

CONNECTED TRANSACTIONS

OVERVIEW

Upon [REDACTED], certain transactions between us and our connected persons will constitute continuing connected transactions under Chapter 20 of the GEM Listing Rules.

CONNECTED PERSONS

The following persons, among others, will become our connected persons upon [REDACTED]:

Name of our connected persons	Connected Relationship
Guangzhou Huilun	As of the Latest Practicable Date, Arrano Huilun is an indirect non-wholly owned subsidiary of the Company. Arrano Huilun is owned as to 61% by Arrano Technology, as to 33% by Guangzhou Huilun, and as to 6% by an Independent Third Party. As Guangzhou Huilun is a substantial shareholder of Arrano Huilun, it is a connected person of the Company at the subsidiary level.

OUR CONTINUING CONNECTED TRANSACTIONS

Nature of transaction	Counterparty	Category of continuing connected transaction	Applicable GEM Listing Rule	Waiver sought
Procurement of robotic products and related services	Guangzhou Huilun	Partially-exempt continuing connected transaction	GEM Listing Rule 20.33 and 20.103	Announcement

Procurement of robotic products and related services

Principal terms

On 17 July 2026, our Company and Guangzhou Huilun entered into the Procurement Framework Agreement, pursuant to which Guangzhou Huilun and its associates may, from time to time, supply robotic products and robotic equipment, and provide robotics-related research and development and customisation and other ancillary services to members of our Group.

Each transaction contemplated under the Procurement Framework Agreement will be entered into by way of an individual agreement or purchase order setting out the specific products or services, price, payment terms and delivery arrangements, and will be (i) conducted in the ordinary and usual course of business of our Group, on normal commercial terms or better, and on terms that are fair and reasonable; (ii) carried out in accordance with the terms of the Procurement Framework Agreement, the relevant individual agreement(s) and applicable laws; and (iii) subject to the applicable annual cap(s).

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The Procurement Framework Agreement is non-exclusive and does not require any member of our Group to procure any minimum amount of products or services from Guangzhou Huilun or its associates. It has an initial term from the date of the agreement to 31 December 2028. Any renewal will be subject to the compliance with the requirements under Chapter 20 of the GEM Listing Rules and all other applicable laws and regulations.

Reasons for the transactions

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. In connection with our Electronic Security Solutions Services, members of our Group may from time to time require robotic products and related research and development, product customisation, technical support and ancillary services.

Guangzhou Huilun is principally engaged in the research and development, manufacture and sale of intelligent robots, industrial robots, specialised operation robots and service robots. As at the Latest Practicable Date, Guangzhou Huilun is a wholly-owned subsidiary of Guangdong Huilun Technology Co., Ltd.* (廣東慧倫科技有限公司) (“**Guangdong Huilun**”), which was owned as to 49.39% by Guangzhou Automobile Group Co., Ltd., a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 2238) and the Shanghai Stock Exchange; as to 24.69% by each of two PRC limited partnerships; and as to 1.23% by Mr. Zhang Aimin, the chairman and general manager of Guangdong Huilun.

Pursuant to the business cooperation agreement entered into among the shareholders of Arrano Huilun, Arrano Huilun serves as the principal platform for the development, sales, distribution and customer engagement of security robots in Hong Kong. Guangzhou Huilun shall contribute robotics-related technologies and product development and manufacturing resources, and shall grant Arrano Huilun an exclusive and royalty-free licence to use the relevant robotic patents in Hong Kong, while our Group shall contribute its local security market know-how, customer resources, project management experience and after-sales support capability. Having considered the above and our Group’s need for a stable supply of suitable robotic products and related services, our Directors consider that the Procurement Framework Agreement is in the interests of the Company and the Shareholders as a whole.

Pricing basis

The price and fees to be charged by Guangzhou Huilun and its associates for the products and services pursuant to the Procurement Framework Agreement shall be determined through arm’s length commercial negotiation between the parties on a fair and reasonable basis, taking into account various factors including but not limited to the nature, type, specifications and quantity of the relevant products and services, transaction volume, prevailing market prices, and the prices and fees charged by independent third -party suppliers for comparable products and services under comparable circumstances.

Historical amounts

For the years ended 31 December 2024 and 2025 and the three months ended 31 March 2026, the historical transaction amounts in respect of the supply of services and products by

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Guangzhou Huilun and its associates to our Group were nil, nil, and nil, respectively. As at the Latest Practicable Date, there were no historical transactions between Guangzhou Huilun and our Group.

Annual caps

The following table sets forth the proposed annual caps for the annual transaction amounts payable by our Group to Guangzhou Huilun and its associates under the Procurement Framework Agreement:

	For the years ending 31 December		
	2026	2027	2028
	(HK\$ in million)		
Total fees payable by our Group to Guangzhou Huilun and its associates	10.0	20.0	30.0

The proposed annual caps are determined based on:

- (i) the expected scope and scale of products and services to be procured under the Procurement Framework Agreement, and the annual service fee of HK\$1.0 million;
- (ii) the commercial sales targets under the business cooperation agreement of relevant robotic products and estimated demand of our Group for such products and services for the three years ending 31 December 2028;
- (iii) the estimated fees and unit prices for the relevant products and services, which will be determined on normal commercial terms and on a market-competitive basis, taking into account the nature, scope, technical specifications and complexity of the products and services to be provided, prevailing market rates for comparable products and services, and the relevant cost factors; and
- (iv) other factors including possible changes in product configuration, technical requirements, project timetable, customer demand, procurement arrangements, supply chain costs, labour costs, logistics costs, exchange rate fluctuations and general market conditions.

