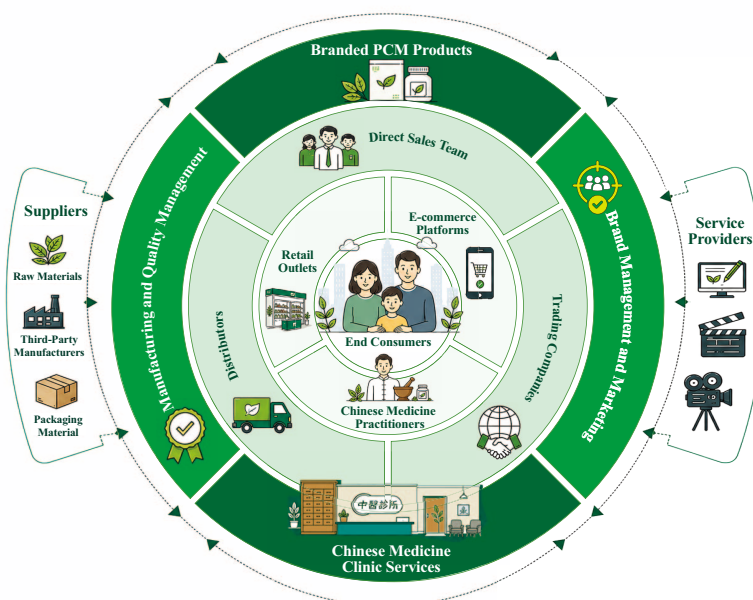


SUMMARY

This summary aims to give you an overview of the information contained in this document. Since it is a summary, it does not contain all the information that may be important to you. You should read this document in its entirety before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks in [REDACTED] in the [REDACTED] are set out in the section headed “Risk Factors.” You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are a leading Hong Kong-based PCM group with a vertically integrated Chinese medicine business model centered on our trusted heritage brands. We ranked first in the Hong Kong PCM market by end-market sales in 2025, with a market share of 9.2%, according to the Frost & Sullivan Report. Our business comprises two complementary pillars — branded PCM products and Chinese medicine clinic services — supported by integrated capabilities spanning brand management, formulation and product development, manufacturing and quality management, and sales and distribution. By connecting products, practitioners and patients across the Chinese medicine value chain, our vertically integrated business model provides a strong foundation for sustainable development and long-term growth.



Our business is built on a portfolio of heritage household PCM brands with long operating histories, which form the foundation of our vertically integrated Chinese medicine platform. Our heritage brands include Po Chai Pills (保濟丸), with 130 years of history, and Tin Hee Tong Tin Hee Pills (天喜堂天喜丸), with a history of over 120 years. Each flagship product under these brands ranked first in its respective therapeutic PCM market in Hong Kong in 2025, according to the Frost & Sullivan Report. We also carry Flying Eagle Wood Lok Medicated Oil (飛鷹活絡油), a well-recognized medicated oil brand; Tong Tai Chung (唐太宗), a “Hong Kong Top Brand” with approximately 30 years of history; and Shiling Oil (十靈油), a centenary household brand. The strength of our branded PCM portfolio is further supported by Hoi Tin (海天), one of the first CCMG brands in Hong Kong. We carry a comprehensive CCMG portfolio of over 700 single-herb (單味) and combo-formula (複方) products, and ranked second in the CCMG market in Hong Kong by end-market sales in 2025, according to the Frost & Sullivan Report.

SUMMARY

Building on our branded PCM product portfolio, we expanded holistically into the Chinese medicine clinic service segment during the year ended March 31, 2026, forming a vertically integrated Chinese medicine platform. We offer Chinese medicine clinic services covering internal medicine, orthopedic and traumatology, acupuncture and other Chinese medicine consultation and treatment services through our established clinic brands “Kenford Medical Group 健福堂,” “King Pui TCM Clinic 景培中醫” and “Hong Kong Orthopaedic & Chiropractic Specialist Chinese Medical Clinic 香港骨傷及脊椎專科診所.” As of March 31, 2026, we operated 40 clinics with over 50 registered Chinese medicine practitioners providing professional consultation services mostly in populated residential areas. According to the Frost & Sullivan Report, we were the fifth largest private Chinese medicine clinic chain, and the largest private Chinese medicine clinic chain with an orthopedic specialty, in Hong Kong by number of clinics as of June 30, 2026. We believe the integration of our branded PCM products with our clinic network provides differentiated insights into practitioner and patient needs, while strengthening our brand development and consumer engagement.

