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Application Proof of
御康諾國際健康有限公司
ANew HEALTH LIMITED

(the “Company”)
(a company incorporated in the Cayman Islands with limited liability)

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IMPORTANT

ANEW HEALTH LIMITED 御康諾國際健康有限公司

(Incorporated in the Cayman Islands with limited liability)

[REDACTED]: [•]

[REDACTED]

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

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

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

[REDACTED] : HK\$[REDACTED] per [REDACTED] plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565%, and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)

Nominal value : [US\$0.00000002] per Share

[REDACTED] : [•]

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



建泉融資有限公司
VBG Capital Limited

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The [REDACTED] is expected to be fixed by agreement between the [REDACTED] (for itself and on behalf of the [REDACTED]) and us on the [REDACTED]. The [REDACTED] is expected to be on or before [REDACTED] (Hong Kong time) and, in any event, not later than 12:00 noon on [REDACTED] (Hong Kong time). The [REDACTED] will be not more than HK\$[REDACTED] per [REDACTED] and is currently expected to be not less than HK\$[REDACTED] per [REDACTED]. If, for any reason, the [REDACTED] is not agreed by 12:00 noon on [REDACTED] (Hong Kong time) between the [REDACTED] (for itself and on behalf of the [REDACTED]) and our Company, the [REDACTED] (including the [REDACTED]) will not proceed and will lapse.

Applicants for Hong Kong [REDACTED] may be required to pay, on application (subject to application channels), the maximum [REDACTED] of HK\$[REDACTED] for each [REDACTED] together with a brokerage fee of 1.0%, a SFC transaction levy of 0.0027%, an AFRC transaction levy of 0.00015% and a Hong Kong Stock Exchange trading fee of 0.00565%, subject to refund if the [REDACTED] as finally determined is less than HK\$[REDACTED] per [REDACTED].

The [REDACTED] (for itself and on behalf of the [REDACTED]) may, where considered appropriate and with our consent, reduce the number of [REDACTED] being offered under the [REDACTED] and/or the [REDACTED] at any time prior to the morning of the last day for lodging applications under the [REDACTED]. In such a case, notices of the reduction in the number of [REDACTED] and/or the [REDACTED] and the cancellation of the [REDACTED] and relaunch of the offer at the revised number of [REDACTED] and/or the revised [REDACTED] will be published on our Company's website at <https://anh.com.hk/> and the Stock Exchange's website at www.hkexnews.hk as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the [REDACTED]. In the absence of any such notices, the [REDACTED] will be fixed as stated in this document and the number of [REDACTED] as stated in this document will be final and conclusive.

Further details are set forth in "Structure of the [REDACTED]" and "How to Apply for [REDACTED]".

Prior to making an [REDACTED] decision, [REDACTED] should consider carefully all of the information set out in this document, including the risk factors set out in "Risk Factors". The obligations of the [REDACTED] under the [REDACTED] are subject to termination by the [REDACTED] (for itself and on behalf of the [REDACTED]) if certain grounds arise prior to 8:00 a.m. on the [REDACTED]. See "[REDACTED] – Grounds for Termination".

The [REDACTED] have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States. The [REDACTED] may be offered and sold outside the United States in offshore transactions in accordance with Regulation S under the U.S. Securities Act.

[REDACTED]

[REDACTED]

IMPORTANT

[REDACTED]

IMPORTANT

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

EXPECTED TIMETABLE

[REDACTED]

CONTENTS

IMPORTANT NOTICE TO [REDACTED]

