

RISK FACTORS

You should carefully consider all of the information in this document including the risks and uncertainties described below and our financial statements and the related notes before making an investment in the [REDACTED]. Our business and operations involve certain risks and uncertainties, many of which are beyond our control. Our business, financial conditions and operating results could be materially and adversely affected by any of these risks. The trading price of our Shares could decline due to any of these risks, and you may lose all or part of your investment. Additional risks and uncertainties that are not presently known to us, or not expressed or implied below, or that we currently deem to be immaterial, could also have a material adverse effect on our business, financial conditions and operating results.

RISKS RELATING TO OUR BUSINESS

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

A significant portion of our revenue was derived from a limited number of customers during the Track Record Period. During the Track Record Period, our top five customers contributed approximately HK\$136.7 million, HK\$174.5 million and HK\$28.8 million, respectively, which accounted for approximately 98.6%, 93.0% and 90.2% of our revenue in the corresponding periods, respectively.

We were engaged by our customers on a project-by-project basis during the Track Record Period. There is no assurance that we will continue to obtain projects from our major customers in the future. If there is a significant decrease in the number of projects awarded by our major customers, and we are unable to secure suitable projects of a comparable size and quantity as replacements from other customers, our financial condition and operating results would be materially and adversely affected.

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

Our revenue is generally derived from security service projects awarded by our customers from time to time. Our security service contracts typically have a term ranging from 2 months to 3 years, although certain one-off engagements may be as short as one day. Our contracts are generally either (a) one-off event/project-based which are not renewable due to their non-recurring nature; or (b) contracts for customers or sites with continued security needs where the decision to renew ultimately depends on commercial considerations made by the relevant customers.

Given the project-based nature of our business, our revenue and results of operations may fluctuate depending on the number and scale of projects awarded to us, the service period of such projects, the level of manpower required by customers, and whether our existing contracts can be continued or replaced upon expiry or completion. For example, due to the expected completion progress of the Three-runway System Project, there has been a decline in our revenue generated from the Three-runway Contract, from approximately HK\$106.8 million in FY2024, to HK\$85.4 million and HK\$10.2 million in FY2025 and 3M2026, respectively. This demonstrates how the reduction in manpower and the decreased scale of the Three-Runway Contract affected our revenue. During the Track Record Period, our renewal rate for contracts

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with continuing security or operating needs was approximately 52.4%. Such historical renewal rate may not be indicative of our future renewal rate.

Given the competitive nature of the security services industry and the background of most of our top five clients during the Track Record Period, these clients tend to hold relatively stronger bargaining power. If other security services providers offer lower prices to our existing customers, these customers may choose to engage such competitors. Additionally, security service contracts usually contain termination clause and may be terminated early. In such situations, our business and results of operations could be adversely affected.

We cannot assure you that our customers will refrain from terminating security service contracts with us prior to their expiration dates or opt to renew them upon expiration. The termination or non-renewal of a significant number of security service contracts could have a substantial adverse impact on our revenue. If we are unable to retain or renew these contracts and fail to secure comparable replacements from other customers, our business, financial condition and operating results could be materially and negatively affected.

Risk related to the recoverability of contract asset

Contract assets represent uncertified revenue for security services rendered, for which the Group's right to receive consideration is subject to verification of attendance records by customers as at the end of the reporting period. Uncertified revenue is transferred to trade receivables when the Group obtains the certification issued by the customers and is to be settled within 14–60 days from the invoice date. For Security Guarding Services, our revenue is generally supported by attendance records or service records of security personnel. For certain customers, such as the HKIA Operator, the attendance records and supporting documents are subject to the customer's review, confirmation and/or certification as part of the billing and payment process. For Electronic Security Solutions Services projects, including CCTV installation works, the relevant customer will generally inspect and test the completed installation works and certify the works before billing is finalised.

As at 31 December 2024 and 2025 and 31 March 2026, our contract assets amounted to approximately HK\$23.2 million, HK\$11.5 million and HK\$6.8 million, respectively. The decreasing trend was mainly attributable to the timing of certification and billing by customers, as a larger portion of services rendered before year end had been certified and transferred to trade receivables as at 31 December 2025, as compared to 31 December 2024. The decrease was also attributable to the lower uncertified revenue from the Three-runway Contract as at 31 December 2025, following the decrease in its activity level during FY2025, partially offset by contract asset arising from CCTV Project during FY2025. Our contract assets further decreased to approximately HK\$6.8 million as at 31 March 2026, mainly due to the lower revenue and service scale during 3M2026 and the continued certification and billing of services rendered before the period end.

Notwithstanding the above, the timing of such certification is largely dependent on the internal procedures and administrative efficiency of the customers, which may not be within our Group's control. Any delays in verification, inspection or certification may therefore lead to delays in billing and settlement, prolonging the recovery period of contract assets and may adversely affect our Group's cash flow. In addition, where discrepancies or issues are identified during the review process, further time may be required for resolution, which could further defer our Group's right to receive consideration.

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We may not be able to procure new security service contracts as planned

We believe that expanding our customer base for security service contracts is a key factor in sustaining our business growth. A portion of our revenue during the Track Record Period was generated from contracts awarded through tendering. Specifically, revenue generated from tendering and quotation accounted for approximately 23.0%, 54.5% and 68.0% of our total revenue, respectively, during the each of the Track Record Period. Our tender success rate during FY2024, FY2025 and 3M2026 was approximately 12.5%, 55.6% and 60.0%, respectively.

The engagement of security service providers is often influenced by factors such as operating history, service quality, service fees and the reputation of the security service provider. However, we cannot assure you that we will meet the tendering requirements or maintain our overall score under the evaluation systems used by some of our existing major clients.

Even if we meet the tendering requirements, there is no assurance that: (i) we would be invited or made aware of the tender; (ii) the terms and conditions of the new contracts would be as favourable as those of our existing contracts; (iii) the terms and conditions of the potential contracts, if secured, would be commercially acceptable to us; or (iv) our tenders would ultimately be selected by the prospective clients. In the competitive tendering process, we may need to lower our service fees or offer more favourable terms to increase our competitiveness. However, we may not be able to reduce our costs to match these terms, which could negatively impact our profitability. If we fail to secure new contracts, or if the terms of the new contracts are less favourable than those of our existing contracts, our business, financial condition and results of operations may be adversely affected. As a result, our growth prospects could be materially and negatively impacted.

