
SUMMARY

This summary aims to give you an overview of the information contained in this document. Since this is a summary, it does not contain all the information that may be important to you. You should read the entire document before you decide to invest in the [REDACTED].

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].

OVERVIEW

We are a security services provider in Hong Kong principally engaged in the provision of (i) Security Guarding Services; and (ii) Electronic Security Solutions Services. We have built a solid market presence by leveraging our operational expertise, commitment to service quality, and proven ability to secure and manage large-scale and operationally demanding security projects.

During the Track Record Period, we serve a diverse customer base in Hong Kong and has built a strong reputation through major projects, particularly the Three-runway System Project. Our experience managing security operations for this large-scale infrastructure project has strengthened our capabilities and helped secure other significant contracts, including the Air Cargo Terminal Project.

Due to the notable increase in adoption of electronic technology solutions in the security market, we have strengthened our capabilities in the Electronic Security Solutions Services segment, particularly in our CCTV-related services, 4S and robotic security solutions, to further enhance our ability to provide integrated security solutions to customers with specialised operational and technical requirements. With our secured major CCTV Contract from a well-established telecommunications service provider and our personnel holding the relevant security permit, we are well-positioned to capture the growing demand in the electronic security solutions industry.

In addition, we established Arrano Huilun (an indirect non-wholly owned subsidiary) together with Guangzhou Huilun in 2026 to research, develop and commercialise robotic and automatic solutions to capture the forecasted notable expansion in the Hong Kong security robotics segment.

OUR BUSINESS MODEL

We principally provide (i) Security Guarding Services; and (ii) Electronic Security Solutions Services. Our Security Guarding Services mainly involve the deployment and management of security personnel for customers’ sites, premises and events. The services generally include manned guarding, patrolling, crowd control, site access control, visitor and vehicle control, surveillance and monitoring, event security and related operational manpower support. We also provide consultancy services relating to security services, including strategic manpower planning and the development of solutions to address issues arising from daily operations. Depending on customers’ needs, we may also provide ancillary facility support services together with our security guarding services.

Our Electronic Security Solutions Services mainly involve design, installation, testing, maintenance and technical support of electronic security systems. During the Track Record Period, revenue from this segment was mainly derived from CCTV-related design, installation, testing, commissioning, warranty and maintenance works. We also intend to further develop technology-enabled security solutions, including security robots, research and development, and centralised monitoring functions.

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OUR PROJECTS

During the Track Record Period and up to the Latest Practicable Date, the initial contract sums for our projects ranged from less than HK\$15,000 to HK\$295.5 million. During the Track Record Period, we recognised revenue of approximately HK\$138.7 million, HK\$187.7 million and HK\$31.9 million for the respective periods. Our Directors confirm that there were no loss-making contracts during the Track Record Period and up to the Latest Practicable Date.

Backlog, project movement and the total revenue estimated to be recognised

The following table sets out the backlog and project movement during the Track Record Period and up to the Latest Practicable:

	FY2024/ as at 31 December 2024	FY2025/ as at 31 December 2025	3M2026/ as at 31 March 2026	As at the Latest Practicable Date
Opening number of projects	10	11	21	27
Add: Number of new projects awarded to us (including projects awarded but not yet commenced)	13	18	17	7
Less: Number of projects completed	12	8	11	6
Ending number of projects	11	21	27	28

As at the Latest Practicable Date, we had 28 projects in our backlog with revenue of approximately HK\$220 million expected to be recognised after the Latest Practicable Date.

OUR CUSTOMERS

During the Track Record Period, our major customers include the HKIA Operator, the Air Cargo Terminal Operator, Jones Lang LaSalle, construction contractors, telecommunications service providers and property management companies. For FY2024, FY2025 and 3M2026, revenue generated from our top five customers, in aggregate, accounted for approximately HK\$136.7 million, HK\$174.5 million and HK\$28.8 million, respectively. Our largest customer for FY2024, FY2025 and 3M2026 represents approximately 77.0%, 45.5% and 34.3%, respectively.

In addition, save for one of our five largest customers in FY2024 and FY2025, which supplied technology and software services in FY2024, none of our five largest customers or suppliers in each year of the Track Record Period was also our supplier or customer respectively, during the Track Record Period. For details, please refer to the paragraph “Business – Our customers – Top customer who was also our supplier”.

