

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the aggregate number of our issued Shares repurchased under the Repurchase Mandate as defined in paragraph (f) below. Such mandate shall remain in effect until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of our Company;
 - (ii) the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles of Association or any other applicable laws of the Cayman Islands; or
 - (iii) the passing of an ordinary resolution by our Shareholders in general meeting revoking, varying or renewing such mandate;
- (f) a general unconditional mandate (the “**Repurchase Mandate**”) was given to our Directors to exercise all powers of our Company to repurchase on the Stock Exchange or on any other stock exchange on which the securities of our Company may be [REDACTED] and which is recognised by the SFC and the Stock Exchange for this purpose, such number of Shares as will represent up to [REDACTED] of the aggregate number of our issue Shares (excluding treasury shares) immediately following the completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued upon the exercise of the [REDACTED] or any options which may be granted under the [REDACTED]), such mandate shall remain in effect until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of our Company;
 - (ii) the expiration of the period within which the next annual general meeting of our Company is required to be held by the Articles of Association or any other applicable laws of the Cayman Islands; or
 - (iii) the passing of an ordinary resolution by our Shareholders in general meeting revoking, varying or renewing such mandate; and
- (g) the general unconditional mandate mentioned in paragraph (e) above was extended by the addition to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted, issued or dealt with (including the sale or transfer of treasury shares) by our Directors pursuant to such general mandate representing the aggregate number of Shares repurchased by our Company pursuant to the Repurchase Mandate referred to in paragraph (f) above provided that such extended amount shall not exceed [REDACTED] of the aggregate number of our issued Shares (excluding treasury shares) immediately following the completion of the [REDACTED] and the [REDACTED], excluding any Shares which may be allotted and issued upon the exercise of the [REDACTED] or any options that may be granted under the [REDACTED].

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6. Repurchase by our Company of its own securities

This paragraph includes information required by the Stock Exchange to be included in this document concerning the repurchase by our Company of its own securities.

(a) Provisions of the GEM Listing Rules

The GEM Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders’ approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company listed on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders in a general meeting, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to the written resolutions passed by our Shareholders on [●], the Repurchase Mandate was granted to our Directors authorising them to exercise all powers of our Company to purchase the Shares as described above in the paragraph headed “A. Further information about our Company — 5. Written resolutions of our Shareholders passed on [●]” in this Appendix.

(b) Source of funds

Any repurchases must be financed out of funds legally available for such purpose in accordance with the Memorandum of Association and Articles of Association, the GEM Listing Rules and any applicable laws of the Cayman Islands. A listed company is prohibited from repurchasing its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the GEM Listing Rules from time to time.

Under the laws of the Cayman Islands, any repurchases by our Company may be made out of profits of our Company or the share premium account of our Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorised by the Articles of Association and subject to the Cayman Companies Act, out of capital and, in case of any premium payable on the repurchase, out of profits of our Company or from sums standing to the credit of the share premium accounts of our Company, or if authorised by the Articles of Association and subject to the Cayman Companies Act, out of capital.

(c) Core connected persons

Under the GEM Listing Rules, a company shall not knowingly repurchase Shares from a core connected person (as defined in the GEM Listing Rules) and a core connected person shall not knowingly sell his/her/its Shares to our Company on GEM.

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(d) Trading restrictions

The total number of Shares which our Company may repurchase on the Stock Exchange is the number of Shares representing up to a maximum of [REDACTED] of the aggregate number of Shares in issue (excluding treasury shares). Our Company may not issue or sell or transfer any treasury shares or announce a proposed issue of new Shares or a sale or transfer of any treasury shares for a period of 30 days immediately following a repurchase without the prior approval of the Stock Exchange. In addition, our Company is prohibited from repurchasing its Shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its Shares were traded on GEM. The GEM Listing Rules also prohibit our Company from repurchasing its securities if the repurchase would result in the number of [REDACTED] which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. Our Company is required to procure that the broker appointed by us to effect a repurchase of Shares discloses to the Stock Exchange such information with respect to the repurchase made on behalf of our Company as the Stock Exchange may require.

(e) Status of repurchased Shares

The Shares repurchased by our Company shall be held as treasury shares or cancelled. Under the laws of the Cayman Islands, unless, prior to the repurchase our Directors resolve to hold the repurchased Shares as treasury shares, the repurchased Shares (whether on the Stock Exchange or otherwise) shall be treated as automatically cancelled and the relevant certificate must be cancelled and destroyed, and the amount of our Company’s issued share capital shall be diminished by the nominal value of those Shares. However, the repurchase of Shares will not be taken as reducing the amount of the authorised share capital under the laws of the Cayman Islands. The [REDACTED] of all repurchased Shares which are held as treasury shares will be retained.

(f) Suspension of repurchase

Our Company may not make any repurchase of Shares at any time after inside information has come to our knowledge until the information has been made publicly available. In particular, during the period of 30 days immediately preceding the earlier of (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for the approval of our Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the GEM Listing Rules); and (b) the deadline for publication of an announcement of our Company’s results for any year or half-year under the GEM Listing Rules, or quarterly or any other interim period (whether or not required under the GEM Listing Rules), until the date of the results announcement, our Company may not repurchase Shares on the Stock Exchange unless there are exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of Shares on the Stock Exchange if our Company has breached the GEM Listing Rules.

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(g) Reporting requirements

Certain information relating to repurchases of Shares on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following business day. In addition, our Company’s annual report is required to disclose details regarding repurchases of Shares made during the financial year, including a monthly breakdown of the number of Shares repurchased (each month whether on the Stock Exchange or otherwise), the purchase price per Share or the highest and lowest price paid for all such repurchases, where relevant, and the aggregate price paid. Our Directors’ report is also required to contain reference to the repurchase made during the year and our Directors’ reasons for making such repurchase.

(b) Exercise of the Repurchase Mandate

Exercise in full of the Repurchase Mandate, on the basis of [REDACTED] Shares in issue immediately after [REDACTED] (without taking into account any Shares which may be allotted and issued upon the exercise of the [REDACTED] or any options that may be granted under the [REDACTED]), could accordingly result in up to [REDACTED] Shares being repurchased by our Company during the period in which the Repurchase Mandate remains in force.

(c) Reasons for repurchases

Repurchases of Shares will only be made when our Directors believe that such a repurchase will benefit our Company and Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share.

(d) Funding of repurchases

In repurchasing Shares, our Company may only apply funds legally available for such purpose in accordance with our Memorandum of Association and Articles of Association, the GEM Listing Rules and the applicable laws and regulations of the Cayman Islands.

On the basis of the current financial position of our Group as disclosed in this document and taking into account the current working capital position of our Group, our Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Group as compared with the position disclosed in this document. Our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Group or the gearing levels which in the opinion of our Directors are from time to time appropriate for our Group.

(e) General

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to sell any Shares to our Company.

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Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules, our Memorandum and Articles, the Cayman Companies Act and the applicable laws of the Cayman Islands.

No core connected person of our Company has notified our Company that he/she/it has a present intention to sell Shares to our Company, or has undertaken not to do so, in the event that the Repurchase Mandate is exercised.

If as a result of a repurchase of Shares, a Shareholder’s proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder’s interest, could obtain or consolidate control of our Company and become(s) obliged to make a mandatory [REDACTED] in accordance with Rule 26 of the Takeovers Code. Save as the aforesaid, our Directors are not aware of any consequence which would arise under the Takeovers Code due to any repurchase made pursuant to the Repurchase Mandate immediately after the [REDACTED].

Our Directors will not exercise the Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falling below [REDACTED] of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum [REDACTED] shareholding under the GEM Listing Rules).

B. FURTHER INFORMATION ABOUT THE BUSINESS OF OUR GROUP

1. Summary of material contracts

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

- (a) the Deed of Non-Competition;
- (b) the Deed of Indemnity;
- (c) the [REDACTED];
- (d) [REDACTED] agreement dated [REDACTED] (as supplemented and modified by a supplemental agreement dated [REDACTED]) entered into between Savewo Limited and [REDACTED] in relation to the [REDACTED] of [REDACTED] ordinary shares of Savewo Limited by [REDACTED] as [REDACTED] for a cash consideration of HK\$[REDACTED];
- (e) [REDACTED] agreement dated [REDACTED] (as supplemented and modified by a supplemental agreement dated [REDACTED]) entered into between Savewo Limited and [REDACTED] in relation to the [REDACTED] of [REDACTED] ordinary shares of Savewo Limited by [REDACTED] as [REDACTED] for a cash consideration of HK\$[REDACTED];