This document is issued by us solely in connection with the [REDACTED] and the [REDACTED] and does not constitute an [REDACTED] to sell or a solicitation of an [REDACTED] to buy any security other than the [REDACTED] offered by this document pursuant to the [REDACTED]. This document may not be used for the purpose of making, and does not constitute, an [REDACTED] or invitation in any other jurisdiction or in any other circumstance. No action has been taken to permit a [REDACTED] of the [REDACTED] in any jurisdiction other than Hong Kong and no action has been taken to permit the distribution of this document in any jurisdiction other than Hong Kong. The distribution of this document for purposes of a [REDACTED] and the [REDACTED] and sale of the [REDACTED] in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorisation by the relevant securities regulatory authorities or an exemption therefrom. You should rely only on the information contained in this document to make your [REDACTED] decision. The [REDACTED] is made solely on the basis of the information contained and the representations made in this document. We have not authorised anyone to provide you with information that is different from what is contained in this document. Any information or representations not contained or made in this document must not be relied on by you as having been authorised by us, the Sole Sponsor, the [REDACTED], the [REDACTED], any of the [REDACTED], any of our or their respective directors, officers, employees, agents or representatives, or any other parties involved in the [REDACTED].

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SUMMARY

This summary aims to give you an overview of the information contained in this document, which does not contain all the information that may be important to you. You should read this document in its entirety before you decide whether 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" in this document. You should read that section carefully before you decide to [REDACTED] in the [REDACTED].

OVERVIEW

We are a Hong Kong-based pain management and function enhancement services provider operating under our "ANKH" brand. Our principal business activity is to offer a range of non-surgical, non-invasive and non-pharmacological pain management therapies to our customers. In addition, we offer over-the-counter topical use products and dietary supplement products. As at the Latest Practicable Date, our services are provided through three service centres located in Causeway Bay, Tsim Sha Tsui and Sha Tin in Hong Kong, each centre having an approximate floor area of 18,000 sq. ft. For details, please refer to the section headed "Business – Our Service Centres" for further information.

Our services

The theoretical basis of our pain management and function enhancement services is our "RDS+" (Restore, Detox, and Strengthen) approach. Such approach is inspired by the concept of the meridian system (經絡) of Traditional Chinese Medicine and aims to improve the flow of Qi (氣) and blood circulation in the body. In delivering our treatments, we use various energy-based devices sourced internationally, such as, from Germany, the Republic of Korea and Japan. As at the Latest Practicable Date, we had approximately 300 treatment devices that provide various functions and therapeutic effects. For details, please refer to the sections headed "Business – Our Strengths – Commitment to continuous development and innovation in non-surgical, non-invasive and non-pharmacological pain management and functional enhancement" and "Business – Our Strengths – Integration of Traditional Chinese Medicine Theory with Energy-Based Technologies".

Our services are delivered through Chinese Medicine Practitioners, trained therapists, Advanced Functional Enhancement Advisors and nutritionist. For details, please refer to the section headed "Business - Our Professionals" in this document.

Our customers generally purchase prepaid packages for our pain management and function enhancement services. For details, please refer to the section headed "Business – Customers – Prepaid Packages" in this document.

Our products

We also sell topical use and dietary supplement products, including creams, moisturisers and ointments, as well as dietary supplement products. For details, please refer to the section headed "Business – Business Model – Topical use and dietary supplement products" for further information.

OUR CUSTOMERS

Our target customers are primarily mid-to-high income individuals. The average annual spending of each customer at our service centres was approximately HK\$49,000, HK\$50,500 and HK\$60,000 for FY2024, FY2025 and FY2026, respectively.

SUMMARY

The Group's revenue from any single customers did not contribute 10% or more of the total revenue of the Group for FY2024, FY2025 and FY2026. Our top five customers during the Track Record Period were Independent Third Parties.. For details, please refer to the section headed "Business – Customers" for further information.

OUR SERVICE PROVIDERS AND SUPPLIERS

During the Track Record Period, our service providers principally comprised providers of advertising services and health advisory services. We also procured treatment devices, topical use products, dietary supplement products and related consumables used in our business from third-party suppliers. We have not entered into long-term agreements with suppliers of treatment devices, topical use products, dietary supplement products and advertising services. Instead, we generally procure goods and services on an as-needed basis by placing purchase orders with suppliers and service providers. For FY2024, FY2025 and FY2026, our top five service providers and suppliers were primarily engaged in advertising services and health advisory services. All of our top five service providers and suppliers are Independent Third Parties. For details, please refer to the section headed "Business – Suppliers, Procurement and Inventory Management – Major Service Providers and Suppliers" for further information.