OUR SUPPLIERS AND SUBCONTRACTORS

During the Track Record Period, our suppliers were mainly (i) subcontractors providing security manpower and (ii) suppliers supporting operational needs, such as the provision of water and sanitation services, fuel and equipment, and transportation. For FY2024, FY2025 and 3M2026, purchase amounts from our top five suppliers and subcontractors, in aggregate, accounted for approximately HK\$15.3 million, HK\$19.2 million and HK\$1.0 million, respectively, representing approximately 79.8%, 67.1% and 57.8% of our total purchases for the respective periods.

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In FY2024, Subcontractor A, our largest supplier who was also our subcontractor, accounted for the largest portion of our purchases. During the early stages, we primarily engaged Subcontractor A for the provision of security manpower in respect of the Three-runway Contract. However, as our Group have progressively built up our own workforce and also the Three-runway Contract has been progressing towards completion, our reliance on Subcontractor A has been reduced during the Track Record Period. In 3M2026, we did not engage Subcontractor A at all. For details, please refer to the paragraph “Business – Our suppliers and subcontractors – Our subcontractors”.

OUR OPERATION

Our process of the provision of our security services involves the following major steps: (i) obtaining security service agreement, (ii) preparation, including staffing and procurement, (iii) provision of security services and (iv) renewal of agreement or completion of one-off event/project-based contract.

We recruit our employees for security manpower from the open market, primarily through the publication of job advertisements and referrals. As at 31 December 2024, 31 December 2025, 31 March 2026 and the Latest Practicable Date, we had a total of 491, 469 and 431 and 446 employees (of which 65, 59, 54 and 47 were imported workers), respectively. We maintain a pool of casual employees to handle ad hoc and urgent work requests from our clients. Our employees as at the Latest Practicable Date Comprised 350 full-time and 96 casual employees. As at Latest Practicable Date, 426 of our employees had obtained and validly held the Security Personnel Permits, of which: 397 employees were allowed to perform Category A Security Work and Category B Security Work, and 34 employees were allowed to perform Category D Security Work.

While the average monthly labour costs of imported workers and domestic workers are comparable, our Group employed imported workers for the relevant three-runway system projects due to the following reasons: (i) average employee turnover rate for imported workers was notably lower than that of domestic workers during Track Record Period and (ii) the remote location of the three-runway system projects made it difficult to recruit domestic workers. For further details, please refer to the paragraph headed “Business – Our Employees” of this document.

SALES AND MARKETING

During the Track Record Period, we mainly secured new business primarily through quotation and open tender. By leveraging our established customer base and reputation in Hong Kong’s security service industry, we minimise reliance on extensive marketing campaign. Instead, we focus on promoting our Group by maintaining business relationships with existing and potential customers through regular communication, as well as our website.

We generally charge our customers on an actual usage basis or fixed-fee basis, depending on the nature of services provided. Usually, provision of manpower services is based on re-measurement basis which reflects the actual usage resulting from variation orders, and provision of other services such as consulting and installation and maintenance of security system is on fixed-fee basis. Our pricing is generally determined using a cost-plus pricing model. Such service fees are payable on a monthly basis or upon completion of services.

COMPETITIVE LANDSCAPE OF SECURITY SERVICES MARKET IN HONG KONG

According to the Frost & Sullivan Report, the security services market in Hong Kong is competitive and fragmented. There are approximately over 1,450 industry participants in the security services industry in Hong Kong in 2025, with approximately over 780, 15 and 800 industry participants respectively registered under Type I, Type II and Type III security work type license as of 2025. In 2025, the top five players in the security services market (including all type I, II and III licensed companies) in Hong Kong contributing to approximately 9.3% market shares in terms of revenue. Further, according to the Frost & Sullivan Report, there are

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approximately 15 licensed security companies in Hong Kong engaged in security robotics, spanning from strategic technology sourcing and pilot planning to active commercial sales and implementation. For further details, please refer to the paragraph headed “Industry Overview – Competitive Landscape of Security Services Market in Hong Kong” in this document.

OUR COMPETITIVE STRENGTHS

We believe that our achievements and future growth prospects are attributable to the following competitive strengths, namely (i) proven track record in security industry, (ii) capability to obtain operational demanding and manpower intensive projects, (iii) well-positioned to provide Electronic Security Solution Services, and (iv) solid management team and consultancy team.

BUSINESS STRATEGIES AND FUTURE PLANS

We intend to strengthen our market position, increase our market share and capitalise on the growth opportunities in the security services industry in Hong Kong by implementing the following key strategies, namely (i) continued pursuit of project opportunities and strengthened financial capacity to support business expansion, (ii) acquiring vehicles to enhance project execution capacity and operational efficiency, (iii) development of our own-branded security robots and technology-enabled integrated security solutions, and (iv) establishing a centralised intelligent security monitoring platform and control room to enhance service quality, scalability and technology integration.