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- (f) a subscription agreement dated 26 February 2026 (as supplemented and modified by a supplemental agreement dated 11 May 2026) entered into between Savewo Limited and [REDACTED] in relation to the subscription of [REDACTED] ordinary shares of Savewo Limited by [REDACTED] as subscriber for a cash consideration of HK\$[REDACTED];
- (g) a subscription agreement dated 2 March 2026 (as supplemented and modified by a supplemental agreement dated 11 May 2026) entered into between Savewo Limited and [REDACTED] in relation to the subscription of [REDACTED] ordinary shares of Savewo Limited by [REDACTED] as subscriber for a cash consideration of HK\$[REDACTED];
- (h) the instrument of transfer and bought and sold notes dated 12 March 2026 entered into between Savewo Limited as transferor and [REDACTED] as transferee in respect of the transfer of [REDACTED] ordinary shares of Free 8, representing the entire issued share capital of Free 8 as at the date of the transfer, by Savewo Limited to [REDACTED] for a cash consideration of HK\$[REDACTED];
- (i) the sale and purchase agreement dated 2 June 2026 entered into between Ms. Choi and Mr. Ding as vendors and Savewo Limited as purchaser in relation to: (i) the sale by Ms. Choi and purchase by Savewo Limited of 5,000 ordinary shares of each of Savewo International, Savewo HK, Savewo Retail and Savewo Distribution, in each case for a cash consideration of HK\$1; and (ii) the sale by Mr. Ding and purchase by Savewo Limited of 5,000 ordinary shares of each of Savewo International, Savewo HK, Savewo Retail and Savewo Distribution, in each case for a cash consideration of HK\$1; and
- (j) the instrument of transfer and bought and sold notes dated 9 June 2026 entered into between Ms. Choi as transferor and Savewo Holdings as transferee in respect of the transfer of 5,000 ordinary shares of Savewo Limited by Ms. Choi to Savewo Holdings in consideration of our Company allotting and issuing to Water Fun 499,970 new Shares, credited as fully paid;
- (k) the instrument of transfer and bought and sold notes dated 9 June 2026 entered into between Mr. Ding as transferor and Savewo Holdings as transferee in respect of the transfer of 5,000 ordinary shares of Savewo Limited by Mr. Ding to Savewo Holdings in consideration of our Company allotting and issuing to Index PI 499,970 new Shares, credited as fully paid;
- (l) the instrument of transfer and bought and sold notes dated 9 June 2026 entered into between [REDACTED] as transferor and Savewo Holdings as transferee in respect of the transfer of [REDACTED] ordinary shares of Savewo Limited by [REDACTED] to Savewo Holdings in consideration of our Company allotting and issuing to [REDACTED] [REDACTED] new Shares, credited as fully paid;
- (m) the instrument of transfer and bought and sold notes dated 9 June 2026 entered into between [REDACTED] as transferor and Savewo Holdings as transferee in respect of the transfer of [REDACTED] ordinary shares of Savewo Limited by [REDACTED] to Savewo Holdings in consideration of our Company allotting and issuing to [REDACTED] [REDACTED] new Shares, credited as fully paid;

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- (n) the instrument of transfer and bought and sold notes dated 9 June 2026 entered into between [REDACTED] as transferor and Savewo Holdings as transferee in respect of the transfer of [REDACTED] ordinary shares of Savewo Limited by [REDACTED] to Savewo Holdings in consideration of our Company allotting and issuing to [REDACTED] [REDACTED] new Shares, credited as fully paid; and
- (o) the instrument of transfer and bought and sold notes dated 9 June 2026 entered into between [REDACTED] as transferor and Savewo Holdings as transferee in respect of the transfer of [REDACTED] ordinary shares of Savewo Limited by [REDACTED] to Savewo Holdings in consideration of our Company allotting and issuing to [REDACTED] [REDACTED] new Shares, credited as fully paid.

2. Intellectual property rights of our Group

(a) Patents

As at the Latest Practicable Date, our Group was the registered owner of and had the right to use the following patents which we consider to be or may be material to our business^(Note):

	Registration number	Patent name/ Title of invention	Jurisdiction	Owner/ Proprietor	Registration date/ Grant date	Expiry date/ Renewal due date
1.	HK30071367	A filter valve and a mask	Hong Kong	Savewo HK	4 November 2022	24 August 2026
2.	HK30088732	A power battery	Hong Kong	Savewo HK	29 September 2023	3 July 2027
3.	ZL202321711703.6	Power battery	PRC	Savewo HK	28 November 2023	3 July 2033
4.	ZL202520499079.0	Mobile phone lanyard-type charging cable	PRC	Savewo HK	27 March 2026	20 March 2035
5.	US-20250015457-A1	Power battery	United States	Savewo HK	9 January 2025	6 June 2044
6.	3251944	Strap-type charging cable for mobile phones	Japan	Savewo HK	2 July 2025	14 May 2035

Note: In addition to the patents set out above, as at the Latest Practicable Date, there was/were certain patent(s) registered in the name of Mr. Ding and/or his wholly owned companies which Mr. Ding had undertaken to transfer or assign (or cause to be transferred or assigned) to our Group at a nominal consideration.

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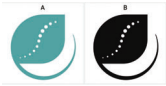
(b) Designs

As at the Latest Practicable Date, our Group was the registered owner of and had the right to use the following designs which we consider to be or may be material to our business:

	Registration number	Article/ design name	Jurisdiction	Owner/ Proprietor	Registration date	Expiry date/ Renewal due date
1.	2220692.6	Buckle for head strips to fix a mask or a face mask	Hong Kong	Sawewo HK	9 November 2022	8 November 2027
2.	2220691.4	Mask	Hong Kong	Sawewo HK	9 November 2022	8 November 2027
3.	2119211.3	Mask	Hong Kong	Sawewo HK	22 December 2021	21 December 2026
4.	2117892.4	Mask	Hong Kong	Sawewo HK	21 April 2021	20 April 2031
5.	2117735.3M002	Mask	Hong Kong	Sawewo HK	22 March 2021	21 March 2031
6.	2117735.3M001	Mask	Hong Kong	Sawewo HK	22 March 2021	21 March 2031
7.	ZL202130329146.1	Mask	PRC	Sawewo HK	10 December 2021	31 May 2031
8.	ZL202130237840.0	Mask	PRC	Sawewo HK	27 August 2021	23 April 2031
9.	ZL202130238241.0	Mask	PRC	Sawewo HK	27 August 2021	23 April 2031
10.	ZL202530067098.1	Cane (MasterCane MC-CF1)	PRC	Sawewo HK	30 September 2025	17 February 2040
11.	ZL202030518309.6	Mask	PRC	Sawewo HK	22 January 2021	3 September 2035

(c) Trademarks

As at the Latest Practicable Date, our Group was the registered owner of and had the right to use the following trademarks which we consider to be or may be material to our business^(Notes):

	Trademark	Trademark number	Class(es)	Jurisdiction	Owner/ Proprietor	Registration date	Expiry date/ Renewal due date
1.		305548285	5, 9, 10, 11, 16, 35	Hong Kong	Sawewo HK	1 March 2021	28 February 2031
2.		305548429	10, 16, 35	Hong Kong	Sawewo HK	1 March 2021	28 February 2031
3.		305590927	9, 10, 16, 35	Hong Kong	Sawewo HK	13 April 2021	12 April 2031
4.		305986414	10, 16, 35	Hong Kong	Sawewo HK	16 June 2022	15 June 2032

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	Trademark	Trademark number	Class(es)	Jurisdiction	Owner/ Proprietor	Registration date	Expiry date/ Renewal due date
5.		306397363	5	Hong Kong	Sawewo HK	10 November 2023	9 November 2033
6.		304513860	18	Hong Kong	Sawewo HK	3 May 2018	2 May 2028
7.		69738446	7	PRC	Sawewo HK	14 January 2024	13 January 2034
8.		69725938	9	PRC	Sawewo HK	21 October 2023	20 October 2033
9.		73482982	9	PRC	Sawewo HK	28 February 2024	27 February 2034
10.		77423670	9	PRC	Sawewo HK	7 September 2024	6 September 2034
11.		69738819	28	PRC	Sawewo HK	21 October 2023	20 October 2033
12.		55486009	5	PRC	Sawewo HK	7 January 2022	6 January 2032
13.		55473651	9	PRC	Sawewo HK	7 November 2021	6 November 2031
14.		55465364	10	PRC	Sawewo HK	7 November 2021	6 November 2031
15.		54647194	11	PRC	Sawewo HK	7 March 2022	6 March 2032
16.		54658258	16	PRC	Sawewo HK	7 March 2022	6 March 2032
17.		54666094	35	PRC	Sawewo HK	7 March 2022	6 March 2032
18.		69743786	7	PRC	Sawewo HK	7 January 2024	6 January 2034
19.		69730784	12	PRC	Sawewo HK	14 November 2024	13 November 2034
20.		69732277	28	PRC	Sawewo HK	7 January 2024	6 January 2034
21.		74574394	9	PRC	Sawewo HK	28 May 2025	27 May 2035