Our robotics solutions business is at an early stage and may not achieve the expected commercial adoption

The security robotics market in Hong Kong remains at an early stage and our robotics solutions business is still under development. Although we have conducted product demonstrations and discussions with potential customers and business partners, such discussions may not result in binding orders or commercial deployment.

Customer adoption will depend on factors such as product reliability, deployment costs, suitable application scenarios and integration with existing security systems. Robotics technology and customer requirements may also evolve rapidly, and our solutions may require further development, testing and technical support.

If market adoption is slower than expected, or if we fail to develop commercially viable solutions or keep pace with technological changes, we may incur additional costs without generating the expected revenue, and our business prospects may be materially and adversely affected.

The implementation of our cooperation with Guangzhou Huilun may not proceed as planned

We established Arrano Huilun with Guangzhou Huilun and an Independent Third Party to develop and commercialise security robot solutions in Hong Kong. Under the cooperation arrangements, our Group is principally responsible for market development, customer liaison and coordinating with Guangzhou Huilun to translate customer requirements into appropriate product

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specifications and implementation arrangements. Guangzhou Huilun is principally responsible for product development, customisation, technical support and the supply of security robots.

The successful implementation of the cooperation depends on effective coordination between the parties. Although their respective roles are set out in the relevant agreements, further agreement may be required on project-specific requirements, commercial terms and implementation arrangements. We cannot assure you that the parties will be able to reach agreement and implement the relevant projects in a timely manner.

Any delay or disagreement in implementing the cooperation may delay customer projects, increase our costs or otherwise affect the development of Arrano Huilun’s business. If the cooperation does not proceed as contemplated, the anticipated benefits may not be realised, which could adversely affect our business, financial condition and results of operations.

Our historical results may not be indicative of our future performance

During the Track Record Period, our revenue amounted to approximately HK\$138.7 million, HK\$187.7 million and HK\$31.9 million, while our profit and total comprehensive income amounted to approximately HK\$17.4 million, HK\$22.6 million and HK\$4.3 million, respectively. Given that our business is contract-based and our Group generally has not entered into any contracts with a duration of more than five years, and that significant amount of our revenue was generated from contracts awarded through competitive tendering or quotation process during the Track Record Period, there is no assurance that we will always be able to maintain similar levels of revenue and profitability as those during the Track Record Period.

Our historical financial performance is merely an analysis of our past results and does not necessarily indicate or guarantee our financial performance in the future. Our future performance will depend on our ability to secure new business opportunities and security services contracts, provide services efficiently and control our costs.

We cannot assure you that we will be able to secure new contracts with either current or new clients upon the expiration or termination of contracts with existing clients, especially as contracts secured through tendering are awarded based on a variety of factors. There is no guarantee that existing contracts will be extended upon expiry or that new contracts will be awarded to us.

In addition, profit margins for our services may vary from contract to contract due to factors such as contract pricing and the labour resources required. As a result, there is no assurance that our revenue and profit margins will remain consistent with those recorded during the Track Record Period. Any decrease in our profit margins may adversely affect our financial condition, regardless of our historical performance. Investors should not rely solely on our historical financial information as an indicator of our future financial or operating performance. Any future decline in our profit margins may materially and adversely affect our financial condition and prospects.

Our Security Company Licence(s) are essential for the provision of security services. If our Security Company Licence(s) is revoked, suspended or not renewed, or if we experience a material delay in renewing such licence, our business, financial condition and results of operations would be materially and adversely affected

Our Security Company Licence(s) are essential for the provision of security services. During the Track Record Period, the revenue generated from the provision of security services

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was approximately HK\$138.7 million, HK\$187.7 million and HK\$31.9 million, respectively. We cannot assure you that there will not be any material adverse changes in the market trends, industry development or demand within the security services markets, as well as in our existing client base for security services or the labour market for security personnel. If we fail to adapt to such changes, experience interruptions in our security services business, or are unable to respond to changing demands from existing or prospective clients, our operations and financial condition may be significantly and adversely affected.

Arrano Group and Arrano Security are licensed to provide Type I security work (namely, provision of security guarding services) and Type III security work (namely, installation, maintenance and/or repairing of a security device and/or designing (for any particular premises or place) a security system incorporating a security device) in Hong Kong. If our Security Company Licence for carrying out Type I and/or Type III security work is revoked, suspended, or not renewed by the Security Authority, or if we experience material delays in renewing our Security Company Licence, or if there is a significant decline in demand for Type I and/or Type III security work in Hong Kong, our business, financial condition and results of operations may be materially and adversely affected.

Security services are highly labour intensive and a stable labour supply is critical to our business operations; exposure to fluctuating labour and subcontracting costs may adversely affect our business, financial condition and results of operations

During the Track Record Period, our direct labour costs amounted to approximately HK\$78.6 million, HK\$108.1 million and HK\$21.6 million, representing approximately 77.0%, 77.5% and 90.5% of our total cost of services, respectively. As at the Latest Practicable Date, we directly employed 446 employees deployed to different projects under our management. During the Track Record Period, we also engaged subcontractors for manpower provision, incurring subcontracting fees of approximately HK\$11.0 million, HK\$18.9 million and HK\$0.07 million, representing 10.8%, 13.6% and 0.3% of our total cost of services, respectively. For details of subcontractors, please refer to the paragraph headed “Business – Our suppliers and subcontractors – Our subcontractors” in this document.

Our business relies heavily on a stable labour supply, as the security services industry is highly labour intensive. Labour shortages, particularly among personnel with specialised skills, pose significant challenges to our operations. Turnover rates are also high and on the rise according to the Frost & Sullivan Report. Additionally, rising labour costs, driven by minimum wage increases and industry trends, place additional pressure on our profitability. According to the Frost & Sullivan Report, average wages in the security services in Hong Kong market grew at a CAGR of 3.3% between 2021 and 2025, from HK\$14,396 to HK\$16,418, respectively, and are expected to continue increasing, reaching HK\$18,959.1 by 2030. These rising labour costs make it critical to effectively control staff costs and subcontracting fees to maintain our profit margins.