Our market position is underpinned by our proven brand management and marketing ingenuities, as evidenced by our award-winning, multi-channel marketing campaigns, including the Merit Award received at the 41st Kam Fan Awards for the launch campaign of the Po Chai Pills sachet pack and, for Flying Eagle Wood Lok Medicated Oil, the MARKies Silver Award for Best Idea — Launch/Rebranding and the HKMA/ViuTV & Now TV Special Award for Excellence in TV Commercial in 2025. For our heritage household brands, we strive to rejuvenate their brand positioning to adapt to the changing demographics and consumer behavior. Our multi-channel online and offline marketing initiatives have enabled us to strengthen end consumer engagement and gather valuable market insights to drive our product development drives.

Product safety, efficacy and quality underpin our business and have driven sustained consumer trust in our brands over the years. We operate two GMP-accredited facilities in Hong Kong, in which we manufacture Po Chai Pills, Tin Hee Tong Tin Hee Pills and our medicated oils, including Flying Eagle Wood Lok Medicated Oil, Shiling Oil, Tong Tai Chung Medicated Oil and Konsodona Medicated Oil. As GMP accreditation is not mandatory for PCM manufacturing in Hong Kong, only 21 of 195 licensed PCM manufacturers, or 10.8%, were GMP-accredited as of June 30, 2026, and we held 2 of those 21 accreditations, according to the Frost & Sullivan Report. Recent regulatory developments have further increased the importance of GMP-accredited manufacturing capabilities, in particular, the Chinese Medicine Development Blueprint issued by the Hong Kong government contemplates phased GMP implementation. We believe our GMP-accredited facilities will position us to compete effectively as the PCM industry transitions toward higher standards of manufacturing, quality and compliance, thereby reinforcing market trust in our product quality. Our in-house manufacturing is complemented by selective manufacturing outsourcing and comprehensive, end-to-end quality management system in strict compliance with GMP requirements, covering the full quality assurance lifecycle from supplier selection and raw material procurement to manufacturing, finished product release, stability studies and post-market product safety monitoring. Unlike some of the industry practices of outsourcing certain quality control activities, according to the Frost & Sullivan Report, all of the quality control testing of our self-manufactured products are performed in-house, which enables us to maintain direct oversight and accountability over product quality.

We have established a broad sales and distribution network anchored in Hong Kong, with geographic reach spanning China, Macau, Singapore, Malaysia, Indonesia, Thailand, as well as select markets in North America and the Caribbean Islands. We adopt a hybrid model comprising direct sales, distributor arrangements and select online channels tailored to product and market characteristics. A distinguishing feature of our network is our direct access to the Hong Kong Chinese medicine practitioner community and patients, providing a robust distribution channel and strengthening the connectivity between products, practitioners and patients across our vertically integrated Chinese medicine platform. We believe that our heritage brands, vertically integrated Chinese medicine platform and quality management capabilities provide a strong foundation for our sustained development and long-term growth.

SUMMARY

Our strengths and capabilities have allowed us to achieve strong financial performance during the Track Record Period as evidenced by the increase in revenue from HK\$339.3 million for the year ended March 31, 2024 to HK\$463.8 million for the year ended March 31, 2026, representing a CAGR of 16.9%, as well as the growth in profit for the year at a CAGR of 11.1% from HK\$65.5 million to HK\$80.9 million over the same period.

OUR PRODUCTS AND SERVICES

Our products and services are broadly divided into two categories: (i) branded PCM products; and (ii) Chinese medicine clinic services.

Branded PCM Products

Branded PCM products is a segment of our business that comprises PCM marketed under our branded portfolio. We first entered the branded PCM product market in 2003 and, as of March 31, 2026, owned a portfolio of over 100 PCM brands, some of which are highly recognized among consumers, enjoy strong market positions and are widely carried. We offer branded PCM products in a wide variety of dosage forms, including pills, powder, medicated oils, balms and CCMG.