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	Trademark	Trademark number	Class(es)	Jurisdiction	Owner/ Proprietor	Registration date	Expiry date/ Renewal due date
22.		87957077	5	PRC	Savewo HK	14 May 2026	13 May 2036
23.		65376078	10	PRC	Savewo HK	7 December 2022	6 December 2032
24.		65382548	16	PRC	Savewo HK	7 December 2022	6 December 2032
25.		65370598	35	PRC	Savewo HK	7 December 2022	6 December 2032
26.		N/193395	5	Macau	Savewo HK	9 June 2022	9 June 2029
27.		N/193396	9	Macau	Savewo HK	9 June 2022	9 June 2029
28.		N/193397	10	Macau	Savewo HK	9 June 2022	9 June 2029
29.		N/193398	11	Macau	Savewo HK	9 June 2022	9 June 2029
30.		N/193399	16	Macau	Savewo HK	9 June 2022	9 June 2029
31.		N/193400	35	Macau	Savewo HK	9 June 2022	9 June 2029
32.		7,292,200	10, 35	United States	Savewo HK	30 January 2024	30 January 2034
33.		7,666,936	5	United States	Savewo HK	28 January 2025	28 January 2035
34.		7,540,240	10	United States	Savewo HK	22 October 2024	22 October 2034

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	Trademark	Trademark number	Class(es)	Jurisdiction	Owner/ Proprietor	Registration date	Expiry date/ Renewal due date
35.		7,540,655	5,9,11,16,35	United States	Savewo HK	22 October 2024	22 October 2034
36.		8,124,298	12	United States	Savewo HK	3 February 2026	3 February 2036
37.		6730213	18	Japan	Savewo HK	25 August 2023	25 August 2033
38.		6654477	10, 16, 35	Japan	Savewo HK	20 December 2022	20 December 2032
39.		6726403	7, 12, 18	Japan	Savewo HK	14 August 2023	14 August 2033
40.		7048451	9, 12	Japan	Savewo HK	26 May 2026	26 May 2036
41.		19256843	5	European Union	Savewo HK	20 March 2026	6 October 2035
42.		19256846	7, 9, 12	European Union	Savewo HK	20 March 2026	6 October 2035
43.		18645543	5, 9, 10, 11, 16, 35	European Union	Savewo HK	31 May 2022	28 January 2032
44.		402021320105	5, 9, 10, 11, 16, 35	Singapore	Savewo HK	12 September 2022	31 December 2031
45.		6575293	5, 9, 10, 11, 16, 35	Japan	Savewo HK	21 June 2022	21 June 2032
46.		TMA1254858	5, 9, 10, 11, 16, 35	Canada	Savewo HK	9 September 2024	9 September 2034
47.		02238136	5, 9, 10, 11, 16, 35	Taiwan	Savewo HK	16 July 2022	15 July 2032

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	Trademark	Trademark number	Class(es)	Jurisdiction	Owner/ Proprietor	Registration date	Expiry date/ Renewal due date
48.		02411393	9	Taiwan	Savewo HK	1 November 2024	31 October 2034
49.		02490434	7, 9, 12	Taiwan	Savewo HK	16 October 2025	15 October 2035
50.		IDM001038154	5, 9, 10, 11, 16, 35	Indonesia	Savewo HK	15 December 2022	10 February 2032
51.		UK00003749273	5, 9, 10, 11, 16, 35	United Kingdom	Savewo HK	22 April 2022	31 January 2032
							
52.		2245674	5, 9, 10, 11, 16, 35	Australia	Savewo HK	7 December 2022	31 January 2032
53.		40-2118341	5	South Korea	Savewo HK	27 November 2023	27 November 2033
54.		40-2118346	9	South Korea	Savewo HK	27 November 2023	27 November 2033
55.		402079691	10	South Korea	Savewo HK	7 September 2023	7 September 2033
56.		402079695	11	South Korea	Savewo HK	7 September 2023	7 September 2033
57.		402079700	16	South Korea	Savewo HK	7 September 2023	7 September 2033
58.		402079702	35	South Korea	Savewo HK	7 September 2023	7 September 2033

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Notes:

1. In addition to the above trademarks held by our Group, as at the Latest Practicable Date, applications for the deregistration of certain trademarks which were registered under the name of Savewo HK in the PRC had been submitted to the China National Intellectual Property Administration* (中國國家知識產權局) (the “CNIPA”) on 8 May 2026. Our Group has obtained the legal opinion issued by W&H Law Firm (Guangzhou)* (北京煒衡(廣州)律師事務所), which has confirmed that, based on the circumstances existing as at the date of the opinion, there would be no substantive legal impediment to the said applications for the deregistration of the trademarks or any risks of failure of such deregistration applications, and that it was expected that the said applications would successfully pass the examination(s) being conducted by the CNIPA.
2. In addition to the above trademarks held by our Group, as at the Latest Practicable Date, there was/were certain trademark(s) registered in the name of Mr. Ding and/or his wholly owned companies, which Mr. Ding had undertaken to transfer or assign (or cause to be transferred or assigned) to our Group at a nominal consideration.

Trademark applications

As at the Latest Practicable Date, our Group has also applied for the registration of the following trademarks which we consider to be or may be material to our business:

	Trademark	Application number	Class(es)	Jurisdiction	Applicant
1.		87940820	7	PRC	Savewo HK
2.		87953578	9	PRC	Savewo HK
3.		87957107	18	PRC	Savewo HK

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(d) *Domain name(s)*

As at the Latest Practicable Date, our Group has registered the following domain names which we consider to be material to our business:

Domain Name	Registrant/ Owner	Registration Date	Expiry Date
Sawewo.com	Sawewo HK	23 February 2020	23 February 2029
Sawewo.cn	Sawewo HK	19 March 2020	20 March 2029
Sawewo.uk	Sawewo HK	25 November 2021	26 November 2026
Sawewo.us	Sawewo HK	25 November 2021	26 November 2026
Sawewo.co.nz	Sawewo HK	25 November 2021	26 November 2026
Sawewo.co.uk	Sawewo HK	25 November 2021	26 November 2026
Sawewo.jp	Sawewo HK	16 December 2024	31 December 2026
Sawewo.tw	Sawewo HK	4 January 2024	4 January 2027
Sawewo.de	Sawewo HK	4 January 2024	4 January 2027
Sawewo.com.au	Sawewo HK	16 August 2022	16 August 2027
Rainec.com	Sawewo HK	11 April 2018	12 April 2028
Rainec.cn	Sawewo HK	11 April 2018	12 April 2028
Healthchair.com	Sawewo HK	17 May 2023	1 April 2027

Save as disclosed herein, as at the Latest Practicable Date, there were no other trade or service marks, patents, copyrights, other intellectual property rights which we consider to be or may be material to the business of our Group.

C. FURTHER INFORMATION ABOUT DIRECTORS, MANAGEMENT AND STAFF

1. Directors

(a) *Disclosure of interests of Directors and chief executive*

So far as our Directors are aware, immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted and issued upon the exercise of the [REDACTED] or any options which may be granted under the [REDACTED]), the interests and short positions of our Directors and chief executive(s) of our Company in the Shares, underlying shares and debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or

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deemed to have taken under such provisions), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which will be required to be notified to our Company and the Stock Exchange pursuant to of the GEM Listing Rules, will be as follows:

Long position in the Shares

Name of Director/ chief executive	Capacity/Nature of interest	Number of Shares immediately following the [REDACTED] and the [REDACTED]	Approximate percentage of shareholding in our Company immediately following the [REDACTED] and the [REDACTED] (Note 1)
		[REDACTED]	[REDACTED]
Ms. Choi	Interest in controlled corporation, concert party to an agreement to acquire interest in voting shares of our Company as described in section 317(1)(a) of the SFO (Notes 2 and 4)	[REDACTED]	[REDACTED]
Mr. Ding	Interest in controlled corporation, concert party to an agreement to acquire interest in voting shares of our Company as described in section 317(1)(a) of the SFO (Notes 3 and 4)	[REDACTED]	[REDACTED]

Notes:

1. Assuming the [REDACTED] is not exercised.
2. Immediately following the [REDACTED] and the [REDACTED], Water Fun will be the beneficial owner of [REDACTED] Shares. As at the Latest Practicable Date, the entire issued share capital of Water Fun is legally and beneficially owned by Ms. Choi, so that Ms. Choi is deemed to be interested in the Shares in which Water Fun is interested in by virtue of Part XV of the SFO.
3. Immediately following the [REDACTED] and the [REDACTED], Index PI will be the beneficial owner of [REDACTED] Shares. As at the Latest Practicable Date, the entire issued share capital of Index PI is legally and beneficially owned by Mr. Ding, so that Mr. Ding is deemed to be interested in the Shares in which Mr. Ding is interested in by virtue of Part XV of the SFO.
4. Pursuant to the Acting in Concert Confirmation and by virtue of Part XV of the SFO, each of Ms. Choi and Mr. Ding is deemed to be interested in the total number of Shares held by Water Fun and Index PI.