Any changes to the Enhanced Supplementary Labour Scheme (ESLS) implemented by the Hong Kong Government may affect the supply of imported workers. If the availability of imported workers is restricted or if we are unable to recruit sufficient workers through the ESLS or other channels, we may face challenges in maintaining adequate manpower to support our operations.

Failure to retain employees or recruit sufficient manpower may force us to offer higher wages, increasing our operating costs. Certain contracts also impose penalties for manpower shortages, which may arise if we cannot meet contractual staffing requirements. Such labour

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shortages could result in poor service delivery, failure to meet contractual obligations, reputational damage and penalties, all of which could negatively impact our business, financial condition and results of operations.

On the other hand, overestimating manpower needs could also harm our business. Excess manpower may lead to substantial termination costs for redundant employees. Even if terminations comply with labour laws, they could trigger negative media coverage, damage our reputation, strain client relationships and hinder our ability to secure future contracts.

Our use of subcontractors adds further complexity. Any significant increase in subcontracting fees could adversely affect our profitability. Rising subcontracting fees and workforce costs, driven by minimum wage increases, continue to put pressure on our financial performance. Any failure, shortage or delay in the delivery of manpower by our subcontractors could negatively impact our business and operational stability.

Poor manpower planning, whether due to labour shortages or overestimations, could lead to reputational harm, strained client relationships and material adverse effects on our business, financial condition and results of operations. Without timely recruitment and costs control, we may also struggle to accommodate sudden increases in service demand or mitigate rising costs, further impacting our profitability and operational stability.

We rely on key management personnel and our business operations may be adversely affected if we are unable to retain them and identify suitable replacement

Our success is, to a significant extent, attributable to the continued commitment, service and contributions of our Directors and senior management. While our core management team may not have extensive prior experience in the security services industry, they bring an average of over 12 years of project management expertise across different industries. This broad experience equips them with the flexibility and adaptability to meet diverse customer needs, ensuring that we can oversee complex operations and foster business growth. Our senior management actively engages with customers, working directly with them to understand their unique requirements and provide tailored solutions, fostering long-term relationships built on trust and collaboration. Our executive Director and chief executive officer, Mr. Fong, brings over 15 years of project management experience in Hong Kong. For their biographies, please refer to the section headed “Directors and Senior Management” in this document.

We cannot assure you that we will be able to retain the services of our Directors and senior management or that we can continue to develop the experience and skills of our key personnel. Any unanticipated departures of members of the management team without appropriate and timely replacements may result in a loss of strategic leadership, causing disruption or delays to our business operations and expansion, which could materially and adversely affect our business operations and profitability.

We are exposed to credit risks from our customers, which may adversely affect our cash flow and liquidity position if customers fail to make payments on time or in full

During our business operations, we may face difficulties in collecting service fees from our customers. Even if there is a delay in payment by our clients, we still need to remunerate our employees timely in accordance with the applicable employment laws and regulations. Although we employ various collection measures to recover overdue payments, we cannot assure you of their effectiveness. Therefore, our working capital and cash flow may be adversely affected.

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Also, we may experience net cash outflows as project up-front costs at the initial stage of a project. The up-front costs of our projects generally include payment made to suppliers for equipment and to banks and financial institutions for the issuance of performance bonds. Depending on the contract terms of the project, we typically submit payment applications at agreed intervals to our customers as the project progresses, and our customer typically approves and settles our invoices within the agreed credit period. As such, there is usually a cash flow gap.

Our trade receivables amounted to approximately HK\$15.9 million, HK\$26.3 million and HK\$12.8 million as at 31 December 2024, 2025 and as at 31 March 2026, representing approximately 29.0%, 32.9% and 19.8% of our total current assets, respectively. For FY2024, FY2025 and 3M2026, our trade receivables turnover days were approximately 23.7 days, 41.0 days and 55.0 days, respectively.

There is no assurance that our customers’ financial positions will remain stable in the future. If customers experience financial distress or fail to settle their payments in a timely manner or at all, our financial condition and results of operations could be materially and adversely affected.

We have significant current liabilities and interest-bearing borrowings, which may have a negative impact on our liquidity

During the Track Record Period, we had significant current liabilities, the majority of which comprised trade payables, and maintained a certain level of interest-bearing borrowings. As at 31 December 2024 and 2025 and 31 March 2026, our trade payables amounted to approximately HK\$20.5 million, HK\$21.1 million and HK\$6.6 million, respectively, while our interest-bearing borrowings amounted to approximately HK\$6.1 million, HK\$4.5 million and HK\$8.3 million, respectively. Our current ratio was approximately 1.3 times, 1.7 times and 2.0 times, respectively.

We are required to repay our borrowings and settle our trade payables as they fall due. Any delay in settling these obligations may adversely impact on our relationship with our lenders and suppliers and disrupt our operations. Additionally, any delay in collecting receivables, reduction in available financing or unfavourable changes in payment terms with suppliers may pose risks to our liquidity. Such developments could materially and adversely affect our business and financial condition.

Our future business plans may not materialise within the planned time frame and our expansion effort may contribute to fluctuations in our future financial results

Our future business growth primarily depends on the successful implementation of our business strategies and business plans, as outlined in the paragraph headed “Business – Business strategies and future plans” and the section headed “Future Plans and Use of [REDACTED]” in this document. However, many of our plans are based on the current intentions of our Directors and remain at conceptual or preliminary stages. These plans rely on various assumptions about future events, which may or may not materialise, and actual circumstances may differ significantly.

In addition, our business plans may face challenges beyond our control, such as increased competition from other security services companies. As a result, we cannot guarantee that our business plans will materialise as intended, be executed within the planned time frame or achieve full or partial success.

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Furthermore, our expansion plans may require substantial capital expenditure, including contributions or commitments for expenses related to workforce, acquisition of machinery and equipment, and investments in technology and information system. These expenditures are expected to significantly increase our costs, including depreciation and direct labour costs.

The required initial capital investments may be influenced by general market conditions and we may face challenges in securing sufficient financing for our expansion plans. Consequently, our expansion plans and schedules may materially impact our financial condition and operating results, potentially leading to period-to-period fluctuations in our financial performance.