MARKETING AND PROMOTION

We provide pain management and function enhancement services directly to customers at our service centres in Hong Kong, and sell over-the-counter topical use products and dietary supplement products directly to customers through our offline and online channels. We place significant emphasis on marketing and promotion to maintain brand visibility, drive customer acquisition, retain existing customers and increase customer spending. Our marketing and promotional activities include offline marketing, online marketing, spokesperson arrangements, and promotion and discounts. For details, please refer to the section headed "Business – Marketing and Promotion" for further information.

OUR COMPETITIVE LANDSCAPE

According to the Ipsos Report, our Group is estimated to account for approximately 2.7% and approximately 3.8% of the overall and private Pain Management Solution Service Providers Industry in Hong Kong respectively. For details, please refer to the section headed "Industry Overview" in this document.

OUR COMPETITIVE STRENGTHS

Our success is attributable to several key competitive strengths that drive our market position and business growth. Leveraging over 18 years of experience, we (i) are committed to continuous development and innovation in non-surgical, non-invasive, and non-pharmacological pain management and functional enhancement, (ii) integrated traditional Chinese Medicine Theory with energy-based technologies, (iii) diversified treatment portfolio supporting standardised and individualised service delivery, (iv) have high customer satisfaction and extensive customer testimonials reinforcing our service quality, (v) have experienced and well-trained frontline staff supporting consistent and customer-oriented service delivery, (vi) have senior management team with industry experience and strong execution capabilities, (vii) have large-scale Service Centres in accessible Hong Kong locations. For details, please refer to the section headed "Business – Our Strengths" for further information.

SUMMARY

OUR BUSINESS STRATEGIES

Our objective is to strengthen our position in the integrated non-invasive pain management solution services market in Hong Kong and further develop our pain management and function enhancement services business. We plan to (i) drive organic growth by expanding our customer base and service centre network in Hong Kong and (ii) enhance customer experience and treatment quality through centralised management. For details, please refer to the section headed “Business – Our Strategies” for further information.

OUR CONTROLLING SHAREHOLDERS

Immediately following completion of the [REDACTED] and the [REDACTED] (assuming the [REDACTED] is not exercised), AW Ocean will hold [REDACTED] of the issued Shares. AW Ocean is an investment holding company owned by Mr. Mo and Ms. Cheung as to [REDACTED] and [REDACTED], respectively. As such, Mr. Mo, Ms. Cheung and AW Ocean are considered as our Controlling Shareholders and a group of controlling shareholders of the Company, and will continue to hold a controlling interest in our Company upon completion of the [REDACTED] and the [REDACTED]. Details of the background of Mr. Mo and Ms. Cheung are set out in the section headed “Directors and Senior Management” in this document.

As at the Latest Practicable Date, Mr. Mo and Ms. Cheung hold 70% and 30% interest in the Excluded Company, respectively. The Excluded Company was excluded from the Group as its business focuses on sale of instruments and devices to corporate customers. It differs from the Group’s core business, which centers on the provision of pain management and function enhancement services as well as the retail sale of over-the-counter topical use products and dietary supplement products for members of the general public. The Directors confirm there is a clear business delineation between the two entities across business nature, target customers, use of facilities and offices, business operations and financial and accounting systems. Save for their respective interests in the Excluded Company, our Controlling Shareholders confirmed that, as at the Latest Practicable Date, apart from the business operated by us, they and their respective close associates and/or companies controlled by them do not hold or conduct any business which competes, or is likely to compete, either directly or indirectly, with our business, and would require disclosure pursuant to Rule 8.10 of the Listing Rules. For details, please refer to the section headed “Relationship with Our Controlling Shareholders” for further information.