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(b) *Particulars of service contracts*

Executive Directors

Each of our executive Directors has entered into a service contract with our Company for an initial term of three years commencing from the [REDACTED], which shall be renewable automatically for successive terms of three years each commencing from the day next after the expiry of the then current term of appointment, subject to re-election by our Shareholders in the next annual general meeting of our Company and rotation, removal, vacation or termination as set out in the Articles of Association and/or the GEM Listing Rules, or the termination of such service contract in accordance with its terms. Commencing from the [REDACTED], each of our executive Directors is entitled to a service fee as set out below, equal semi-annual instalments in the last month of each half of our Company’s financial year, subject to review by the remuneration committee of our Board from time to time:

Name of executive Director	Amount per annum (HK\$)
Ms. Choi	480,000
Mr. Ding	480,000

Each of our executive Directors may also be entitled to, if so recommended by the remuneration committee and approved by our Board at its absolute discretion, a discretionary bonus or other non-cash benefits, the amount of which shall be determined with reference to, among other things, the operating results of our Group and the performance of the executive Director, provided that the relevant executive Director shall abstain from voting and not be counted in the quorum in respect of any resolution of our Board approving the amount of remuneration, discretionary bonus and any other benefits payable to him or her.

Independent non-executive Directors

Each of our independent non-executive Directors has entered into a letter of appointment with our Company for an initial term of three years commencing from the [REDACTED], subject to re-election by our Shareholders in the next annual general meeting of our Company and rotation, removal, vacation or termination as set out in the Articles of Association and/or the GEM Listing Rules, or the termination of such letter of appointment in accordance with its terms. Commencing from the [REDACTED], each of our independent non-executive Directors will be entitled to a service fee as set out below, equal semi-annual instalments in the last month of each half of our Company’s financial year, subject to review by the remuneration committee of our Board from time to time:

	Amount per annum (HK\$)
Mr. Lai Tsz Kit Danny	100,000
Ir. Daniel Lai, BBS, JP	100,000
Mr. Chan But Ping	100,000

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During the Track Record Period, no emolument was paid by our Group to any of our Directors or past directors or the five highest paid individuals (including Directors and employees) as an inducement to join or upon joining our Group or as compensation for loss of office. Further, none of our Directors waived any emoluments during the same periods.

The appointments of our executive Directors and independent non-executive Directors are subject to the provisions of retirement by rotation of directors under the Articles of Association.

Save as disclosed above, none of our Directors has or is proposed to enter into a service contract or letter of appointment with our Company or any of our subsidiaries (other than contracts expiring or determinable by our Group within one year without the payment of compensation (other than statutory compensation)).

(c) Directors’ remuneration

Our Company’s policies concerning the remuneration of our Directors are as follows:

- (a) the amount of remuneration payable to our executive Directors will be determined on a case by case basis depending on the experience, responsibility, workload and the time devoted to our Group by the relevant Director;
- (b) non-cash benefits may be provided to our Directors under their remuneration package; and
- (c) our executive Directors may be granted, at the discretion of our Board, share options of our Company, as part of the remuneration package.

For the aggregate amounts of remuneration (including fees, salaries, allowances and benefits in kind, discretionary bonus and/or contributions to defined contribution plan, as applicable) which were paid by our Group to our Directors for FY2025 and FY2026, please refer to note 12 to the Accountants’ Report set out in Appendix III to this document.

An aggregate sum of approximately HK\$[●] is expected to be paid to our Directors (including the independent non-executive Directors) as Directors’ fees and other emoluments by our Group for the year ending 31 March 2027 under the arrangements in force as at the date of this document.

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2. Substantial shareholders

So far as our Directors are aware, immediately following the completion of the [REDACTED] and the [REDACTED] and without taking into account any Shares which may be allotted and issued upon the exercise of the [REDACTED] or any option that may be granted under the [REDACTED], the following persons/entities (not being our Directors or chief executive) will have an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of our Company required to be kept under section 336 of the SFO, or who will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company or any other members of our Group:

Long position in the Shares

Name	Capacity/nature of interest	As at the Latest Practicable Date Number of Shares held	Approximate percentage of shareholding in our Company	Immediately after completion of the [REDACTED] and the [REDACTED] ^(Note 1)	
				Number of Shares held	Approximate percentage of shareholding in our Company
Water Fun	Beneficial owner, concert party to an agreement to acquire interest in voting shares of our Company as described in section 317(1)(a) of the SFO ^(Note 2)	1,000,040	[92.0]%	[REDACTED]	[REDACTED]
Index PI	Beneficial owner, concert party to an agreement to acquire interest in voting shares of our Company as described in section 317(1)(a) of the SFO ^(Note 2)	1,000,040	[92.0]%	[REDACTED]	[REDACTED]
Mr. Wong ^(Note 3)	Interest of spouse	1,000,040	[92.0]%	[REDACTED]	[REDACTED]

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Notes:

- (1) Assuming the [REDACTED] is not exercised.
- (2) As at the Latest Practicable Date (a) the entire issued share capital of Water Fun is legally and beneficially owned by Ms. Choi; and (b) the entire issued share capital of Index PI is legally and beneficially owned by Mr. Ding. Immediately following the [REDACTED] and the [REDACTED], Water Fun and Index PI will be the beneficial owner of [REDACTED] Shares and [REDACTED] Shares, respectively. By virtue of Part XV of the SFO and pursuant to the Acting in Concert Confirmation, Water Fun (being wholly owned by Ms. Choi), Ms. Choi, Index PI (being wholly owned by Mr. Ding) and Mr. Ding, being our Controlling Shareholders, are all deemed to be interested in the total number of Shares held by Water Fun and Index PI.
- (3) Mr. Wong is the spouse of Ms. Choi and he is deemed to be interested in the Shares in which Ms. Choi is interested or deemed to be interested by virtue of Part XV of the SFO.

3. Related party transactions

Our Group entered into the related party transactions within the two years immediately preceding the date of this document as mentioned in note 34 of the Accountants’ Report set out in Appendix I to this document.

4. Disclaimers

Save as disclosed in this Appendix and the sections headed “*Substantial Shareholders*” and “*Relationship with Controlling Shareholders*” of this document:

- (a) our Directors are not aware of any person who immediately following the completion of the [REDACTED] and the [REDACTED] (without taking account of any Shares which may be taken up or acquired under the [REDACTED] or any Shares which may be allotted and issued upon the exercise of any options that may be granted under the [REDACTED]) will have an interest or short position in the Shares and underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who is, either directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of our Company or any other members of our Group;
- (b) none of our Directors and chief executive of our Company has for the purposes of Divisions 7 and 8 of Part XV of the SFO or the GEM Listing Rules, nor is any of them taken to or deemed to have under Divisions 7 and 8 of Part XV of the SFO, an interest or short position in the shares, underlying shares and debentures of our Company or any associated corporations (within the meaning of the SFO) or any interests which will have to be entered in the register to be kept by our Company pursuant to section 352 of the SFO or which will be required to be notified to our Company and the Stock Exchange pursuant to Chapter 5 of the GEM Listing Rules once the Shares are [REDACTED] on the Stock Exchange;
- (c) none of our Directors nor the experts named in “*E. Other information — 6. Qualifications of experts*” in this Appendix has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately

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preceding the issue of this document, acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group nor will any Director apply for the [REDACTED] either in his/her name or in the name of a nominee;

- (d) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group;
- (e) none of the experts named in “*E. Other information — 6. Qualifications of experts*” in this Appendix has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group; and
- (f) none of our Directors, their close associate or any shareholders of our Company (which to the knowledge of our Directors owns more than 5% of our Company’s issued capital) has any interest in our Group’s five largest suppliers and five largest customers in each of FY2025 and FY2026.

D. [REDACTED]

1. Summary of terms

The following is a summary of the principal terms of the [REDACTED] conditionally approved by our Shareholders on [●].

(i) *Purpose of the [REDACTED]*

The purpose of the [REDACTED] is to motivate Eligible Participants (as set out in paragraph (ii) below) to optimise their future contributions to our Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with Eligible Participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group, and additionally in the case of Employee Participants (as set out in paragraph (ii) below) and Related Entity Participants (as set out in paragraph (ii) below), to enable our Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

(ii) *Who may join*

Subject to the provisions in the [REDACTED], the Board shall be entitled at any time within the period of ten (10) years after the date of adoption of the [REDACTED] to make an [REDACTED] to any of the following classes of persons (“**Eligible Participant(s)**”):

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- (1) any director(s) (including executive, non-executive and independent non-executive directors) and employee(s) (whether full-time or part-time) of our Group (including persons who are granted Shares or the options under the [REDACTED] as inducement to enter into employment contracts with our Company or its subsidiaries) (“**Employee Participant(s)**”);
- (2) any director(s) and employee(s) of the holding companies, fellow subsidiaries or associated companies of our Company (“**Related Entity Participant(s)**”); and
- (3) any person (whether a natural person, a corporate entity or otherwise) who provides services to our Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of our Group, including independent contractor(s), consultant(s) and/or advisor(s) for research and development, product commercialization, marketing, innovation upgrading, strategic/commercial planning on corporate image and investor relations in investment environment of our Company but excluding any [REDACTED] agent(s) or financial adviser(s) providing advisory services for fundraising, mergers or acquisitions, and auditor(s) or valuer(s) (“**Service Provider(s)**”).