* (From left to right): Shiling Oil, Flying Eagle Wood Lok Medicated Oil, Po Chai Pills, Tin Hee Tong Tin Hee Pills, Tong Tai Chung Balm, Tong Tai Chung Medicated Oil and Konsodona Medicated Oil

Our branded PCM products are all under our own brands (where we own the brands and manufacture the products in-house at our GMP-accredited manufacturing facilities in Hong Kong or with the support of third-party manufacturers), save for third-party brand CCMG products, which we have the exclusive authority to distribute in Hong Kong and Macau. As of March 31, 2026, we offered more than 1,000 branded PCM products, counted by SKUs consistent with industry norm, according to the Frost & Sullivan Report, including a comprehensive CCMG portfolio comprising over 700 single-herb and combo-formula products. We were the second-largest supplier in the Hong Kong CCMG market by end-market sales in 2025, and our CCMG distribution network reached over 70% of active Chinese medicine practitioners in Hong Kong, according to the Frost & Sullivan Report.

Chinese Medicine Clinic Services

We expanded holistically into the Chinese medicine clinic service segment during the year ended March 31, 2026, forming a vertically integrated Chinese medicine platform that connects products, practitioners and patients. We offer Chinese medicine clinic services covering internal medicine, orthopedic and traumatology, acupuncture and other Chinese medicine consultation and treatment services through around 40 clinics. Supported by over 50 registered Chinese medicine practitioners, our clinics are mostly located in populated residential areas.

SUMMARY

COMPETITIVE STRENGTHS

Our principal competitive strengths include: (i) a leading PCM group with a portfolio of trusted heritage PCM brands; (ii) proven brand management and rejuvenation capabilities with creative, multi-channel marketing execution; (iii) GMP-accredited manufacturing capabilities and robust quality management; (iv) multi-channel sales and distribution network in Hong Kong with overseas market access; (v) vertically integrated Chinese medicine platform built on our branded PCM products and Chinese medicine clinic network; and (vi) seasoned management team with in-depth industry expertise and strong regional networks. We believe these strengths reinforce one another to create a resilient and scalable business model, support our long-term growth, and enhance our competitive position in the Chinese medicine market.

BUSINESS STRATEGIES

Guided by our mission of delivering trusted and integrated Chinese medicine solutions that support healthier and fuller lives, our business strategies are designed to strengthen the capabilities that underpin our long-term growth, including our portfolio of trusted heritage brands, consumer engagement, rapport with Chinese medicine practitioners and vertically integrated Chinese medicine platform. Through these initiatives, we seek to strengthen our market position while expanding access to our branded PCM products and Chinese medicine clinic services. We aspire to pursue the following key business strategies: (i) further expand our portfolio through organic growth and mergers and acquisitions; (ii) elevate brand impact through our proven branding and marketing capabilities; (iii) deepen market penetration and expansion of our sales and distribution network; (iv) unlock the strategic value of the Chinese medicine practitioner network; and (v) advance clinical research and academic partnerships to reinforce product credibility.

MAJOR SUPPLIERS AND CUSTOMERS

Our suppliers primarily include raw material or packaging material suppliers, and third-party manufacturers. We believe that we have good relationships with our major suppliers. The primary raw materials for our self-manufactured products are menthol, north atractylodes rhizome, eucalyptus oil, and processed poria, while the main packaging materials we use include paper, bottles and aluminum foil, most of which are general commodities commonly available in the market. For the years ended March 31, 2024, 2025 and 2026, our five largest suppliers accounted for 84.8%, 85.9% and 84.5% of our total purchases, respectively.

In Hong Kong, we sell our branded PCM products through direct sales and distributor arrangements to key chains, registered pharmacies and drug stores, as well as through select online platforms. We also provide products to patients through our Chinese medicine clinics, and distribute CCMG products to a substantial majority of active Chinese medicine practitioners. Outside Hong Kong, we sell selected products primarily through distributors and cross-border e-commerce channels, complemented by our local sales and distribution team in Macau. We have maintained stable relationships with our major customers. For the years ended March 31, 2024, 2025 and 2026, our five largest customers accounted for 24.3%, 22.8% and 35.2% of our total revenue, respectively.