SUMMARY

SUMMARY OF FINANCIAL INFORMATION

Highlight of combined statements of profit or loss and other comprehensive income

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Revenue	319,217	311,892	367,543
Cost of consumables and inventories	(3,176)	(2,909)	(3,598)
Other income	483	831	823
Advertising and marketing expenses	(33,693)	(35,846)	(48,371)
Staff costs	(133,089)	(171,159)	(200,386)
Depreciation	(24,731)	(26,319)	(39,601)
Finance costs	(2,540)	(2,536)	(3,823)
Other operating expenses	(18,146)	(22,521)	(25,681)
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Profit before tax	97,370	42,262	45,252
Income tax expenses	(17,610)	(8,323)	(7,477)
Profit and total comprehensive income for the year	79,760	33,939	37,775

The following table summarises the breakdown of our revenue by categories of services and products for the years indicated:

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Pain management and function enhancement services income						
– Pain management	102,394	32.1	101,036	32.4	118,913	32.3
– Wellness services	124,139	38.9	101,599	32.6	124,889	34.0
– Weight management	46,961	14.7	60,755	19.5	65,429	17.8
Sub total	273,494	85.7	263,390	84.5	309,231	84.1
Healthcare product sales income	408	0.1	364	0.1	394	0.1
Forfeiture income	45,315	14.2	48,138	15.4	57,918	15.8
Total	319,217	100.0	311,892	100.0	367,543	100.0

SUMMARY

Our revenue remained relatively stable with a slight decrease of approximately 2.3%, from approximately HK\$319.2 million for FY2024 to approximately HK\$311.9 million for FY2025, as the number of invoices related to redemption and forfeiture income slightly decreased from 58,983 in FY2024 to 58,518 in FY2025. Our revenue increased by approximately 17.8%, from approximately HK\$311.9 million for FY2025 to approximately HK\$367.5 million for FY2026. This increase was primarily attributable to an increase in number of customers we served from 10,000 in FY2025 to 11,200 in FY2026, and a growth in the number of invoices related to redemption and forfeiture income from 58,518 in FY2025 to 68,172 in FY2026.

We recorded a decrease in profit for the year by 57.5%, from approximately HK\$79.8 million in FY2024 to approximately HK\$33.9 million in FY2025 and a slight increase in profit for the year by 11.5%, from approximately HK\$33.9 million in FY2025 to approximately HK\$37.8 million in FY2026. The decrease in profit for the year from FY2024 to FY2025 was primarily due to (i) an increase in our staff costs from approximately HK\$133.1 million in FY2024 to approximately HK\$171.2 million in FY2025 and (ii) an increase in other operating expenses from approximately HK\$18.1 million for FY2024 to approximately HK\$22.5 million for FY2025..

Highlight of Combined Statements of Financial Position

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Current assets	205,354	163,894	194,459
Current liabilities	168,857	181,275	239,532
Net current assets (liabilities)	36,497	(17,381)	(45,073)
Non-current assets	80,736	85,691	134,116
Non-current liabilities	21,928	23,066	46,024
TOTAL EQUITY	95,305	45,244	43,019

Our Group recorded net current assets of approximately HK\$36.5 million as at 31 March 2024, which turned into net current liabilities of approximately HK\$17.4 million and approximately HK\$45.1 million as at 31 March 2025 and 2026, respectively. Such net current liabilities were primarily attributable to significant contract liabilities arising from the sale of prepaid packages, while the corresponding cash received was deployed in the ordinary course of business. Our Directors consider that the net current liabilities position did not have any material adverse effect on our working capital position, as (i) the Group is able to generate operating profits and cash inflows to meet its financial obligation as they fall due; and (ii) the Group maintains sufficient bank balances and cash resources to fund its daily operations.

SUMMARY

Highlight of Combined Statements of Cash Flows

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Net cash from operating activities	74,138	85,803	117,156
Net cash used in investing activities	(1,254)	(23,430)	(19,582)
Net cash used in financing activities	(47,119)	(51,441)	(79,326)
Net increase in cash and cash equivalents	25,765	10,932	18,248
Cash and cash equivalents at beginning of the year	41,643	67,408	78,340
Cash and cash equivalents at end of the year	67,408	78,340	96,588

We recorded a slight increase in net cash from operating activities from approximately HK\$74.1 million in FY2024 to approximately HK\$85.8 million in FY2025, but recorded an increase to approximately HK\$117.2 million in FY2026. The overall increase in net cash from operating activities is mainly due to an increase in contract liabilities as a result of the increased sales of prepaid packages.