The increasing annual caps reflect the expected ramp-up in the commercialisation and procurement of robotic products and related services. The annual cap for 2026 will apply only to transactions conducted from the [REDACTED] to 31 December 2026.

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GEM Listing Rules implications

As of the Latest Practicable Date, Arrano Huilun is an indirect non-wholly owned subsidiary of the Company and is owned as to 61% by Arrano Technology, 33% by Guangzhou Huilun, 6% by an Independent Third Party. 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 Chapter 20 of the GEM Listing Rules.

Pursuant to Rule 20.99 of the GEM Listing Rules, a connected transaction between the [REDACTED] issuer's group and a connected person at the subsidiary level on normal commercial terms or better is exempt from the circular, independent financial advice and shareholders' approval requirements if: (1) the [REDACTED] board of directors have approved the transactions; and (2) the independent non-executive directors have confirmed that the terms of the transaction are fair and reasonable, the transaction is on normal commercial terms or better and in the interests of the [REDACTED] and its shareholders as a whole.

In view of the fact that (i) Guangzhou Huilun is a connected person of the Company at the subsidiary level; (ii) the Board (including the independent non-executive Directors) has approved the Procurement Framework Agreement; and (iii) the independent non-executive Directors have confirmed that the Procurement Framework Agreement and the transactions contemplated thereunder are on normal commercial terms and its terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole, such transactions will, upon the [REDACTED], constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 20.47 and 20.69 of the GEM Listing Rules and the announcement requirement under Rule 20.33 of the GEM Listing Rules, but exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Rule 20.99 of the GEM Listing Rules.

INTERNAL CONTROL PROCEDURES ADOPTED BY THE COMPANY IN RESPECT OF THE IMPLEMENTATION OF CONTINUING CONNECTED TRANSACTION FRAMEWORK AGREEMENT

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

- Our Group has approved internal guidelines which provide that if the value of any proposed connected transaction is expected to exceed certain thresholds, the relevant staff must report the proposed transactions to the relevant responsible personnel in order for our Company to commence the necessary additional assessment and approval procedures and ensure that we will comply with the applicable requirements under Chapter 20 of the GEM Listing Rules.
- To facilitate an annual review of continuing connected transactions, the Company will provide all necessary documentation to the auditors and our independent non-executive Directors. As required by the GEM Listing Rules, the independent non-executive Directors will confirm to the Board annually that such transactions were conducted in the ordinary course of business, on normal commercial terms, and are

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fair, reasonable, and in the best interests of Shareholders. Simultaneously, the auditors will issue a confirmation stating whether any findings suggest these transactions lacked Board approval, deviated from pricing policies, breached governing agreements, or exceeded the established annual caps.

- When considering any renewal or amendment of the agreements after [REDACTED], the interested Directors and Shareholders will abstain from voting on the relevant resolutions at Board meetings or Shareholders’ general meetings, as applicable. If approval from the independent non-executive Directors or independent Shareholders cannot be obtained, we will not continue the transactions under the framework agreement(s) to the extent that they constitute non-exempt continuing connected transactions under Rule 20.33 of the GEM Listing Rules.

WAIVER

In respect of the transactions as contemplated under the Procurement Framework Agreement as described above, we have applied for, [and the Stock Exchange has granted us], a waiver from strict compliance with the announcement requirement under Rule 20.33 of the GEM Listing Rules pursuant to Rule 20.103 of the GEM Listing Rules.

DIRECTORS’ CONFIRMATION

Our Directors (including independent non-executive Directors) are of the view that: (i) the continuing connected transactions set out above have been and will be entered into in our ordinary and usual course of business on normal commercial terms or better, on terms that are fair and reasonable, and in the interests of our Company and our Shareholders as a whole; and (ii) the proposed annual caps for these transactions are fair and reasonable and in the interests of our Company and the Shareholders as a whole.

SOLE SPONSORS’ CONFIRMATION

The Sole Sponsor has (i) reviewed the relevant documents and information provided by our Company in relation to the continuing connected transactions described above; (ii) obtained necessary representations and confirmations from our Company and the Directors; and (iii) participated in the due diligence and discussions with the management of our Group.

Based on the above, the Sole Sponsor concurs with the view that (i) the Procurement Framework Agreement and the transactions contemplated thereunder are of our Directors in the ordinary and usual course of our business of our Group, on normal commercial terms or better, are fair and reasonable and in the interests of our Company and our Shareholders as a whole, and (ii) the proposed annual caps are fair and reasonable and in the interests of our Company and our Shareholders as a whole.