SUMMARY

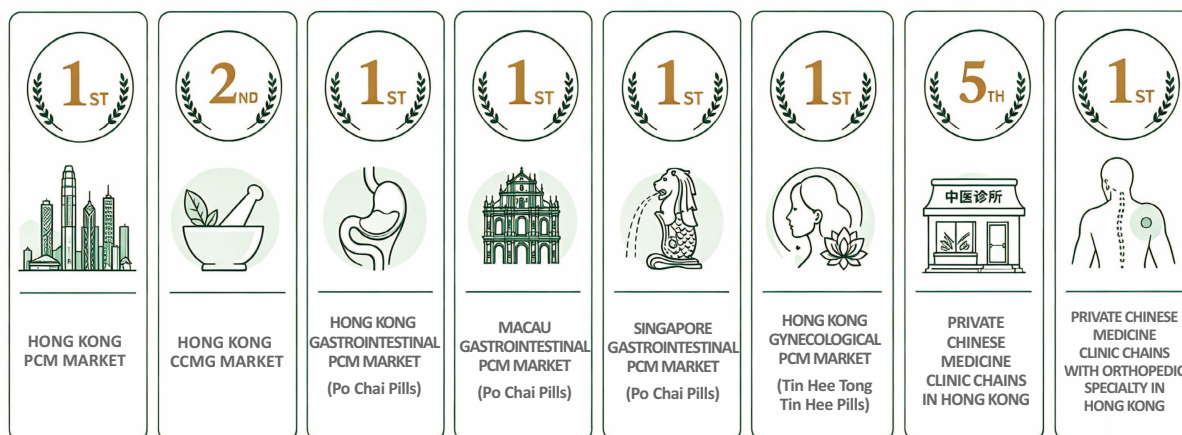
PRICING

We determine product pricing with reference to general market conditions, considering factors such as supply and demand, costs, competing product pricing, our bargaining position, historical sales and market trends, as well as customers’ expected margins and, for e-commerce sales, platform discounts and promotions. For pricing of our Chinese medicine clinic services, this is primarily based on treatment complexity, operating costs, local market conditions and competitors’ pricing.

MARKET COMPETITION AND RANKINGS

The Hong Kong PCM market is highly competitive and rapidly evolving, characterized by the frequent introduction of new brands and products, changing consumer preferences, and increasingly high expectations for product quality and value. We compete principally with manufacturers and distributors of branded PCM products and, in our Chinese medicine clinic service segment, with Chinese medicine clinic operators. We ranked first in the Hong Kong PCM market by end-market sales in 2025, with a 9.2% market share in a HK\$11.8 billion market, which is expected to grow at a CAGR of 5.1% to HK\$15.1 billion by 2030, according to the Frost & Sullivan Report. The top five market players accounted for 31.9% of the Hong Kong PCM market in 2025. We believe that our heritage brands, direct access to Chinese medicine practitioners, vertically integrated Chinese medicine platform and quality management capabilities position us to compete effectively and provide a strong foundation for our sustained development and long-term growth. For further details, see the section headed “Industry Overview.”

RANKING IN KEY MARKETS



* Ranked by end-market sales in 2025 or, in the case of private Chinese medicine clinic chain rankings, by number of clinics as of June 30, 2026.

Source: Annual reports of listed companies, interviews with industry experts, Frost & Sullivan analysis

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The summary of historical financial information should be read together with the historical financial information in the Accountants’ Report in Appendix I to this document, including the accompanying notes and the information set out in “Financial Information” in this document.

SUMMARY

Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Year ended March 31,					
	2024		2025		2026	
	HK\$'000	% of revenue	HK\$'000	% of revenue	HK\$'000	% of revenue
Revenue	339,256	100.0	360,570	100.0	463,814	100.0
Cost of sales and services	(170,980)	(50.4)	(191,608)	(53.1)	(240,096)	(51.8)
Gross profit	168,276	49.6	168,962	46.9	223,718	48.2
Other net income/(loss)	7,074	2.1	11,879	3.3	(309)	(0.1)
Selling and distribution expenses	(61,814)	(18.2)	(80,280)	(22.3)	(76,106)	(16.4)
Administrative and other operating expenses	(34,365)	(10.1)	(39,147)	(10.9)	(46,378)	(10.0)
Profit from operations	79,171	23.4	61,414	17.0	100,925	21.7
Finance costs	(1,105)	(0.3)	(1,202)	(0.3)	(4,228)	(0.9)
Share of losses of joint ventures	(148)	(0.0)	(189)	(0.1)	—	—
Profit before taxation	77,918	23.1	60,023	16.6	96,697	20.8
Income tax	(12,384)	(3.7)	(9,907)	(2.7)	(15,804)	(3.4)
Profit for the year	65,534	19.4	50,116	13.9	80,893	17.4
Profit attributable to:						
Equity shareholders of our						
Company	58,853	17.4	43,429	12.0	71,228	15.3
Non-controlling interests	6,681	2.0	6,687	1.9	9,665	2.1
Total profit for the year	65,534	19.4	50,116	13.9	80,893	17.4