There is no assurance that we will be able to maintain a highly reputable team of consultants

We maintain a highly reputable team of consultants specialising in providing advice for our operations. The expertise and reputation of our consultants contribute to the quality of our services and our overall reputation.

There is no assurance that we will be able to maintain a highly reputable team of consultants in the long term. We cannot assure you that our current team of consultants will remain available to us or that we will continue to attract individuals with similar expertise and credentials. Any changes in the composition of our team, loss of personnel or inability to recruit qualified consultants in the future may adversely affect the quality of our services, our reputation and our ability to secure new projects. This could in turn materially and adversely affect our profitability.

Any failure to maintain effective quality assurance system for our services could have a material adverse effect on our reputation, financial condition and results of operations

We believe the reputation we have developed since our establishment are critical to our ability to attract customers and secure contracts. Our ability to maintain and enhance our reputation and brand recognition within the security service industries depends heavily on consistently delivering high-quality and timely services to our clients. If we fail to meet these standards, or if our clients perceive our services to be of lower quality, our reputation and brand could be negatively impacted, which would, in turn, have a material adverse effect on our business, financial condition, and results of operations.

To maintain the quality of our services, it is essential for us to continue to operate an effective quality assurance system for the services provided to our clients. The effectiveness of our quality assurance system depends significantly on several factors, including: (i) timely updates to our quality assurance system to align with the ever-changing business needs and environment; and (ii) strict adherence to our quality assurance policies and guidelines by our employees and teams. Any failure or deterioration of our quality assurance system could lead to a decline in the quality of our services, which, in turn, may harm our reputation, reduce demand for our services, or even subject us to contractual liabilities, other claims and prosecution. Such claims, regardless of whether they are ultimately valid, could cause us to incur significant costs to address the issues; suffer damage to our reputation and client relationships; and experience significant disruption to our operations. If any of these claims were ultimately valid, we might be required to pay substantial monetary damages or penalties. This could have a material and adverse impact on our business operations, financial condition, and results of operations.

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We are exposed to risks related to workplace safety and the potential occurrences of accidents

There are inherent risks of workplace injuries or accidents associated with the nature of our operations, as our employees may be required to work in dangerous environments. A significant portion of the security services we offer is carried out by our own employees, who may need to perform various tasks, including but not limited to: (i) working at heights, on slippery surfaces, or in low-visibility conditions such as darkness; (ii) operating electrical appliances while performing minor maintenance tasks; (iii) lifting and carrying heavy objects; (iv) working in unfamiliar or new environments; (v) defending and protecting individuals from aggressors; (vi) managing disputes between different stakeholders in the properties we oversee; and (vii) maintaining order and ensuring safety in crowded events.

Accidents leading to personal injury or property damage may arise if our employees fail to adhere to work safety measures and procedures. While accidents can occur in the normal course of our business, we cannot assure you that our employees will consistently comply with the safety measures and protocols we implement while performing the aforementioned tasks or other duties. In such cases, we may be held liable for the resulting losses or face prosecution. We could also be subject to claims of negligence or reckless behavior by our employees. Additionally, these incidents may disrupt our business operations and potentially lead to government authorities requiring changes in how we conduct our business. Any of these circumstances could have a material adverse effect on our reputation, business operations, financial condition and results of operations.

Litigation, legal proceedings and negative media coverage could expose us to liability, divert our attention and negatively impact our reputation

In the ordinary course of our business, we may be exposed to the risk of being named as a party in regulatory or legal actions, claims or disputes arising from our business activities, like personal injury claims. Accidents resulting in personal injuries, property damage or fatalities could materially and adversely affect our business operations and financial condition. Such incidents may also expose us to legal claims or proceedings. During the Track Record Period and up to the Latest Practicable Date, our Group was named as defendant in seven litigation claims primarily involving employee compensation and personal injury cases. For further details, please refer to the paragraph headed “Business – Occupational health and safety – Litigation, claims, and legal compliance” in this document.

The nature of our services also exposes us to potential disputes or claims arising from interactions with our business associates, such as subcontractors, suppliers or other third parties. In some cases, we may not be at fault or directly involved in the incident, but our employees or Group may be mistakenly perceived as the employees or employer of the tortfeasor, leading to legal complications.

If we are involved in litigation or legal proceedings, the outcomes are inherently uncertain and could result in settlements or judgments that adversely affect our financial condition. Additionally, such proceedings may incur significant legal expenses and consume substantial management time and resources, diverting focus from our core operations. These situations may also generate negative publicity, further damaging our reputation.

Given the trust placed in us by our clients, any involvement in legal proceedings or negative media coverage could harm our relationships with clients. This may diminish our ability to secure future contracts and impact our business growth. Any disputes, claims, legal

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proceedings, or unfavourable media exposure could have a material adverse effect on our business, financial condition and results of operations.

We may not be able to recover the bond security sum in the event of liquidation of JVBL

It is common practice in the public sector that contractors are required by their customers to take out performance bonds at a fixed sum or a certain percentage of the contract sum to secure due performance and compliance with the contracts.

Among the projects that we have undertaken during the Track Record Period and up to the Latest Practicable Date, a performance bond of HK\$5 million (the “**Performance Bond**”) in favour of the HKIA Operator was required to be provided under the Three-runway Contract. The Performance Bond was taken out by an Independent Third Party (which, to the best knowledge and belief of our Directors, is an associate company and the bonding line of the JV Partner) (“**JVBL**”) from a licensed bank in Hong Kong. To counter-indemnify JVBL for its contribution of the Performance Bond and in proportion to our participation interest in the Arrano JV, among others, we contributed HK\$3.5 million to JVBL as deposit accordingly (the “**Bond Security Sum**”). Please refer to the paragraph headed “Business – Our projects – The Three-runway Contract” in this document for further details. The Bond Security Sum shall be refundable in full to our Group upon completion of the Three-runway Contract if the Performance Bond is never enforced by the HKIA Operator.

On 21 February 2025, it came to our attention that JVBL was being put into provisional liquidation by the High Court of Hong Kong. In light of the provisional liquidation and the possible eventual winding up of JVBL, there is a risk that the Bond Security Sum may not be recoverable by our Group in full or at all from JVBL. The recoverability of the Bond Security Sum in such circumstances would depend on, among other things, (i) the amount and nature of assets of JVBL available for distribution in the event of liquidation; (ii) the level of total indebtedness of JVBL; (iii) the ranking of our claim in the context of liquidation as compared to other creditors and stakeholders of JVBL; and (iv) the costs and duration of the liquidation of JVBL.