CONTINUING CONNECTED TRANSACTIONS

As of the Latest Practicable Date, Arrano Huilun is an indirect non-wholly owned subsidiary of our Company, owned as to 61%, 33% and 6% by Arrano Technology, Guangzhou Huilun, and an Independent Third Party, respectively. On 17 July 2026, our Company and Guangzhou Huilun entered into a products and services procurement framework agreement (the “**Procurement Framework Agreement**”), pursuant to which Guangzhou Huilun and its associates may, among others, supply robotic products and robotic equipment, and provide robotics-related research and development and customisation and other ancillary services to members of our Group. As Guangzhou Huilun is a substantial shareholder of Arrano Huilun, Guangzhou Huilun and its associates are connected persons of the Company at the subsidiary level under the GEM Listing Rules. In view of the above, such transactions will, upon [REDACTED], constitute continuing connected transactions of our Company subject to, among others, the announcement requirement under Rule 20.33 of the GEM Listing Rules. Accordingly, we have applied for, [and the Stock Exchange has granted us,] a waiver from strict compliance with such requirement under the GEM Listing Rules. For further details, please refer to the “Connected Transactions” and “Waiver from Strict Compliance with the GEM Listing Rules” sections of the document.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following sets out a summary of the combined statements of profit or loss and other comprehensive income during the Track Record Period as derived from the Accountants’ Report, the full text of which is set out in Appendix I to this document. This summary should be read in conjunction with the aforesaid Accountants’ Report and the section headed “Financial Information” in this document.

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	FY2024 (HK\$'000)	FY2025 (HK\$'000)	3M2025 (HK\$'000) (unaudited)	3M2026 (HK\$'000)
Revenue	138,663	187,708	48,655	31,918
Cost of services	(101,988)	(139,536)	(36,280)	(23,904)
Gross profit	36,675	48,172	12,375	8,014
Other income	575	492	159	264
Other expense	(2,300)	(260)	(260)	–
Impairment losses under expected credit loss model, net	(1,000)	–	–	–
Administrative and selling expenses	(11,336)	(14,171)	(2,361)	(2,685)
[REDACTED] expenses	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Finance costs	(334)	(277)	(79)	(78)
Profit before taxation	21,883	27,806	7,394	5,005
Income tax expense	(4,478)	(5,239)	(1,582)	(751)
Profit and total comprehensive income for the year/period	17,405	22,567	5,812	4,254

The increase in our revenue, gross profit and net profit in FY2025 as compared to FY2024 was mainly contributed by the increase in revenue from the increased number of new projects and growth in revenue from ongoing projects. Our overall gross profit margin remained relatively stable at approximately 26.4% and 25.7% for FY2024 and FY2025, respectively. This stability in gross profit margin was primarily due to the proportional increase in both revenue and cost of services during FY2025. While our revenue increased, the associated costs of services, such as direct labour costs and other direct costs, also rose in line with revenue growth.

The decrease in our revenue, gross profit and net profit in 3M2026 as compared to 3M2025 was mainly attributable to the decrease in revenue from our Security Guarding Services segment, primarily due to the lower revenue contribution from the Three-runway Contract as the activity level and manpower requirements at the Three-runway System Project Site decreased during 3M2026. Such decrease was partially offset by revenue contributed from new and expanded security granting projects, including the KT project, and the continued revenue contributed from the Air Cargo Terminal Project. During 3M2026, we also recorded revenue from our Electronic Security Solutions segment following the commencement of the CCTV Contract, whereas no such revenue was recorded for 3M2025. Our overall gross profit margin remained relatively stable at approximately 25.4% and 25.1% for 3M2025 and 3M2026, respectively. Despite the fact that the gross profit margin of our Electronic Security Solutions was relatively higher, it had limited impact on our overall gross profit margin since this segment only counted for a small portion of our overall revenue during 3M2026.

Our net profit increased by approximately HK\$5.2 million or 29.7% from approximately HK\$17.4 million for FY2024 to approximately HK\$22.6 million for FY2025 and our net profit decreased by approximately HK\$1.6 million or 26.8% from approximately HK\$5.8 million for 3M2025 to approximately HK\$4.3 million for 3M2026. For further details, please refer to the paragraph headed “Financial Information – Description of selected items from the combined statements of profit or loss and other comprehensive income” in this document.