The Board may consider various factors to determine the basis of eligibility of the potential Eligible Participant, including but not limited to the performance, length of engagement and contribution to our Group.

(iii) Maximum number of Shares

- (1) The maximum number of Shares which may be issued (and, together with treasury Shares which may be sold or transferred, as applicable) upon exercise of all options to be granted under the [REDACTED] and any other schemes of our Company shall not in aggregate exceed 10% of the Shares in issue (excluding treasury Shares) as at the [REDACTED] (the “**Scheme Mandate Limit**”) (inclusive of Shares representing 1% of the total number of Shares in issue (excluding treasury Shares), being the maximum number of options which may be granted to Service Providers under the [REDACTED] (the “**Service Provider Sublimit**”)); provided that our Company may at any time as the Board may think fit seek approval from our Shareholders to refresh the [REDACTED] Mandate Limit (inclusive of the Service Provider Sublimit). Options previously granted under the [REDACTED] or any other schemes of our Company lapsed in accordance with the terms of the [REDACTED] or any other schemes of our Company will not be counted for the purpose of calculating the [REDACTED] Mandate Limit and/or the Service Provider Sublimit (as the case may be).
- (2) Our Company may seek approval of our Shareholders in general meeting to refresh the [REDACTED] Mandate Limit (inclusive of the Service Provider Sublimit) such that the maximum number of Shares which may be issued (and, together with treasury Shares which may be sold or transferred, as applicable) upon exercise of all options to be granted under the [REDACTED] (inclusive of the Service Provider Sublimit) and any other schemes of our Company (as adopted from time to time), shall not exceed [REDACTED] of the Shares in issue

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(excluding treasury Shares) as at the date of the approval by our Shareholders in general meeting where the [REDACTED] Mandate Limit (inclusive of the Service Provider Sublimit) is refreshed (the “**Renewal Limit**”), provided that options previously granted under the [REDACTED] or any other [REDACTED] or share award schemes of our Company (including options outstanding, cancelled, lapsed in accordance with the terms of the [REDACTED] or any other schemes of our Company or exercised options) will not be counted for the purpose of calculating the Renewal Limit.

For the purpose of seeking the approval of our Shareholders for the Renewal Limit, a circular containing the information and the disclaimer as required under the GEM Listing Rules must be sent to our Shareholders.

In the event that our Company seeks approval of our Shareholders in general meeting to renew the [REDACTED] Mandate Limit (inclusive of the Service Provider Sublimit) within 3-year period after the adoption date of the [REDACTED] (or the date of Shareholders’ approval for the last refreshment), any Controlling Shareholders (or Directors (excluding independent non-executive Directors) and the chief executive of our Company if there is no Controlling Shareholder) and their associates must abstain from voting in favour of the relevant resolution at the general meeting and the relevant resolution shall be approved in accordance with the GEM Listing Rules.

- (3) Our Company may seek separate approval of our Shareholders in general meeting for granting options beyond the [REDACTED] Mandate Limit provided that the proposed grantee(s) of such option(s) must be Eligible Participant(s) specifically identified by our Company before such approval is sought and for whom specific approval is obtained. For the purpose of seeking the approval of our Shareholders, our Company must send a circular to our Shareholders containing the name of the specified Eligible Participant(s) who may be granted such options, the number and terms of the options to be granted to each specified Eligible Participant, the purpose of granting such options to the specified Eligible Participants with an explanation as to how the terms of options serve such purpose, the information and the disclaimer as required under the GEM Listing Rules and such further information as may be required from the Stock Exchange from time to time. In respect of any options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the exercise price of such options.

(iv) Maximum entitlement of each Eligible Participant

No option shall be granted to any Eligible Participant if any further grant of options would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options but

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excluding any options lapsed in accordance with the [REDACTED]) in the 12-month period up to and including the date of grant of the options exceeding 1% of the Shares in issue (excluding treasury Shares), unless:

- (1) such further grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 23 of the GEM Listing Rules, by separate approval of our Shareholders in general meeting at which the Eligible Participant and his/her/its close associates (or associates of the Eligible Participant is a connected person) shall abstain from voting in favour of the resolution;
- (2) a circular regarding the further grant has been despatched to our Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 23 of the GEM Listing Rules (including the identity of the Eligible Participant, the number and terms of the options to be granted and options previously granted to such Eligible Participant in the 12-month period, the purpose of granting the options and an explanation as to how the terms of the options serve such purpose); and
- (3) the number and terms (including the exercise price) of such option are fixed before the general meeting of our Company at which the same are approved.

(v) *Grant of options to connected persons*

- (1) The grant of options to a Director, chief executive or Substantial Shareholder of our Company or any of his/her/its respective associates (including discretionary trust in which any connected persons are beneficiary) requires the approval of all our independent non-executive Directors (excluding any independent non-executive Director who is a prospective grantee of the option) and shall comply with the relevant provisions of Chapter 23 of the GEM Listing Rules.
- (2) Where an option is to be granted to a Substantial Shareholder or an independent non-executive Director (or any of his/her/its respective associates), and such grant will result in the Shares issued and to be issued in respect of all options granted pursuant to the [REDACTED] and any other [REDACTED] or share award schemes of our Company (including exercised, cancelled and outstanding options but excluding any options lapsed in accordance with the [REDACTED]) to such Eligible Participant in the 12-month period up to and including the date of such grant exceeding 0.1% of the Shares in issue (excluding treasury Shares) at the relevant time of grant, such grant shall not be valid unless:
 - I. a circular containing the details of the grant has been despatched to our Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 23 of the GEM Listing Rules, including, in particular, (a) details of the number and terms of the options to be granted to such Eligible Participant, which must be fixed before the Shareholders’ meeting and the date of the Board meeting for proposing such further grant is to be taken as the date of grant for the purposes of calculating the exercise price, (b) from the views of the independent non-

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executive Directors (excluding any independent non-executive Director who is the prospective grantee of the option) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of our Company and our Shareholders as a whole, and their recommendation to the independent Shareholders as to voting, (c) information relating to any Directors who are trustees of the [REDACTED] or have a direct or indirect interest in the trustees; and (d) information required under the GEM Listing Rules or by the Stock Exchange; and

- II. the grant has been approved by our Shareholders in accordance with the GEM Listing Rules in general meeting (taken on a poll) at which such Eligible Participant and his/her/its associates and all core connected persons of our Company shall abstain from voting in favour of the grant (unless such person's intention to vote against the proposed grant of option has been stated in the relevant circular).

(vi) Time of acceptance and exercise of an option

An [REDACTED] of grant of an option may be accepted by an Eligible Participant within the date as specified in the [REDACTED] letter issued by our Company, being a date not later than 21 Business Days from the date upon which it is made, by which the Eligible Participant must accept the [REDACTED] or be deemed to have declined it, provided that such date shall not be more than ten (10) years after the date of adoption of the [REDACTED]. The vesting period for an option shall normally not be less than 12 months, except when such option is granted to the Employee Participant(s) at the discretion of the Board (or the remuneration committee of our Company if the grantee is a Director and/or a senior manager of our Company) where (1) the Employee Participant's employment is terminated due to death, disability or any out of control event; (2) the options are granted in batches during a year for administrative and compliance reasons; (3) the options are granted under a mixed vesting schedule which vest evenly over a 12-month period; (4) the options are granted based on performance-based vesting conditions instead of time-based vesting criteria; and (5) any other circumstances under which the Board (or the remuneration committee of our Company) considers it to be fair, reasonable and appropriate to do so.

A consideration of HK\$1.00 is payable on acceptance of the [REDACTED] of grant of an option. Such consideration shall in no circumstances be refundable nor be deemed to be part of the exercise price. An option may be exercised in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) by the grantee at any time before the expiry of the period to be determined and notified by the Board to the grantee which in any event shall not be longer than ten (10) years commencing on the date of the [REDACTED] letter and expiring on the last day of such ten (10)-year period subject to the provisions for early termination as contained in the [REDACTED].

(vii) Performance targets

Unless otherwise determined by the Board and specified in the [REDACTED] letter, there is no general performance target that has to be achieved before the exercise of any option.

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(viii) Exercise price for Shares

The exercise price of a Share in respect of any particular option granted under the [REDACTED] shall be a price determined by the Board in its absolute discretion and notified to an Eligible Participant, and shall not be less than whichever is the highest of: (1) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the [REDACTED] Date (as defined below), (2) the average closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five Business Days immediately preceding the [REDACTED] Date, and (3) the nominal value of a Share on the [REDACTED] Date.

Where an option is to be granted to an Eligible Participant, the date of the Board resolution on which the grant was approved and made to the Eligible Participant shall be taken to be the date of the [REDACTED] of such option, which must be a Business Day (“[REDACTED] Date”). For the purpose of calculating the exercise price, where an option is to be granted fewer than five Business Days after the [REDACTED] of the Shares on GEM, the [REDACTED] shall be used as the closing price for any Business Day falling within the period before the [REDACTED].