Based on the evaluation of our Directors, it might be likely that our Group would be treated as an unsecured creditor with regard to the Bond Security Sum in the event of winding up of JVBL. As an unsecured creditor, our claim for the return of the Bond Security Sum would rank below secured creditors and preferential creditors of JVBL, and would only be satisfied after those higher-ranked creditors’ claims are satisfied in full. In the event that JVBL has insufficient asset available for distribution, there is a risk that we might not be able to recover the Bond Security Sum in full or at all. There is no assurance that we would be able to recover the Bond Security Sum or any part thereof in such circumstances, which could result in a financial loss to us and have a material adverse effect on our financial condition and results of operations. As such, the Bond Security Sum has been impaired in full, with the impairment amount of HK\$2.3 million and HK\$1.0 million for the year ended 31 December 2023 and in FY2024, respectively. For further details on the Bond Security Sum, please refer to the paragraph headed “Business – The Three-runway Contract” of this Document.

We may grant share incentives, which may result in increased share-based compensation expenses and negatively impact our results of operations

We have adopted the Share Option Scheme on [•] 2026, with the aim of providing additional incentives to our employees, Directors, consultants, advisers, contractors, suppliers and service providers and to promote the success of the Group’s business. As of the date of this

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document, the maximum aggregate number of Shares that may be issued under the Share Option Scheme is [REDACTED] Shares.

During the Track Record Period, we did not incur any share-based compensation expenses. However, we believe the granting of share-based compensation is significant to attract and retain key personnel and employees, and for further incentivising our employees to contribute to our success. As such, we may grant additional share-based compensation in the future. Issuance of additional Shares under the Share Option Scheme may dilute the shareholding percentage of our existing Shareholders. Expenses related to such share-based compensation may also increase our operating expenses, which may have a material and adverse effect on our financial performance.

Failure to protect our intellectual property rights could have a negative impact on our business and competitive position

Our Group’s business is highly sensitive to our clients’ perception of the reliability and quality of our services. Our Directors believe that our success depends on the value of our brand and our reputation for offering quality security services. Our “Arrano” brand is recognised in the market for its quality services, and maintaining and promoting this brand recognition and reputation is critical to the future success of our Group. The reputation of our brand relies on our ability to consistently deliver high-quality security that meet our clients’ needs and preferences. Failure to do so could adversely impact our brand reputation and, consequently, our business operations.

Currently, we do not have any registered trademarks to protect our brand name. Instead, we hold a domain name in Hong Kong, which we consider an important part of our intellectual property and brand protection strategy. However, relying solely on a domain name provides limited protection against infringement or passing off by third parties.

Our Group remains susceptible to the unauthorised use of our logos, brand name and other intellectual property by third parties, particularly as we do not have registered trademarks to safeguard them. If we fail to detect, deter or prevent misuse of our brand by third parties, or if we are unable to address misbehaviour or misconduct by our employees, our brand and reputation could be damaged. Any misuse of our brand or failure to safeguard it could result in negative consequences for our reputation and brand value.

We are exposed to risks associated with failing to detect and prevent fraud, negligence or other misconduct (accidental or otherwise) committed by our employees, subcontractors or third parties

We are exposed to risks associated with fraud, negligence, or other types of misconduct (whether accidental or intentional) committed by our employees, subcontractors, customers or other third parties. Such acts could result in financial losses, legal actions and significant harm to our reputation. For example, theft or other unlawful activities conducted by third parties may lead to situations where we are held accountable for being negligent or reckless. This could require us to provide compensation, while also causing reputational damage in the market.

Our internal control procedures may fail to identify non-compliance and/or suspicious transactions in a timely manner, or at all. Further, it is not always possible to detect and prevent fraud and other misconduct, and the precautions we take to prevent and detect such activities may not be effective. There will therefore continue to be the risk that fraud and other misconduct may occur, including negative publicity as a result, which may have an adverse effect on our business, reputation, financial position and results of operations.

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Our provision of services on a fixed fee basis could subject us to losses if we subsequently incur excess expenses in delivering our services to clients

During the Track Record Period, we charged some of our clients a pre-agreed fixed fee for our services. Under such arrangement, we are required to bear all costs incurred in delivering our services, regardless of the amount of resources utilised or any additional expenses that arise. If the actual costs of providing our services significantly exceed our initial estimates due to miscalculations, unforeseen circumstances or other factors, the fees we collect may be insufficient to cover these expenses. This could lead to financial losses, which may have a material adverse effect on our profitability, financial condition and results of operations.

We rely entirely on the Hong Kong market, and any material adverse change to the change to the economic, social and political conditions in Hong Kong may adversely affect our business, results of operations, financial performance and profitability

During the Track Record Period, we only provided security services in Hong Kong. Our business is highly dependent on the economic, social and political conditions in Hong Kong, and we are exposed to risks associated with operating solely in this market. Any material adverse changes, such as economic downturns, regulatory changes in Hong Kong could severely impact our operations. Such changes may lead to reduced client demand for our services, increased operational challenges or increased costs, all of which could materially and adversely affect our business, results of operations, financial performance, and profitability. For further details, please refer to the paragraph headed “Risks relating to conducting business in Hong Kong” below in this section.

Security breach, theft, burglary, loss or damages of property or bodily harm could adversely affect our business, financial condition, results of operations and reputation

Security breach, theft, burglary, property loss or damage, bodily harm and accidents resulting in personal injury (collectively the “Incidents”) may occur during the course of our business operations. The properties and personnel secured, guarded or served by us are exposed to these risks. Common areas of the properties we secure, such as lobbies, outdoor spaces, stairways, car parks, elevator shafts and equipment may also suffer damage from causes beyond our control, including but not limited to natural disasters, intentional misconduct or unintentional human actions.

If an Incident occurs due to our negligence or a breach of contract, we may be held liable for the resulting loss or damage suffered by our clients. For details regarding certain security incidents that occurred during the Track Record Period, please refer to the paragraphs headed “Business – Occupational health and safety – Procedure for recording and handling employee injuries or accidents at work” and “Business – Occupational health and safety – Litigation, claims and legal compliance” in this document. If we are required to pay damages to our clients, such liabilities could materially and adversely affect our business, financial condition, results of operations and reputation.