We recorded a slight increase in net cash used in financing activities from approximately HK\$47.1 million in FY2024 to approximately HK\$51.4 million in FY2025, and an increase in net cash used in financing activities from approximately HK\$51.4 million to approximately HK\$79.3 million in FY2026. This is primarily due to (i) an increase in repayment of lease liabilities from approximately HK\$18.5 million in FY2024 to HK\$19.5 million in FY2025 and further to HK\$29.9 million in FY2026; and (ii) an increase in advancements to the Controlling Shareholders from approximately HK\$25.2 million in FY2024 to HK\$29.5 million in FY2025 and further to HK\$45.6 million in FY2026.

Key Financial Ratios

The following table sets forth our key financial ratios for/as the years/dates indicated:

	For the financial year ended/As at 31 March		
	2024	2025	2026
Return on equity (%)	83.69	75.01	87.81
Return on assets (%)	27.88	13.60	11.50
Interest coverage (times)	39.33	17.66	12.84
Current ratio (times)	1.22	0.90	0.81
Quick ratio (times)	1.22	0.90	0.81
Gearing ratio (%)	Nil	Nil	Nil

SUMMARY

RECENT DEVELOPMENT

Introduction of the New Device

In late March 2026, we have introduced a new energy-based treatment device. This device is intended to assist in the recovery of soft tissues (including muscles, ligaments, tendons, and fascia); soothe stiff muscles; unclog meridians to promote the flow of Qi and blood; boost the body's detoxification process; ease tense joints; and increase the elasticity of tissues.

In addition to these therapeutic functions, the New Device is equipped with a centralised control system that is linked to our booking system. Treatment parameters, including the type of treatment, specific body part to undergo treatment and energy settings, can be pre-configured and assigned through the centralised system. Once a treatment is assigned, the designated trained therapist can activate the New Device by entering a unique passcode linked to that specific job. This integration allows treatment settings to be standardised and controlled centrally, reducing the need for manual input by therapists and thereby minimising variations in treatment delivery.

The New Device supports our "one-stop" service model covering restoration, detoxification and strengthening, and contributes to greater consistency in the delivery of our treatments.

No Material Adverse Change

Our Directors confirm that, save for the estimated non-recurring [REDACTED], there has been no material adverse change in the financial or trading position or prospects of our Group since 31 March 2026 (being the date to which the latest combined financial statements of our Group were made up) and up to the date of this document, and there is no event since 31 March 2026 and up to the date of this document which would materially affect the information shown in the Accountants' Report set out in Appendix I to this document.

[REDACTED]

[REDACTED] represent professional fees, [REDACTED] and other fees incurred in connection with the [REDACTED]. We estimate that our [REDACTED] will be approximately 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]), which are expected to be expensed after the Track Record Period. Our estimated [REDACTED] include [REDACTED]-related expenses, representing [REDACTED] and fees of approximately HK\$[REDACTED] million; non-[REDACTED]-related professional fees of approximately HK\$[REDACTED] million for their services rendered in relation to the [REDACTED] and the [REDACTED], and other fees and expenses of approximately HK\$[REDACTED] million. The [REDACTED] above are the best estimate as of the Latest Practicable Date and for reference only and the actual amount may differ from this estimate.

SUMMARY

DIVIDENDS AND DIVIDEND POLICY

During the Track Record Period, the Company declared dividend of approximately HK\$124 million to AW Ocean, the Controlling Shareholder, for setting off partially the amounts due from Mr. Mo and Ms. Cheung. Please refer to Note 12 to the Accountants' Report in Appendix I for details.

[REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the [REDACTED], and assuming that the [REDACTED] is not exercised, we estimate that the [REDACTED] of approximately HK\$[REDACTED] million from the [REDACTED] after deducting the [REDACTED] and other estimated expenses. We intend to apply the [REDACTED] as follows:

1. approximately [REDACTED]% to [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED] million to HK\$[REDACTED] million, will be used for establishing a pain management tower in Hong Kong;
2. approximately [REDACTED]% to [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED] million to HK\$ [REDACTED] million, will be used for establishing one service centre in Hong Kong;
3. approximately [REDACTED]% to [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED] million to HK\$[REDACTED] million, will be used for marketing;
4. approximately [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED] million, will be used to enhance treatment quality and customer experience; and
5. approximately [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED] million, will be used as general working capital of our Group.

If the [REDACTED] is set at the maximum or minimum of the indicative [REDACTED] range, or if the [REDACTED] is exercised, the [REDACTED] will vary accordingly. We intend to adjust the above allocations on a pro rata basis if the actual [REDACTED] are higher or lower than expected. If any proposed plan cannot proceed due to changes in government policies, force majeure events or other circumstances, we may reallocate the relevant [REDACTED] after evaluating the circumstances.

Pending their intended use, any unutilised [REDACTED] will be deposited in short-term interest-bearing accounts with licensed commercial banks and/or other authorised financial institutions in accordance with applicable laws and regulations. We will comply with the applicable disclosure requirements under the Listing Rules.

For details, please refer to the section headed "Future Plans and Use of [REDACTED] – Use of [REDACTED]" for further information.

SUMMARY

[REDACTED] STATISTICS

	Based on [REDACTED] of HK\$[REDACTED] per [REDACTED]	Based on [REDACTED] of HK\$[REDACTED] per [REDACTED]
[REDACTED] (Note 1)	[REDACTED]	[REDACTED]
Unaudited [REDACTED] adjusted combined net tangible assets attributable to equity shareholders of the Company per share (Note 2)	[REDACTED]	[REDACTED]

Notes:

1. The calculation of the [REDACTED] of the Shares is based on [REDACTED] Shares in issue immediately after completion of the [REDACTED].
2. The calculation of the unaudited [REDACTED] adjusted combined net tangible assets of the Group attributable to equity owners of the Company per Share is based on [REDACTED] Shares expected to be in issue after the completion of [REDACTED] and the [REDACTED]. It has not taken into account any Shares which may be allotted and issued upon exercise of the [REDACTED], any awards that may be granted under the [REDACTED] Share Award Scheme or any Shares which may be allotted and issued or repurchased by the Company pursuant the general mandates given to the Directors.

MATERIAL LEGAL AND REGULATORY COMPLIANCES

During the Track Record Period and up to the Latest Practicable Date, there have been two instances where we have received warning letters from the Drug Office of the Department of Health regarding potential non-compliances of certain advertisements with the UMAO. In each case, we promptly took remedial actions, and our Directors confirm that no follow-up enforcement action has been taken with regards to either of these warnings. For details of such potential non-compliances, please refer to the section headed “Business – Regulatory Compliance and Licenses” in this document.

During the Track Record Period and up to the Latest Practicable Date, none of our Company or any other members of our Group were engaged in any claims or litigation or arbitration proceedings of material importance and no litigation, claim or arbitration proceeding of material importance is known to our Directors to be pending or threatened against any member of our Group, and our Directors are of the view that none of the litigation claims or disputes involving our Group is material to our Group.

HIGHLIGHTS OF RISK FACTORS

The following are the highlights of our risk factors:

- we may face customer dissatisfaction arising from expired prepaid packages, and forfeiture income from unutilised sessions may not be sustained at current levels;
- we rely heavily on our top five largest advertising service providers and external health advisors; and
- our marketing materials and treatment claims risk breaching the Undesirable Medical Advertisements Ordinance, which could result in fines, prosecution or a requirement to withdraw advertising.