(ix) Ranking of Shares

The Shares to be allotted and issued upon the exercise of an option shall be subject to the Memorandum and the Articles of Association and the laws of the Cayman Islands in force from time to time and shall rank *pari passu* in all respects with the then existing fully-paid Shares in issue as at the date of allotment and issue (the “Allotment Date”), and will entitle the holders to participate in all [REDACTED] or other distributions paid or made on or after the Allotment Date other than any dividend or other distributions previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Allotment Date. Shares allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the grantee has been duly entered into the register of members of the Company as the holder thereof. The trustee directly or indirectly holding unvested Shares shall abstain from voting on matters that require the Shareholders’ approval under the GEM Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner’s direction and such a direction is given. Subject as aforesaid, no grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Option pursuant to the [REDACTED].

(x) Restrictions on the time of grant of options

No option shall be granted after a development of or a matter constituting inside information has come to our Company’s knowledge until (and including) the trading day on which such inside information has been announced pursuant to the requirements of the GEM Listing Rules and the SFO. In particular, during the period commencing 30 days immediately preceding the earlier of:

- (1) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for the approval of our Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the GEM Listing Rules); and

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- (2) the deadline for our Company to publish an announcement of the results for any year or half-year under the GEM Listing Rules, or quarterly or any other interim period (whether or not required under the GEM Listing Rules),

and ending on the date of the results announcement, no option shall be granted. For the avoidance of doubt, no option may be granted during any period of delay in publishing a results announcement.

(xi) Period of the [REDACTED]

Subject to any prior termination by our Company in a general meeting or by the Board, the [REDACTED] shall be valid and effective for a period of ten (10) years commencing on the date of adoption of the [REDACTED] (the “**Option Period**”), after which period no further option shall be granted but in all other respects of all options which remain exercisable at the end of such period, the provisions of the [REDACTED] shall remain in full force and effect.

(xii) Rights on death or permanent disability

Where the grantee of an outstanding option (being an individual) dies or becomes permanently disabled before exercising an option (or exercising it in full), he/she (or his/her legal representative(s)) may exercise the option up to the grantee’s entitlement (to the extent which has become exercisable and not already exercised) within a period of 12 months following his/her death or permanent disability or such longer period as the Board may determine.

(xiii) Rights on retirement

Where the grantee of an outstanding option ceases to be an Employee Participant or Related Entity Participant by reason of his/her retirement pursuant to such applicable retirement scheme at the relevant time, his/her option (to the extent which has become exercisable and not already exercised) shall be exercisable until the expiry of the relevant Option Period.

(xiv) Rights on transfer of employment

Where the grantee of an outstanding option ceases to be an Employee Participant or Related Entity Participant by reason of his/her transfer of employment to an affiliate company of our Company, his/her option (to the extent which has become exercisable and not already exercised) shall be exercisable until the expiry of the relevant Option Period unless the Board in its absolute discretion otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board has determined.

(xv) Rights on cessation of employment

Where the grantee of an outstanding option ceases to be an Employee Participant or Related Entity Participant for any reason other than the grounds in (xii), (xiii), (xiv), (xxvii)(c)(1) and (2), the option granted to such grantee (to the extent not already exercised)

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shall lapse on the date of cessation and shall not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such cessation.

Where the grantee of an outstanding option ceases to be an Employee Participant or Related Entity Participant by reason of the termination of his/her employment by resignation or Culpable Termination (as defined below), the option (to the extent not already exercised) shall lapse on the date on which the notice of termination is served (in the case of resignation) or the date on which the grantee is notified of the termination of his/her employment (in the case of Culpable Termination) and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such service or notification.

(xvi) Rights on cessation of being an executive Director

Where the grantee of an outstanding option being an executive Director of our Company ceases to be an executive Director of our Company but remains a non-executive Director of our Company, his/her option (to the extent which has become exercisable and not already exercised) shall be exercisable until the expiry of the relevant Option Period unless the Board in its absolute discretion otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board has determined, the option (to the extent not already exercised) shall lapse on the date of cessation of such appointment and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board has determined.

(xvii) Rights on cessation of being an Eligible Participant

Where (a) the Board in its absolute discretion at any time determines that a grantee of an outstanding option has ceased to be an Eligible Participant; or (b) a grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions that may be attached to the grant of the option or which were the basis on which the option was granted, the option (to the extent not already exercised) shall lapse on the date on which the grantee is notified thereof (in the case of (a)) or on the date on which the grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions as aforesaid (in the case of (b)) and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such notification or the date of such failure/non-satisfaction/non-compliance.

(xviii) Rights of an Eligible Participant which is a corporation

Where a grantee of an outstanding option (being a corporation) (a) has a liquidator, provisional liquidator, receiver or any person carrying out any similar function appointed anywhere in the world in respect of the whole or any part of the assets or undertaking of the grantee; or (b) has suspended ceased or threatened to suspend or cease business; or (c) is

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unable to pay its debts (within the meaning of section 178 of the Companies (WUMP) Ordinance or any similar provisions under the Companies Act or any applicable law); or (d) otherwise becomes insolvent; or (e) suffers a change in its constitution, directors, shareholding or management which in the opinion of the Board is material; or (f) commits a breach of any contract entered into between the grantee or his/her/its associate and any member of our Group, the option (to the extent not already exercised) shall lapse on the date of appointment of the liquidator or receiver or other similar person or on the date of suspension or cessation of business or on the date when the grantee is deemed to be unable to pay its debts as aforesaid or on the date of notification by our Company that the said change in constitution, directors, shareholding or management is material or on the date of the said breach of contract (as the case may be) and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence.

(xix) Rights of an Eligible Participant which is an individual

Where a grantee of an outstanding option (being an individual) (a) is unable or has no reasonable prospects of being able to pay his debts within the meaning of the Bankruptcy Ordinance or any other applicable law or has otherwise become insolvent; or (b) has made any arrangements or compositions with his creditors generally; or (c) has been convicted of any criminal offence involving his/her integrity or honesty; or (d) commits a breach of any contract entered into between the grantee or his/her associate and any member of our Group, the option (to the extent not already exercised) shall lapse on the date on which he/she is deemed unable or to have no reasonable prospects of being able to pay his/her debts as aforesaid or on the date on which a petition for bankruptcy has been presented in any jurisdiction or on the date on which he/she enters into the said arrangement or composition with his/her creditors or on the date of his/her conviction or on the date of the said breach of contract (as the case may be) and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence.

(xx) Rights on general [REDACTED] or scheme of arrangement

In the event a general or partial [REDACTED] (whether by way of takeovers [REDACTED], [REDACTED] repurchase [REDACTED] is made to all the holders of the Shares or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the [REDACTED] and/or any person acting in association or concert with the [REDACTED]) and such [REDACTED] becomes or is declared unconditional (in the case of a takeovers [REDACTED] or share repurchase [REDACTED]) or is approved by the requisite majorities at the relevant meetings of our Shareholders (in the case of a scheme of arrangement), the grantee shall be entitled to exercise the option (to the extent which has become exercisable and not already exercised) at any time (in the case of a takeovers [REDACTED] or share repurchase [REDACTED]) within one month after the date on which the [REDACTED] becomes or is declared unconditional or (in the case of a scheme of arrangement) prior to such time and date as shall be notified by our Company, after which it shall lapse.

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(xxi) Rights on winding-up

In the event of a notice being given by our Company to our Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, our Company shall on the same date as or soon after it despatches such notice to convene the general meeting, give notice thereof to all grantees and thereupon, the grantees (or their respective personal representative(s)) may, subject to the provisions of all applicable laws, by notice in writing to our Company (such notice to be received by our Company not later than 2 Business Days prior to the proposed general meeting of our Company) exercise the option (to the extent that it has become exercisable and has not already been exercised) either to its full extent or to the extent specified in such notice, such notice to be accompanied by a payment or remittance for the full amount of the aggregate exercise price for the Shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant Shares to the grantee credited as fully paid and register the grantee as the holder of such Shares, which shall rank *pari passu* with all other Shares in issue on the date prior to the passing of the resolution to wind-up our Company to participate in the distribution of assets of our Company available in liquidation.

(xxii) Rights on compromise or arrangement between our Company and our creditors

In the event of a compromise or arrangement between our Company and our Shareholders and/or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company, our Company shall give notice thereof to the grantees who have unexercised options at the same time as it dispatches notices to all Shareholders or creditors of our Company summoning the meeting to consider such a compromise or arrangement and thereupon each grantee (or his/her legal representatives or receiver) may until the expiry of the earliest of: (a) the [REDACTED] Period; (b) the period of two months from the date of such notice; and (c) the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction and becoming effective, exercise in whole or in part his/her option. Except insofar as exercised in accordance with this paragraph (xxii), all options outstanding at the expiry of the relevant period referred to in this paragraph (xxii) shall lapse. Our Company may thereafter require each grantee to transfer or otherwise deal with the Shares issued on exercise of the option to place the grantee in the same position as would have been the case had such Shares been the subject of such compromise or arrangement, provided that in determining the entitlement of any grantee to exercise an option at any particular date, the Board may in its absolute discretion relax or waive, in whole or in part, conditionally or unconditionally, any additional conditions, restrictions or limitations imposed in relation to the particular option pursuant to the provisions of the [REDACTED] and/or deem the right to exercise the option in respect of the Shares the subject thereof to have been exercisable notwithstanding that according to the terms of the particular option such right shall not have then vested.