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Summary of Combined Statements of Financial Position

The following table sets forth a summary of our combined statements of financial position for the periods indicated:

	As at 31 December		As at 31 March
	2024	2025	2026
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
Non-current assets	12,151	2,586	2,240
Current assets	54,776	79,870	64,548
Total assets	66,927	82,456	66,788
Current liabilities	43,149	46,882	32,964
Non-current liabilities	775	4	–
Total liabilities	43,924	46,886	32,964
Net current assets	11,627	32,988	31,584
Net assets	23,003	35,570	33,824

Our current assets during the Track Record Period mainly consist of trade and other receivables, contract assets, amounts due from shareholders, loan to a related company, pledged bank deposit, bank balances and cash of approximately HK\$54.8 million as at 31 December 2024, HK\$79.9 million as at 31 December 2025 and HK\$64.5 million as at 31 March 2026 in aggregate. Our current liabilities during the Track Record Period mainly consist of trade and other payables, lease liabilities, income tax payable, contract liabilities and bank borrowings of approximately HK\$43.1 million as at 31 December 2024, HK\$46.9 million as at 31 December 2025 and HK\$33.0 million as at 31 March 2026 in aggregate. Our non-current liabilities mainly consist of lease liabilities of approximately HK\$0.8 million as at 31 December 2024, HK\$4,000 as at 31 December 2025 and nil as at 31 March 2026 in aggregate. Our net assets increased from approximately HK\$23.0 million as at 31 December 2024 to HK\$35.6 million as at 31 December 2025, mainly attributable to the increase in prepayments, deposits and other receivables and bank balances and cash. Our net assets then decreased to approximately HK\$33.8 million as at 31 March 2026, mainly attributable to the decrease in trade receivables and contract assets. For further details, please refer to the paragraph headed “Financial Information – Description of selected items from the combined statements of financial position” in this document.

Summary of Cash Flow Statements

The following table sets forth a summary of our cash flows information for the periods indicated:

	FY2024	FY2025	3M2025	3M2026
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
			(unaudited)	
Net cash generated from operating activities	4,423	19,003	15,654	4,424
Net cash used in investing activities	(12,226)	(2,058)	(1,891)	(5,298)
Net cash used in financing activities	(1,940)	(4,212)	(1,417)	(732)
Net (decrease) increase in cash and cash equivalents	(9,743)	12,733	12,346	(1,606)
Cash and cash equivalents at end of the year	638	13,371	12,984	11,765

For further details, please refer to the paragraph headed “Financial Information – Liquidity and capital resources” in this document.

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Cost of services

The table below provides a breakdown of our cost of services during the Track Record Period:

	FY2024		FY2025		3M2025		3M2026	
	Cost of services (HK\$'000)	% of total cost of services	Cost of services (HK\$'000)	% of total cost of services	Cost of services (HK\$'000) (unaudited)	% of total cost of services	Cost of services (HK\$'000)	% of total cost of services
Direct labour costs	78,558	77.0	108,109	77.5	31,498	86.8	21,622	90.5
Subcontracting fees	11,028	10.8	18,946	13.6	2,165	6.0	72	0.3
Costs of operations equipment	2,760	2.7	3,566	2.5	441	1.2	565	2.4
Costs of site office equipment	2,196	2.2	1,666	1.2	511	1.4	345	1.4
Transportation	1,131	1.1	1,343	0.9	229	0.6	235	1.0
Patrol vehicle expenses	1,105	1.1	926	0.7	237	0.6	215	0.9
Amortisation of contract costs	4,287	4.2	1,805	1.3	714	2.0	263	1.1
Insurance expenses	–	–	931	0.7	201	0.6	249	1.0
Depreciation	–	–	20	0.0	–	–	19	0.1
Others	923	0.9	2,224	1.6	284	0.8	319	1.3
Total	101,988	100.0	139,536	100.0	36,280	100.0	23,904	100.0

For further details, please refer to the paragraph headed “Financial Information – Description of selected items from the combined statements of profit or loss and other comprehensive income – Cost of services” in this document.