The following table sets forth our revenue by business segment for the years indicated:

	Year ended March 31,					
	2024		2025		2026	
	HK\$'000	% of revenue	HK\$'000	% of revenue	HK\$'000	% of revenue
Branded PCM products	339,256	100.0	360,570	100.0	423,859	91.4
Chinese medicine clinic services	—	—	—	—	39,955	8.6
Total	339,256	100.0	360,570	100.0	463,814	100.0

Our revenue movements during the Track Record Period were primarily driven by (i) an increase in sales of Po Chai Pills, our top-selling product, which accounted for 32.9%, 39.2% and 36.3% of revenue for the years ended March 31, 2024, 2025 and 2026, respectively, with growth supported by effective brand marketing strategies and the launch of a sachet format; (ii) portfolio expansion, including the introduction of new branded PCM products, notably Tin Hee Tong Tin Hee Pills following the April 2025 acquisition, contributing 4.2% of revenue for the year ended March 31, 2026; and (iii) business expansion into Chinese medicine clinic services through acquisitions completed in 2025 and 2026, which contributed 8.6% of revenue for the year ended March 31, 2026.

For the years ended March 31, 2024, 2025 and 2026, our profit for the year was HK\$65.5 million, HK\$50.1 million and HK\$80.9 million, respectively, and our net profit margin for the corresponding year was 19.4%, 13.9% and 17.4%, respectively. The increases in the year ended March 31, 2026 were

SUMMARY

mainly due to our higher gross profit and a decrease in selling and distribution expenses despite higher revenue. The decreases in the year ended March 31, 2025 were primarily due to the combination of lower gross profit margin and an increase in selling and distribution expenses to support our marketing campaigns during the year.

Summary of Consolidated Statements of Financial Position

	As of March 31,		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Total non-current assets	392,717	493,691	683,259
Total current assets	253,826	274,749	364,514
Total assets	646,543	768,440	1,047,773
Total non-current liabilities	41,212	40,597	67,591
Total current liabilities	534,809	611,362	871,310
Total liabilities	576,021	651,959	938,901
Net current liabilities	(280,983)	(336,613)	(506,796)
Net assets	70,522	116,481	108,872

We recorded net current liabilities of HK\$281.0 million, HK\$336.6 million and HK\$506.8 million as of March 31, 2024, 2025 and 2026, respectively. These net current liabilities were primarily due to large trade and other payables and contract liabilities, in particular, amounts due to the intermediate holding company and fellow subsidiaries.

Net current liabilities increased by HK\$55.6 million, or 19.8%, from HK\$281.0 million as of March 31, 2024 to HK\$336.6 million as of March 31, 2025 and further by HK\$170.2 million, or 50.6%, to HK\$506.8 million as of March 31, 2026, which was primarily a result of an increase in amounts due to fellow subsidiaries. As of the date of this document, HK\$350.0 million of the outstanding balance of the trade and other payables and contract liabilities has been capitalized into equity in preparation for the [REDACTED].

We expect to achieve a net current asset position by the end of the third quarter of 2026. For further details, see the section headed “Financial Information — Net Current Liabilities.”

SUMMARY

Summary of Consolidated Cash Flow Statements

	Year ended March 31,		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Net cash generated from operating activities .	15,302	73,348	49,898
Net cash used in investing activities	(5,875)	(113,706)	(149,547)
Net cash (used in)/generated from financing activities	(35,477)	55,970	105,057
Net (decrease)/increase in cash and cash equivalents	(26,050)	15,612	5,408
Cash and cash equivalents at the beginning of the year	75,616	49,358	64,963
Effect of foreign exchange rate changes	(208)	(7)	173
Cash and cash equivalents at the end of the year	49,358	64,963	70,544

Key Financial Ratios

The following table sets forth certain of our key financial ratios as of the dates indicated:

	As of/For the year ended March 31,		
	2024	2025	2026
Profitability ratios			
Gross profit margin	49.6%	46.9%	48.2%
Net profit margin	19.4%	13.9%	17.4%
Return on equity	124.0%	53.6%	71.8%
Return on total assets	10.5%	7.1%	8.9%
Liquidity ratios			
Current ratio	0.48	0.45	0.42
Quick ratio	0.38	0.36	0.36
Gearing ratio	—	—	0.4%