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(xxiii) Reorganisation of capital structure

In the event of any change in the capital structure of our Company while any option may become or remains exercisable, whether by way of [REDACTED], rights issue, consolidation, subdivision or reduction of the share capital of our Company, the Board may, if it considers the same to be appropriate, direct that adjustments be made to:

- (a) the number of Shares subject to outstanding options;
- (b) the exercise price per Share of each outstanding option; and/or
- (c) the number of Shares subject to the [REDACTED].

Where the Board determines that adjustments are appropriate (other than an adjustment arising from a [REDACTED]), the auditors or an independent financial adviser (as the Board may select) shall certify in writing to the Board that any such adjustments are in their opinion fair and reasonable and in compliance with the GEM Listing Rules, the notes thereto and applicable rules and guidelines, provided that:

- (i) the aggregate percentage of the issued share capital of our Company available for the grant of options shall remain as nearly as possible the same as it was before such change but shall not be greater than the maximum number prescribed by the GEM Listing Rules from time to time;
- (ii) any such adjustments shall be made on the basis that the aggregate exercise price payable by a grantee on the full exercise of any option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event;
- (iii) no such adjustments shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; and
- (iv) any such adjustments shall be made on the basis that the proportion of the issued share capital of our Company for which any grantee is entitled to subscribe pursuant to the options held by him/her shall remain the same, rounded to the nearest whole share, as that to which he/she/it was previously entitled.

For the avoidance of doubt only, the issue of securities as consideration in a transaction shall not be regarded as a circumstance requiring an adjustment.

(xxiv) Cancellation of options

The Board shall be entitled at any time at its absolute discretion for the following causes to cancel, recover or withhold any option in whole or in part by giving notice in writing to the grantee stating that such option is thereby cancelled, recovered or withheld with effect from the date specified in such notice (the “**Cancellation Date**”):

- (a) the grantee commits or permits or attempts to commit or permit a breach of any terms or conditions attached to the grant of the option as provided in the [REDACTED];

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- (b) the grantee makes a written request to the Board for, or agrees to, the option to be cancelled;
- (c) a material misstatement in our Company’s financial statements;
- (d) if the grantee has, in the opinion of the Board, conducted himself/herself in any manner whatsoever to the detriment of or prejudicial to the interests of our Company or its subsidiary; or
- (e) any other circumstances as the Board considers to be reasonable, fair, equitable and appropriate to cancel, recover or withhold such options.

Such option shall be deemed to have been cancelled with effect from the Cancellation Date in respect of any part of the option which has not been exercised as at the Cancellation Date. Where our Company cancels an option held by a grantee and issues new options to the same grantee, the issue of such new options may only be made under the [REDACTED] with available Scheme Mandate Limit and Service Provider Limit (to the extent not yet granted) within the limits set out in the [REDACTED]. For the avoidance of doubt, the options cancelled will be regarded as utilised for the purpose of calculating the [REDACTED] Mandate Limit (and the Service Provider Sublimit).

(xxv) Termination of the [REDACTED]

Our Shareholders by resolution in general meeting or the Board may at any time terminate the operation of the [REDACTED] and in such event no further option will be [REDACTED] but in all other respects of the options which remain exercisable upon termination of the [REDACTED], the provisions of the [REDACTED] shall remain in full force and effect. Options granted prior to such termination and not then exercised or in respect of which Shares are not yet issued to the grantees shall continue to be valid and exercisable subject to and in accordance with the [REDACTED] and the GEM Listing Rules.

(xxvi) Rights are personal to grantee

An option shall be personal to the grantee and shall not be assignable nor transferable, and no grantee shall in any way sell, transfer, charge, mortgage, encumber, assign or create any interest (whether legal or beneficial) in favour of any third party over or in relation to any option or purport to do so or enter into any agreement to do so, unless a waiver is granted by the Stock Exchange for any option to be transferred to a vehicle (such as a trust or a private company) for the benefit of the grantee and any family members of such grantee that would continue to meet the purpose of the [REDACTED] and comply with other requirements of the GEM Listing Rules. Where such waiver is granted, the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle shall be disclosed. Any breach of the foregoing shall entitle our Company to cancel any outstanding option or part thereof granted to such grantee without any compensation or incurring any liability on the part of our Company.

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(xxvii) Lapse of options

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of the occurrence of any of the following events unless otherwise relaxed or waived (conditionally or unconditionally) by the Board:

- (a) the expiry of the [REDACTED] Period (subject to paragraphs (xi) and (xxv));
- (b) the expiry of any of the periods referred to in paragraphs (xii) to (xxii) where applicable;
- (c) the date on which the grantee ceases to be an Eligible Participant by reason of (1) the termination of his/her employment by resignation or (2) termination of the employment of an Employee Participant or Related Entity Participant on the grounds that he/she has been guilty of serious misconduct, or there exist grounds allowing his/her summary dismissal under his/her employment contract or under common law, or he/she is unable or has no reasonable prospects of being able to pay his/her debts within the meaning of the Bankruptcy Ordinance or any other applicable law, or he/she has become otherwise insolvent or has made any arrangements or compositions with his/her creditors generally, or he/she has been convicted of any criminal offence involving his/her integrity or honesty (“**Culpable Termination**”) or (3) (if so determined by the Board) on any other ground on which an employer or a sourcing party would be entitled to terminate his/her/its employment or engagement at common law or pursuant to any applicable laws or under the grantee’s service contract or supply contract with our Company;
- (d) (subject to paragraph (xxi)) the date of the commencement of the winding-up of our Company;
- (e) there is an unsatisfied judgment, order or award outstanding against the grantee or the Board has reason to believe that the grantee is unable to pay or to have no reasonable prospect of being able to pay his/her/its debts within the meaning of the Bankruptcy Ordinance;
- (f) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type as provided in the [REDACTED]; or
- (g) a bankruptcy order has been made against any director or shareholder of the grantee (being a corporation) in any jurisdiction.

(xxviii) Alterations to the [REDACTED]

The [REDACTED] may be altered in any respect by a resolution of the Board except that the following shall not be carried out except with the prior sanction of an ordinary resolution of our Shareholders in general meeting (with grantees and their associates abstaining from voting):

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- (a) any material alteration to its terms and conditions or any change to the terms of options granted (except where the amendment or alteration take effect automatically under the existing terms of the [REDACTED]);
- (b) any alteration to the provisions of the [REDACTED] in relation to the matters set out in Rule 23.03 of the GEM Listing Rules to the advantage of grantees or Eligible Participants;
- (c) any change to the authority of the Directors of our Company in relation to any alteration to the terms of the [REDACTED]; and
- (d) any alteration to this paragraph (xxviii).

Any change to the terms of granted options must be approved by the Board, the remuneration committee, the independent non-executive Directors and/or our Shareholders (as the case may be) if the initial grant of the options was approved by the Board, the remuneration committee of our Company, the independent non-executive Directors and/or our Shareholders (as the case may be), except (1) where the amendment or alteration take effect automatically under the existing terms of the [REDACTED] or (2) to the extent such amendment or alteration is required by the GEM Listing Rules or any guidelines issued by the Stock Exchange from time to time.

Our Company must provide to all grantees all details relating to changes in the terms of the [REDACTED] during the life of the [REDACTED] immediately upon such changes taking effect.

(xxix) Conditions

The [REDACTED] is conditional on:

- (a) the [REDACTED] Committee of the Stock Exchange granting approval for the [REDACTED] of, and [REDACTED] in, the Shares in issue and to be issued pursuant to the [REDACTED], the [REDACTED] and the exercise of options that may be granted under the [REDACTED];
- (b) the obligations of the [REDACTED] under the [REDACTED] becoming unconditional and not being terminated in accordance with the terms of the [REDACTED] or otherwise; and
- (c) the commencement of dealings in the Shares on the GEM of the Stock Exchange.

2. Present status of the [REDACTED]

[REDACTED] has been made to the Stock Exchange for the [REDACTED] of and [REDACTED] in the Shares which fall to be issued pursuant to the exercise of options which may be granted under the [REDACTED].

As at the date of this document, no option has been granted or agreed to be granted under the [REDACTED].