Additionally, even when an Incident is beyond our control or we are not at fault, we may still face claims for loss, property damage or personal injury caused by the Incident, regardless of the merits of such claims. Defending against these claims can be time-consuming and costly, potentially diverting our management’s attention and resources. Additionally, we may be required to assist government authorities with investigations into any Incidents that occur at the properties we secure or manage. Even, if we are ultimately found not liable for the Incident, the process of addressing these claims or investigations can harm our reputation and create negative

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publicity, which could adversely impact our business, results of operations, financial condition, and reputation.

We may not have insurance coverage that is adequate to cover potential liabilities or losses

We maintain insurance coverage for various risks related to our operations, employees and protection against accidents and injuries. During the Track Record Period, our total insurance expenses amounted to approximately HK\$0.2 million, HK\$1.1 million and HK\$0.3 million, respectively. For further details of our insurance policies, please refer to the paragraph headed “Business – Insurance” in this document. However, there are certain risks against which we do not carry insurance, such as acts of natural disasters, terrorism, riots or public disorder. Additionally, we may face liabilities for which our insurance coverage is insufficient, requiring us to bear the shortfall of any awarded amount.

There is no assurance that adequate insurance coverage will continue to be available to us on reasonable terms in the future. Insurance premiums may rise significantly and insurers may impose stricter terms or reduce the scope of coverage for risks we currently insure against. If any major claims be made against our Group that are either not covered by insurance or only partially covered, our business, financial performance and results of operations may be materially and adversely affected. Any reduction or limitation of insurance coverage by insurers upon the expiry of our existing policies is beyond our control. Further increases in insurance costs, such as rising insurance premiums or a reduction in coverage may materially and adversely affect our Group’s business operations and financial results.

Potential leakage of personal data may result in potential claims or disputes and adverse impacts on our business and reputation

We handle sensitive personal data, including client information, employee records and security-related data such as surveillance footage. We cannot assure you that all employees will strictly follow our internal procedures for managing personal data. Additionally, risks such as negligence, human error or external attacks, including hacking or unauthorised access may lead to data breaches.

If personal data is leaked, we may face legal claims, disputes or regulatory penalties for non-compliance with data protection laws. Such incidents may severely harm our reputation, resulting in client loss, termination of contracts and difficulty in acquiring new business. Furthermore, addressing data breaches may incur significant financial and operational costs. Given the importance of confidentiality in the security industries, any personal data leakage could materially and adversely affect our business, financial condition, and results of operations.

RISKS RELATING TO OUR INDUSTRY

We operate in a competitive industry and a highly competitive market may put downward pricing pressures on us

The security services industries in Hong Kong are highly competitive and fragmented. According to the Frost & Sullivan Report, there were approximately over 1,450 industry participants in the Hong Kong security service industry in 2025, many with long operating histories. This competitive landscape may intensify over time, creating significant challenges for us.

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To compete in this market, we may face downward pricing pressures, which could reduce our profit margins. We cannot assure you that our profit margins will remain unaffected by such pressure. Additionally, we may struggle to adapt to market conditions or customer preferences or fail to provide competitive bids compared to our rivals. If our services become less attractive to customers, our business could be materially and adversely affected. Furthermore, many of our competitors benefit from better track records, longer operating histories, and greater financial, technical, sales, marketing and distribution resources. These advantages allow them to allocate more resources to service development, promotion and customer support. They may also adopt aggressive pricing strategies or develop stronger relationships with our customers, limiting our ability to secure contracts.

Given these challenges, we cannot assure you that we will compete effectively or maintain or improve our market position. Failure to do so could materially and adversely affect our business, financial condition, and operational results.

With the implementation of the Minimum Wage Ordinance, we may fail to retain labour in a cost-effective way or transfer rising labour costs to our clients, which may adversely affect our profitability

We rely heavily on human resources for the provision of our security services, with a substantial proportion of our operating expenses attributed to labour costs. Under the Minimum Wage Ordinance, Hong Kong raised the statutory minimum wage to HK\$43.1 per hour on 1 May 2026, which remains in effect until the next adjustment.

As at Latest Practicable Date, we had 446 employees. During the Track Record Period, our direct labour costs amounted to approximately HK\$78.6 million, HK\$108.1 million and HK\$21.6 million, representing approximately 77.0%, 77.5% and 90.5% of our total cost of services, respectively. Based on our Directors’ estimation, the average hourly wage of our operational staff during the Track Record Period was approximately HK\$53.8, HK\$53.9 and HK\$53.8, respectively.

Labour costs are expected to remain a significant proportion of our total revenue. However, we cannot assure you that the statutory minimum wage will not increase further in the future, which could result in higher labour costs, and may adversely affect our profitability if we are unable to pass these costs on to our clients.

During the two years ended 31 December 2025 and three months ended 31 March 2026, certain contracts accounting for approximately 11.3%, 11.1% and 13.8% of our total revenue, respectively, included provisions allowing us to adjust service fees in response to changes in the statutory minimum wage. For further details on how changes in labour costs could impact our profitability, please refer to the paragraph headed “Financial Information – Key factors affecting our results of operations and financial conditions – Price fluctuations of labour and subcontracting costs” in this document.

The implementation of the Minimum Wage Ordinance also creates challenges in retaining employees, particularly security service personnel who are required to hold a Security Personnel Permit. With the statutory minimum wage in place, jobs requiring fewer qualifications may attract workers, making it harder for us to retain qualified employees. Failure to retain employees could result in higher turnover or delays in hiring suitable replacements, which may adversely affect the quality of our services. These challenges could materially and negatively impact our business operations and profitability.

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Cancellation of the MPF offsetting arrangement may result in an increase in our direct labour costs

Before 1 May 2025, under the MPF legislation, employers could offset employee severance payments and long service payments against accrued benefits derived from their mandatory MPF contributions (the “**MPF Offsetting Arrangement**”). For details, please refer to the paragraph headed “Regulatory Overview – Labour, health and safety – Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) (“**MPFSO**”)” in this document.