KEY FINANCIAL RATIOS

The following tables set forth the key financial ratios of our Group during the Track Record Period:

	For the year ended 31 December		For the three months ended 31 March	
	2024	2025	2025 (unaudited)	2026
Gross profit margin (%)	26.4	25.7	25.4	25.1
Net profit margin (%)	12.6	12.0	11.9	13.3
Return on equity (%)	75.7	63.4	N/A	N/A
Return on total assets (%)	26.0	27.4	N/A	N/A
Interest coverage (times)	83.0	111.7	107.4	71.8

	As at 31 December 2024	2025	As at 31 March 2026
Current Ratio (times)	1.3	1.7	2.0
Quick Ratio (times)	1.3	1.7	2.0
Gearing Ratio (%)	26.3	12.6	24.4

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For details, please refer to the paragraph headed “Financial Information – Key financial ratios” in this document.

RISK FACTORS

We face risks including those set out in the section headed “Risk Factors” in this document. As different investors may have different interpretations and criteria when determining the significance of a risk, you should read the “Risk Factors” section in its entirety before you decide to invest in our [REDACTED]. Some of the major risks that we face include: (i) most of our revenue during the Track Record Period was derived from projects awarded by a limited number of customers and any significant decrease in the number of projects with our major customers may materially and adversely affect our financial performance, (ii) project-based nature of our revenue and termination or non-renewal of our security service contracts may materially and adversely affect our business, financial condition and results of operations, (iii) risk related to the recoverability of contract asset, (iv) we may not be able to procure new security service contracts as planned, (v) our robotics solutions business is at an early stage and may not achieve the expected commercial adoption, and (vi) the implementation of our cooperation with Guangzhou Huilun may not proceed as planned.

NON-COMPLIANCE AND LITIGATION

As confirmed by our Directors, we had not been involved in any incidents which, in the opinion of our Directors, constituted either a material impact non-compliance or systemic non-compliance, and we had complied with all applicable Hong Kong laws and regulations for our business activities and operations in all material respects during the Track Record Period and up to the Latest Practicable Date. Due to the nature of our industry, we may be subject to employees’ compensation and personal injury claims. During the Track Record Period and up to the Latest Practicable Date, our Group was named as defendant in seven litigation claims primarily involving workplace injuries or accidents. Four of these cases had been either settled or discontinued, while the remaining three were still pending as at the Latest Practicable Date and were being handled by the solicitors appointed by the insurer under the relevant insurance arrangements.

Our Directors confirm that, to the best of their knowledge after making all reasonable enquiries, and save for the legal proceedings set out above, as at the Latest Practicable Date: (i) no member of our Group was engaged in any litigation, arbitration, or claim of material importance; and (ii) there was no litigation, arbitration, or claim pending or threatened by third parties against any member of our Group that would have a material adverse effect on our Group’s results of operations or financial condition.

[REDACTED] EXPENSES

Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED] range) and that the [REDACTED] is not exercised, the total estimated [REDACTED] expenses in relation to the [REDACTED] (including [REDACTED] commission), which are payable by us are estimated to be approximately HK\$[REDACTED], representing approximately [REDACTED]% of the gross [REDACTED] from the [REDACTED]. Of such amount, approximately HK\$[REDACTED], HK\$[REDACTED] and HK\$[REDACTED] were charged to profit or loss for FY2024, FY2025 and 3M2026, respectively, approximately HK\$[REDACTED] is expected to be charged to profit or loss for FY2026, and approximately HK\$[REDACTED] is expected to be accounted for as a deduction from equity upon [REDACTED].

USE OF [REDACTED]

Assuming the [REDACTED] is not exercised and an [REDACTED] of HK\$[REDACTED] (being the mid-point of the indicative range of the [REDACTED] from HK\$[REDACTED] to HK\$[REDACTED] per [REDACTED]), the total net [REDACTED] from the [REDACTED] (after deducting [REDACTED] fees and related expenses in connection with the [REDACTED]) are estimated to be approximately HK\$[REDACTED].

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Our Directors presently intend to use such net [REDACTED] for the following purposes: (a) approximately HK\$[REDACTED], representing approximately [REDACTED]% of the net [REDACTED] from the [REDACTED], will be used for expanding our security services offerings; (b) approximately HK\$[REDACTED], representing approximately [REDACTED]% of the net [REDACTED] from the [REDACTED], will be used for enhancing sales and marketing capabilities for business development; (c) approximately HK\$[REDACTED], representing approximately [REDACTED] of the net [REDACTED] from the [REDACTED], will be used for the enhancement of our security services infrastructure, by establishing a centralised intelligent security monitoring platform and control room in Hong Kong and recruiting additional staff, and improving our operational efficiency by establishing reception, transmission and communication of signals to and from the sites we manage; (d) approximately HK\$[REDACTED], representing approximately [REDACTED]% of the net [REDACTED] from the [REDACTED], will be used for optimising and advancing core technology and establishment of demonstration and support centre for security robot; and (e) approximately HK\$[REDACTED], representing [REDACTED]% of the net [REDACTED] from the [REDACTED], will be used as our general working capital and general corporate purposes.