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E. OTHER INFORMATION

1. Tax and other indemnities

Each of our Controlling Shareholders (collectively, the “**Indemnifiers**”) has entered into the Deed of Indemnity (being a material contract referred to in “*B. Further information about the business of our Group — 1. Summary of material contracts — (b) the Deed of Indemnity*” in this Appendix) with and in favour of our Company (for itself and as trustee for each of our present subsidiaries) to provide indemnities on a joint and several basis in respect of, among other matters:

- (a) any tax (which includes estate duty) liabilities in whatever part of the world which might be payable by any member of our Group in respect of any income, profits or gains earned, accrued or received or deemed to have been earned, accrued or received, or of any transactions entered into, or the occurrence of any matters or things on or up to the [REDACTED], save for any taxation to the extent that:
 - (i) specific provision, reserve or allowance has been made for such taxation in the audited accounts of our Group for FY2025 and FY2026 (the “**Accounts**”) as set out in Appendix I to this document;
 - (ii) such taxation arises or is incurred as a result of a retrospective change in law or a retrospective increase in tax rates coming into force after the [REDACTED]; or
 - (iii) such taxation arises in the ordinary course of business of our Group after the Track Record Period and up to and including the [REDACTED].
- (b) all penalties, claims, actions, demands, proceedings, litigations (without limitation to any legal costs), judgments, losses, liabilities, damages, costs, administrative or other charges, fees, expenses and fines of whatever nature which may be imposed on or suffered by or incurred by our Company and/or any other member of our Group as a result of directly or indirectly or in connection with any litigation, arbitration, claims (including counter-claims), complaints, demands and/or legal proceedings (whether of a civil or criminal nature) arising out of and in connection with any matters filed or instituted with respect to or against our Company and/or any other member of our Group on or before the [REDACTED] or in relation to any events occurred on or before the [REDACTED];
- (c) any depletion or reduction in value of its assets or any loss (including all legal costs and suspension of operation), cost, expenses, damages or other liabilities which any member of our Group may incur or suffer arising from or in connection with the implementation of the Reorganisation; or
- (d) any non-compliance or potential non-compliance with the applicable laws, rules or regulations by our Company and/or any other member of our Group on or before the [REDACTED], except where provision, reserve or allowance has been made for such liabilities in the Accountants’ Report set out in Appendix I to this document for the Track Record Period.

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Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of its subsidiaries in the Cayman Islands, the BVI and Hong Kong, being jurisdictions in which one or more of the companies comprising our Group were incorporated.

2. Litigation

Save as disclosed in the sub-section headed “*Business — Legal proceedings and compliance*” in this document, as at the Latest Practicable Date, neither our Company nor any of our subsidiaries is engaged in any litigation or claims of material importance and no litigation or claims of material importance is known to our Directors to be pending or threatened by or against our Company or any of our subsidiaries, that would have a material adverse effect on our Group’s results of operations or financial condition.

3. Sole Sponsor

The Sole Sponsor has made an application for and on behalf of our Company to the Stock Exchange for the [REDACTED] of, and [REDACTED] in, the Shares in issue and to be issued as mentioned in this document, including the [REDACTED] and any Shares which may fall to be allotted and issued pursuant to the [REDACTED] and the exercise of the [REDACTED] or any options that may be granted under the [REDACTED].

The Sole Sponsor satisfies the independence criteria applicable to sponsor as set out in Rule 6A.07 of the GEM Listing Rules. The Sole Sponsor is entitled to the sponsor’s fee in the amount of HK\$3.7 million.

4. Preliminary expenses

The preliminary expenses relating to the incorporation of our Company were approximately HK\$0.2 million and were incurred and paid by our Company.

5. Promoter

Our Company has no promoter for the purpose of the GEM Listing Rules.

Save as disclosed herein, within the two years immediately preceding the date of this document, no amount or benefit has been paid or given to any promoter in connection with the [REDACTED] or the related transactions described in this document.

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6. Qualifications of experts

The qualifications of the experts who have given reports, letters or opinions (as the case may be) in this document are as follows:

Name	Qualifications
Patrons Capital Limited	A corporation licensed under the SFO and permitted to engage in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
SHINEWING (HK) CPA Limited	Certified Public Accountants and Registered Public Interest Entity Auditors
Ogier	Legal advisers to our Company as to Cayman Islands laws
Vincorn Consulting and Appraisal Limited	Independent property valuer
Frost & Sullivan Limited	Industry consultant
Tam Chun Kit	Barrister-at-law

None of the experts named above has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any members of our Group.

7. Consents of experts

Each of the experts referred to above has given and has not withdrawn its written consent to the issue of this document with the inclusion of its reports, letters, opinions or summaries thereof (as the case may be) and the references to its name included in this document in the form and context in which it respectively appears.

8. No material adverse change

Save as disclosed in the section headed “*Financial Information — Recent development and no material adverse change*” in this document, our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Company or our subsidiaries since 31 March 2026 (being the date to which the latest audited combined financial statements of our Group were made up) and up to the Latest Practicable Date.

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9. Taxation of holders of Shares

(a) *Hong Kong*

Dealings in Shares registered on our Company’s Hong Kong branch register of members will be subject to Hong Kong stamp duty.

Profits from dealings in Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(b) *Cayman Islands*

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

(c) *Consultation with professional advisers*

Intending holders of the Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in the Shares. It is emphasised that none of our Company, our Directors or parties involved in the [REDACTED] accepts responsibility for any tax effect on, or liabilities of holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in the Shares.

10. Miscellaneous

(a) Save as disclosed in this Appendix and the sections headed “*History, Reorganisation and Corporate Structure*” and “[REDACTED]” of this document, within the two years preceding the date of this document:

- (a) no share or loan capital of our Company or any of our subsidiaries has been issued, agreed to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (b) no [REDACTED], discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and
 - (c) no [REDACTED] has been paid or payable (excluding [REDACTED] payable to [REDACTED]) for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any shares in our Company.
- (b) No share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option.
- (c) No founder, management or deferred shares of our Company or any of our subsidiaries has been issued or agreed to be issued.

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- (d) There has not been any interruption in the business of our Group which has had a material adverse effect on the financial position of our Group in the 24 months preceding the date of this document.
- (e) None of the experts named in “*E. Other information — 6. Qualifications of experts*” in this Appendix:
 - (i) is interested beneficially or non-beneficially in any shares in any member of our Group; or
 - (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any shares in any member of our Group.
- (f) No company within our Group is presently [REDACTED] on any stock exchange or traded on any trading system and no part of the Shares or loan capital of our Company is [REDACTED], traded or dealt in on any other stock exchange. At present, our Company is not seeking or proposing to seek [REDACTED] of, or [REDACTED] in, any part of its Shares or loan capital on any other stock exchange.
- (g) Our Company has no outstanding convertible debt securities.
- (h) All necessary arrangements have been made to enable the Shares to be admitted into [REDACTED] for clearing and settlement.
- (i) There are no arrangements under which future dividends are waived or agreed to be waived.

11. Binding effect

This document 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 penalty provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance so far as applicable.

12. Bilingual document

The English language and the Chinese language versions of this document are being published separately, in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

APPENDIX V

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND DOCUMENTS ON DISPLAY

DOCUMENTS DELIVERED TO THE [REDACTED] OF COMPANIES IN HONG KONG

The documents attached to a copy of this document and delivered to the [REDACTED] of Companies in Hong Kong for registration were:

- (i) a copy of each of the material contracts referred to in the paragraph headed “Statutory and General Information — B. Further Information about the Business of our Group — 1. Summary of material contracts” in Appendix IV to this document; and
- (ii) the written consents referred to in the paragraph headed “Statutory and General Information — E. Other Information — 7. Consents of experts” in Appendix IV to this document.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the Stock Exchange’s website at **www.hkexnews.hk** and our Company’s website at **https://www.savewo.com** during a period of 14 days from the date of this document:

- (a) the Memorandum and the Articles of Association;
- (b) the Accountants’ Report prepared by SHINEWING (HK) CPA Limited, the text of which is set out in Appendix I to this document;
- (c) the audited combined financial statements of our Group for FY2025 and FY2026;
- (d) the report on the [REDACTED] financial information of our Group prepared by SHINEWING (HK) CPA Limited, the text of which is set out in Appendix II to this document;
- (e) the letter of advice prepared by Ogier summarising certain aspects of Cayman Islands company law referred to in Appendix III to this document;
- (f) the Cayman Companies Act;
- (g) the rules of the [REDACTED];
- (h) the material contracts referred to in the paragraph headed “Statutory and General Information — B. Further Information about the Business of our Group — 1. Summary of material contracts” in Appendix IV to this document;
- (i) the written consents referred to in the paragraph headed “Statutory and General Information — E. Other information — 7. Consents of experts” in Appendix IV to this document;

APPENDIX V

**DOCUMENTS DELIVERED TO THE REGISTRAR
OF COMPANIES AND DOCUMENTS ON DISPLAY**

- (j) the service agreements and letters of appointment referred to in the paragraph headed “Statutory and General Information — C. Further Information about Directors, Management and Staff — 1. Directors — (b) Particulars of service contracts” in Appendix IV to this document;
- (k) the industry report prepared by Frost & Sullivan Limited;
- (l) the legal opinion as to certain aspects of Hong Kong law prepared by our Hong Kong legal advisers; and
- (m) the Legal opinion as to certain aspects of Hong Kong law prepared by Tam Chun Kit, barrister-at-law.