The MPF Offsetting Arrangement has been abolished from 1 May 2025. Key points of the abolition:

- from 1 May 2025, employers can no longer offset severance payments or long service payments with accrued benefits from mandatory MPF contributions;
- accrued benefits from voluntary MPF contributions and gratuities based on length of service can still be used to offset severance payments or long service payments;
- a “grandfathering” arrangement will apply to the pre- transition portion of severance payments or long service payments for employees hired before 1 May 2025 to reduce the risk of dismissals.

Since the abolition of the MPF Offsetting Arrangement, given the labour-intensive nature of our business, we estimate additional costs of approximately HK\$0.6 million and HK\$0.6 million in the years ending 31 December 2026 and 31 December 2027, respectively, based on MPF contributions and accrued benefits as at the Latest Practicable Date. This would increase our direct labour costs and could materially and adversely affect our operations, financial condition and profitability.

Potential standard working hours legislation may adversely affect our staff costs and profitability

As at the Latest Practicable Date, Hong Kong had not enacted legislation regarding maximum working hours. In April 2013, the Standard Working Hours Committee (“**SWHC**”) was established to advise the Hong Kong Government on this matter.

On 27 January 2017, the SWHC released a report recommending a legislative approach requiring employers to enter into written contracts with lower-income employees specifying working hours. The report also proposed mandatory overtime compensation at a rate no less than the agreed wage or equivalent time-off in lieu. On 13 June 2017, the Chief Executive endorsed these recommendations, and on 20 June 2017, the Labour Department issued a paper accepting the report’s findings. The proposed framework defined lower-income employees as those earning HK\$11,000 or below per month and recommended drafting 11 sector-specific working hours guidelines, including for property management, within two to three years.

It remains uncertain whether a statutory working hours bill will be enacted or revised. If implemented, such legislation may increase our staff costs due to overtime compensation, which could adversely affect our profitability.

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Any changes in the Recognition Scheme may adversely affect our staff costs and profitability

The Quality Assurance System for Recognition Scheme of Security Training Courses (the Recognition Scheme) was introduced in 2021 to provide the public with information on basic security training courses that meet the standards recognised by the SGSIA and are available on the market.

In the event that fewer training courses are recognised under the Recognition Scheme, fewer individuals may be able to obtain the Security Personnel Permit. This could result in a reduced number of qualified security personnel in the market, leading to increased competition among industry players to attract and retain skilled workers. Such competition may require offering higher wages, which could increase our labour costs. The developments may materially and adversely impact our ability to recruit and retain qualified personnel, ultimately affecting our business operations and profitability.

Changes in rules and regulations, industry standard and technology innovation may affect our operations

Our success depends, in part, on our ability to keep up with changes in the regulatory regime, industry standard and technological innovation. We cannot assure you that we and our employees will be able to adapt to such changes. If there is any delay in compliance, we may need to suspend or terminate our existing services. Even if we and our employees successfully obtain the necessary licences, there is no guarantee that these licences will not be revoked or suspended by the relevant authorities. If any licence is revoked or suspended, our business operations may need to be suspended or terminated. Moreover, there is no assurance that the Hong Kong Government will not impose additional or stricter laws or regulations on the security services and facility services industries in the future.

Furthermore, according to the Frost & Sullivan Report, advanced security solutions are reshaping the infrastructure of building facilities. An increasing number of security service companies are emphasising surveillance technology and video analytics, which has created strong demand for video surveillance systems. If we fail to respond adequately to evolving industry standards and technological innovation, our clients may seek more qualified service providers who can better meet their demands. In such circumstances, our business and results of operations may be materially and adversely affected.

RISKS RELATING TO CONDUCTING BUSINESS IN HONG KONG

The state of the economy and social and political environment in Hong Kong may impact our performance and financial condition

We operate exclusively in Hong Kong, with all of our revenue derived from this market. Any major changes to Hong Kong’s economic, social and political environment could significantly impact our business performance and financial condition. We may be adversely affected if there is a downturn in Hong Kong’s economy, as this could directly impact our results of operations and financial condition. Additionally, social unrest or civil movements may also disrupt the local economy. In such cases, our Group’s operations and financial condition could be materially and negatively affected.

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RISKS RELATING TO THE [REDACTED]

There is no existing public market for our Shares and their liquidity and market price may fluctuate

Prior to the [REDACTED], there has not been a public market for our Shares. We have applied for the [REDACTED] of and [REDACTED] in our Shares on GEM. However, even if approved, we cannot assure you that an active and liquid public trading market for our Shares will develop following the [REDACTED], or, if it does develop, it will be sustained. The financial market in Hong Kong and other countries have in the past experienced significant price and volume fluctuations. Volatility in the price of our Shares may be caused by factors beyond our control and may be unrelated or disproportionate to our operating results. Accordingly, we cannot assure you that the liquidity and market price of our Shares will not fluctuate.

The [REDACTED] was the result of negotiations among us and the [REDACTED] (for itself and on behalf of the other [REDACTED]) and may not be indicative of prices that will prevail in the trading market after the [REDACTED]. Therefore, our Shareholders may not be able to sell their Shares at prices equal to or greater than the price paid for their Shares purchased in the [REDACTED].

Our Controlling Shareholder may exert substantial influence over our operation and may not act in the best interests of our public Shareholders

Immediately following completion of the [REDACTED] (and assuming that the [REDACTED] is not exercised at all and no options are granted under the Share Option Scheme), (i) each of HFTT and Fong 1119 will be entitled to exercise 30% or more of the voting power at general meetings; and (ii) Ms. Lam (via Well Smart) and Mr. Fong controls HFTT and Fong 1119, respectively. Accordingly, each of HFTT, Fong 1119, Well Smart, Mr. Fong and Ms. Lam will remain as our Controlling Shareholder after the completion of the [REDACTED]. Therefore, they will be able to exercise significant influence over all matters of our Company requiring shareholders' approval, including the election of directors and the approval of significant corporate transactions. They will also have veto power with respect to any shareholder action or approval requiring a majority vote except where they are required by relevant rules to abstain from voting. Such concentration of ownership also may have the effect of delaying, preventing or deterring a change in control of our Company that would otherwise benefit our Shareholders. The interests of the Controlling Shareholder may not always align with the other Shareholders. If the interests of the Controlling Shareholder conflict with the interests of our Company or the other Shareholders, or if the Controlling Shareholder chooses to cause our business to pursue strategic objectives that conflict with the interests of our Company or the other Shareholders, our Company or those other Shareholders, including you, may be disadvantaged as a result.