RELATIONSHIP WITH JBM

Immediately following the [REDACTED] (assuming that the [REDACTED] is not exercised), JBM BVI will be interested in [REDACTED]% of our Shares and we will remain as a subsidiary of JBM BVI. JBM BVI is wholly-owned by JBM, a company listed on the Main Board of the Stock Exchange (stock code: 2161), which together with its subsidiaries (including our Group) are principally engaged in the manufacturing and trading of branded healthcare products, being branded medicines and branded PCM products, and distributing health and wellness products. JBM and JBM BVI are therefore our Controlling Shareholders. As of the Latest Practicable Date, Mr. Sum, the founder of the business of our Group, is interested in approximately 71.62% of JBM Shares directly and indirectly through interests in controlled companies and/or discretionary trusts of which he is a settlor and a beneficiary and accordingly, Mr. Sum is our ultimate Controlling Shareholder. Mr. Sum is directly interested in approximately 7.96% of JBM Shares and is indirectly interested in JBM Shares comprising of (i) approximately 39.27% through Lincoln's Hill, which is turn wholly-owned by Trust Co under The Kingshill Trust; (ii) approximately 23.95% through Queenshill, a company wholly-owned by him; and

SUMMARY

(iii) approximately 0.44% through Queenshill Trustco under The Queenshill Trust. Accordingly, upon the [REDACTED], Mr. Sum, JBM, JBM BVI, Lincoln’s Hill, Trust Co, The Kingshill Trust, Queenshill, Queenshill Trustco and The Queenshill Trust will be a group of Controlling Shareholders.

Our principal businesses and those of the JBM Group are clearly distinct from one another, primarily due to the disparate nature of products carried and services offered. Our Group and the JBM Group have differentiated sales channels and markets, although both groups conduct sales to distributors, trading companies and to OTC channels. Key suppliers of our Group are differentiated from those of the JBM Group and raw materials used in the production processes of our Group and the JBM Group are different as our branded PCM products and the JBM Group’s non-Chinese medicine products comprise different ingredients.

[REDACTED] AND THE [REDACTED]

The [REDACTED] will constitute a [REDACTED] from JBM, our Controlling Shareholder upon the [REDACTED]. The proposal in relation to the [REDACTED] was submitted by JBM to the Stock Exchange for approval pursuant to Practice Note 15 of the Listing Rules, and the Stock Exchange has confirmed that JBM may proceed with the [REDACTED]. Our Board considers that it is in the interest of our Group to conduct the [REDACTED]. For details, see “History, Reorganization and Corporate Structure.”

STATISTICS OF THE [REDACTED]

Unless otherwise indicated, all statistics in the following table are based on the assumptions that (i) the [REDACTED] has been completed and [REDACTED] Shares are issued pursuant to the [REDACTED]; and (ii) the [REDACTED] is not exercised.

	Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]	Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED]
[REDACTED] of our Shares ⁽¹⁾	[REDACTED]	[REDACTED]
Unaudited [REDACTED] adjusted net tangible assets attributable to equity shareholders of our Company per Share ⁽²⁾ .	[REDACTED]	[REDACTED]

Notes:

- (1) The calculation of [REDACTED] is based on [REDACTED] Shares expected to be in issue immediately after completion of the [REDACTED].
- (2) The unaudited [REDACTED] adjusted net tangible asset attributable to equity shareholders of our Company per Share as of March 31, 2026 is calculated after making the adjustments referred to in “Unaudited [REDACTED] Financial Information” in the Appendix II to this document.

DIVIDENDS

In accordance with our Articles of Association, through a general meeting, we may declare dividends, but no dividend may be declared unless out of either profit or share premium account and no dividend shall exceed the amount recommended by our Board. Our Board may also from time to time pay interim dividends as our Board believes to be justified by the profits of our Company, as well as special dividends on shares of any class of such amounts and on such dates as it deems fit. We cannot guarantee in what form dividends will be paid in the future.

SUMMARY

As we are a holding company, our ability to declare and pay dividends will depend on the availability of dividends received from our subsidiaries. In respect of our Singapore-incorporated subsidiary, dividends may only be paid out of the profits of the Singapore-incorporated subsidiary and may not be paid in excess of the amount recommended by its directors. Distributions from our subsidiaries may also be restricted if they incur debt or losses or in accordance with any restrictive covenants in bank credit facilities or other agreements that we or our subsidiaries may enter into in the future.