For details, please refer to the section headed “Future Plans and Use of [REDACTED]” in this document.

OUR CONTROLLING SHAREHOLDERS

Upon completion of the [REDACTED] and the [REDACTED] (without taking into account any of the Shares that may be allotted and issued upon exercise of the [REDACTED] and the options that may be granted under the Share Option Scheme), our Company will be held as to [REDACTED]% by Fong 1119 and [REDACTED] by HFTT. As (i) each of Fong 1119 and HFTT will be entitled to exercise 30% or more of the voting power at general meetings of our Company; (ii) Mr. Fong and Ms. Lam controls Fong 1119 and HFTT, respectively (and hence controls Fong 1119 and HFTT’s voting interests in our Company), each of Fong 1119, HFTT, Well Smart, Mr. Fong and Ms. Lam will be regarded as our Controlling Shareholders upon [REDACTED].

[REDACTED] STATISTICS

Number of [REDACTED] under the [REDACTED]:	[REDACTED] Shares (subject to the [REDACTED])	
[REDACTED]:	Not more than HK\$[REDACTED] per [REDACTED] and expected to be not less than HK\$[REDACTED] per [REDACTED], plus brokerage of 1%, SFC transaction levy of 0.0027%, 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)	
	Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]	Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]
Market capitalisation ⁽¹⁾	HK\$[REDACTED]	HK\$[REDACTED]
Unaudited pro forma adjusted combined net tangible assets of the Group attributable to owners of the Company per Share ⁽²⁾	HK\$[REDACTED]	HK\$[REDACTED]

Notes:

- (1) The calculation of market capitalisation is based on [REDACTED] Shares expected to be in issue immediately following the completion of the [REDACTED] and the [REDACTED] but does not take into account any Shares which may be issued and allotted upon the exercise of the [REDACTED].

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- (2) For further details regarding the assumptions and calculation methods used, please refer to the section headed “Unaudited Pro Forma Financial Information” in Appendix II to this document.

DIVIDENDS

During the Track Record Period, our Group declared dividends of HK\$15.0 million, HK\$10.0 million and HK\$6.0 million in respect of the years ended 31 December 2023, 2024 and 2025, respectively. As at the Latest Practicable Date, all dividends declared had been fully settled. We have established a dividend policy that considers various factors, including our actual and expected financial performance, retained earnings, distributable reserves, general economic conditions and the business cycle of our core business. No dividend has been declared or paid by our Company subsequent to 31 March 2026 and up to the Latest Practicable Date, and our Directors currently have no intention to declare or pay any dividend prior to the [REDACTED]. We do not have any fixed or pre-determined dividend payout ratio. The recommendation and payment of dividends are subject to the absolute discretion of our Board, and any declaration of final dividends for a financial year will also be subject to the approval of our Shareholders. Any declaration, payment and the amount of the dividends will be subject to our constitutional documents and the Companies Act. Our historical dividend payments should not be regarded as an indication of our future dividend policy.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Following 31 March 2026, we continued to expand our business and project portfolio. Subsequent to the Track Record Period and up to the Latest Practicable Date, we secured seven new projects across both our Security Guarding Services and Electronic Security Solutions Services segments, including two projects from new customers engaged in docking assistance services at a cross-boundary passenger ferry terminal and IoT and security systems services, respectively. As at the Latest Practicable Date, we had 28 projects in our backlog. We had also submitted 13 tenders pending results, with an aggregate estimated contract sum of approximately HK\$800 million, covering both of our business segments and including government-related and public infrastructure projects. Between 31 March 2026 and 31 May 2026, our unaudited revenue increased from approximately HK\$31.9 million to approximately HK\$53.8 million, while our unaudited gross profit increased from approximately HK\$8.0 million to approximately HK\$13.7 million, demonstrating our continued business growth following the Track Record Period.

[Our Directors confirm that, up to the date of this document, there has been no material adverse change to our financial, operational and/or trading position since 31 March 2026, being the date to which our most recent audited combined financial statements were prepared, and there has been no event since 31 March 2026 and up to the date of this document that would materially affect the information shown in our audited combined financial information included in the Accountants’ Report set out in Appendix I to this document.]