There can be no assurance if and when we will pay dividends in the future

Distribution of dividends shall be formulated by our Board and will be subject to Shareholders' approval. A decision to declare or to pay any dividends and the amount of any dividends will depend on various factors, including but not limited to our distributable profits, business conditions and strategies, capital requirements and expenditure plans, financial results, future operations and earnings, characteristics of the industry, the stage of development, and any restrictions on payment of dividends, and any other factors determined by our Board from time to time to be relevant to the declaration or suspension of dividend payments. As a result, there

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can be no assurance whether, when and in what form we will pay dividends in the future. Please refer to the paragraph headed “Financial Information – Dividends” in this document for further details.

The trading price and volume of our Shares may be volatile, which could result in substantial loss to our investors

The trading price of our Shares may be volatile and could 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 our Company and the general investment environment, developments in laws, regulations and taxation systems which affect our operations, and general market conditions of the securities markets in Hong Kong. In particular, the trading price performance of our competitors whose securities are listed on the Stock Exchange may affect trading price of our Shares. 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 and involvement in material litigation as well as recruitment or departure of key personnel, could cause the market price of our Shares to change unexpectedly. Any of these factors may result in large and sudden changes in the volume and trading price of our Shares.

Investors of our Shares may experience dilution if we issue additional Shares in the future to raise funding

If additional funds are raised through the issuance of new equity or equity-linked securities of our Company other than on a pro-rata basis to our existing Shareholders, the percentage of ownership of our existing Shareholders in our Company may be reduced or such new securities may confer rights and privileges that have priority over those conferred by the Shares. Also, if we fail to utilise the additional funds to generate the expected earnings, this could adversely affect our financial results and in turn exerts pressure to the market price of our Shares. Even if additional funds are raised by means of debt financing, any additional debt financing may, apart from increasing interest expense and gearing, contain restrictive covenants with respect to dividends, future fund-raising exercises and other financial and operational matters.

There may be dilution because of the issuance of Shares pursuant to the options which may be granted under the Share Option Scheme

We might grant share options to eligible participants under the Share Option Scheme, who may be our employees, senior management and Directors. The exercise of share options under the Share Option Scheme will result in an increase in the number of Shares, and may result in a dilution to the percentage of ownership of our Shareholders, the earning per Share and net asset value per Share depending on the exercise price. Further details of the Share Option Scheme are summarised in the paragraph headed “Statutory and General Information – D. Share Option Scheme” in Appendix IV to this document.

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You may face difficulties in protecting your interests under Cayman Islands law

Our corporate affairs are governed by, among other things, the Memorandum and Articles of Association, the Companies Act and the common law of the Cayman Islands. The rights of Shareholders to take action against our Directors, actions by minority Shareholders and 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 and the Memorandum and Articles of Association. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as that from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The laws of the Cayman Islands relating to the protection of the interests of minority shareholders differ in some respects from those in Hong Kong and other jurisdictions. Such differences mean that the remedies available to our minority Shareholders may be different from those they would have under the laws of Hong Kong or other jurisdictions. For the summary of Cayman Islands company law, please refer to Appendix III to this document.

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

This document contains certain statements and information that are forward-looking and uses forward-looking terminology such as "believe," "expect," "estimate," "predict," "aim," "intend," "will," "may," "plan," "consider," "anticipate," "seek," "should," "could," "would," "continue," and other similar expressions. You are cautioned that reliance on any forward-looking statement involves risks and uncertainties and that any or all of those assumptions could prove to be inaccurate and, as a result, the forward-looking statements based on those assumptions could also be incorrect. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this document should not be regarded as representations or warranties by us that our plans and objectives will be achieved and these forward-looking statements should be considered in light of various important factors, including those set forth in this section. Subject to the requirements of the GEM Listing Rules, we do not intend publicly to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.

We cannot guarantee the accuracy of certain facts and statistics contained in this document

Certain facts and statistics in this document have been derived from various official government and other publications generally believed to be reliable. We believe that the sources of such information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading in any material respect or that any fact has been omitted that would render such information false or misleading in any material respect. None of our Company, the Sole Sponsor or any of our or their respective directors, officers or representatives or any other person involved in the [REDACTED] (which for the purpose of this paragraph, excludes the Frost & Sullivan) has independently verified such information and statistics and none of them gives any representation as to accuracy of such information and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, the facts and statistics in this document may be inaccurate or may not be comparable to facts and statistics produced with respect to other economies. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of

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accuracy (as the case may be) in other jurisdictions. As a result, you should not unduly rely upon such facts and statistics contained in this document.

You should read the entire document and we strongly caution you not to place any reliance on any information contained in the press articles, other media and/or research analyst reports regarding us, our business, our industry and the [REDACTED]

There has been, prior to the publication of this document, and there may be subsequent to the date of this document but prior to the completion of the [REDACTED], press, media, and/or research analyst coverage regarding us, our business, our industry and the [REDACTED]. You should rely solely upon the information contained in this document in making your investment decisions regarding our Shares and we do not accept any responsibility for the accuracy or completeness of the information contained in such press articles, other media and/or research analyst reports nor the fairness or the appropriateness of any forecasts, views or opinions expressed by the press, other media and/or research analyst regarding the Shares, the [REDACTED], our business, our industry or us. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information, forecasts, views or opinions expressed or any such publications. To the extent that such statements, forecasts, views or opinions are inconsistent or conflict with the information contained in this document, we disclaim them. Accordingly, prospective investors are cautioned to make their investment decisions on the basis of information contained in this document only and should not rely on any other information.

There is no assurance that the Shares will remain [REDACTED] on GEM

Although it is currently intended that the Shares will remain [REDACTED] on GEM, there is no guarantee of the continued [REDACTED] of the Shares. Among other factors, our Company may not continue to satisfy the [REDACTED] requirements of GEM. Holders of Shares would not be able to sell their Shares through trading on GEM if the Shares are no longer [REDACTED] on GEM.