Our Company currently does not have a pre-determined dividend payment ratio. Our Board has the absolute discretion to recommend and/or declare dividends, subject to our Articles of Association, the Cayman Companies Act, Hong Kong laws and Singapore laws governing our subsidiaries’ ability to declare and pay dividends to us. Any declaration of dividends will depend on our future operations and earnings, capital requirements and surplus, cash flows and general financial conditions, contractual restrictions and other factors that our Directors consider relevant. Our future declarations of dividends may or may not reflect our historical or further declarations of dividends.

RISK FACTORS

Our operations and the [REDACTED] involve certain risks and uncertainties, some of which are beyond our control and may affect your decision to [REDACTED] in us and the value of your [REDACTED]. You should read that section in its entirety carefully before you decide to [REDACTED] in our Shares. These risks include, among others: (i) changes in consumer preferences and perceptions affecting demand; (ii) potential brand erosion and reputational risks; (iii) intense competition in the branded PCM product market; (iv) exposure to product liability claims; (v) regulatory and compliance risks relating to our Chinese medicine clinic services; (vi) changes in the regulatory regime in Hong Kong; (vii) risks relating to intellectual property disputes and ongoing litigation; (viii) liquidity risk arising from net current liabilities; (ix) potential impairment of significant intangible assets; and (x) reliance on key management and registered Chinese medicine practitioners.

These risks are not the only significant risks that may affect the value of our Shares. See the section headed “Risk Factors” for details of risks and uncertainties related to us, which we strongly urge you to read in full before making an [REDACTED] in our [REDACTED].

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] million, after deducting [REDACTED], fees and estimated expenses payable by us in connection with the [REDACTED], assuming no [REDACTED] is exercised and an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the midpoint of the indicative [REDACTED] range stated in this document.

In line with our strategies, we intend to use the net [REDACTED] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- approximately [REDACTED]% of the net [REDACTED], or approximately HK\$[REDACTED] million, to fund strategic mergers and acquisitions to acquire synergistic businesses, brands or products that complement and strengthen our vertically integrated Chinese medicine platform;

SUMMARY

- approximately [REDACTED]% of the net [REDACTED], or approximately HK\$[REDACTED] million, to fund advertising and brand promotion initiatives designed to enhance brand awareness, brand loyalty and market standing, and to broaden our consumer base while retaining the trust and loyalty of existing customers of our portfolio of heritage household PCM brands;
- approximately [REDACTED]% of the net [REDACTED], or approximately HK\$[REDACTED] million, to fund capital expenditure relating to the optimization, upgrade and expansion of our manufacturing facilities and production capabilities;
- approximately [REDACTED]% of the net [REDACTED], or approximately HK\$[REDACTED] million, to fund the registration of branded PCM products, trademark registration and the protection and expansion of our intellectual property portfolio;
- approximately [REDACTED]% of the net [REDACTED], or approximately HK\$[REDACTED] million, to fund the expansion and enhancement of our Chinese medicine clinic network; and
- approximately [REDACTED]% of the net [REDACTED], or approximately HK\$[REDACTED] million, to supplement our working capital and for general corporate purposes.

For further details, see the section headed “Future Plans and Use of [REDACTED] — Use of [REDACTED].”

[REDACTED] EXPENSES

[REDACTED] expenses represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] expenses will be HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED] range) and no exercise of the [REDACTED]), representing approximately [REDACTED]% of the gross [REDACTED] from the [REDACTED] at the [REDACTED] of HK\$[REDACTED] per [REDACTED], including (i) [REDACTED], SFC transaction levy, Stock Exchange trading fees and AFRC transaction levy for all [REDACTED] of approximately HK\$[REDACTED] million, and (ii) non-[REDACTED] related expenses of approximately HK\$[REDACTED] million, which consists of (a) fees and expenses of legal advisors and reporting accountants of approximately HK\$[REDACTED] million, and (b) sponsor fee and other fees and expenses of approximately HK\$[REDACTED] million. Approximately HK\$[REDACTED] million is expected to be charged to our consolidated statements of profit or loss, and approximately HK\$[REDACTED] million is expected to be deducted from equity. The [REDACTED] expenses above are the best estimate as of the Latest Practicable Date and for reference only and the actual amount may differ from this estimate.

NO MATERIAL ADVERSE CHANGE AND RECENT DEVELOPMENTS

Our Directors have confirmed that, since March 31, 2026 and up to the date of this document, there has been no material adverse change in our financial or trading position or prospects and no event has occurred which would materially and adversely affect the financial information included in the Accountants’ Report in Appendix I to this document.