For details, please refer to the section headed “Risk Factors – Risks relating to our Business and Operations” for further details.

DEFINITIONS

In this document, unless the context otherwise requires, the following terms shall have the meanings set out below.

“ACME HEALTHTECH” or “Excluded Company”	has the meaning ascribed to it in the section headed “Relationship with our Controlling Shareholders — The Excluded Business” in this document
“Advanced Functional Enhancement Advisor”	physiotherapists engaged by us who assess customers’ physical health, mobility, and functional condition to identify any movement-related issues and recommend suitable treatment or rehabilitation plans
“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“ANKH”	our brand, which stands for “A New Key to Health”, under which we provide our pain management and function enhancement services and products
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“AW Global”	AW Global Limited, a BVI business company incorporated under the laws of the BVI with limited liability on 15 January 2024
“AW Ocean”	AW Ocean Limited, a BVI business company incorporated under the laws of the BVI with limited liability on 15 January 2024
“Board” or “Board of Directors”	the board of Directors of our Company
“business day” or “Business Day”	any day (other than a Saturday, Sunday, or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
“BVI”	British Virgin Islands

[REDACTED]

“Causeway Bay Service Centre I”	our service centre located at 36/F, Soundwill Plaza, 38 Russell Street, Causeway Bay, Hong Kong
“Causeway Bay Service Centre II”	our service centre located at 42/F, Tower 1, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong

DEFINITIONS

“Cayman Islands Companies Act” or “Companies Act” the Companies Act, Cap 22 (as revised) of the Cayman Islands, as amended, modified and supplemented from time to time

[REDACTED]

“Chinese Medicine Practitioner(s)” practitioner(s) of Chinese medicine engaged by us who recommend suitable therapies to our customers and monitor and follow up with each customer throughout the programme

“close associate” has the meaning ascribed to it under the Listing Rules

“Companies Ordinance” the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

“Companies (Winding Up and Miscellaneous Provisions) Ordinance” the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

“Company” or “our Company” ANEW HEALTH LIMITED (御康諾國際健康有限公司), the holding company of our Group after the Reorganisation and the [REDACTED] for the [REDACTED], which is an exempted company with limited liability incorporated on 17 January 2024 in the Cayman Islands and the Shares of which are to be [REDACTED] on the [REDACTED]

“connected person(s)” has the meaning ascribed to it under the Listing Rules

“connected transaction(s)” has the meaning ascribed to it under the Listing Rules

“Controlling Shareholder(s)” has the meaning ascribed thereto in the Listing Rules, and unless the context otherwise requires, collectively refers to Mr. Mo, Ms. Cheung and AW Ocean (for more details, see the section headed “Relationship with our Controlling Shareholders” in this document); and “Controlling Shareholder” means any one of them

“Deed of Indemnity” the deed of indemnity dated [•] and entered into by the Controlling Shareholders in favour of our Company (for itself and as trustee for each of its subsidiaries), particulars of which are set out in “Appendix IV – Statutory and General Information – D. Other Information – 11. Tax and other indemnity”

“Deed of Non-competition” the deed of non-competition dated [•] and entered into by our Controlling Shareholders in favour of our Company (for itself and as trustee for each of its subsidiaries) regarding certain non-competition undertakings, a summary of the principal terms of which is set out in “Relationship with our Controlling Shareholders” in this document

DEFINITIONS

“Director(s)”	the director(s) of our Company
“ESG”	environmental, social and governance
“FY”	the financial year ended/ending 31 March
“FY2024”	the financial year ended 31 March 2024
“FY2025”	the financial year ended 31 March 2025
“FY2026”	the financial year ended 31 March 2026

[REDACTED]

“Group”, “our Group”, “we”, “our” or “us”	our Company and its subsidiaries (or our Company and any one or more of its subsidiaries, as the context may require)
“HK\$”, “Hong Kong dollars”, “HKD” or “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants

[REDACTED]

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

DEFINITIONS

[REDACTED]

**“Independent Third
Party(ies)”**

person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are not our connected persons or associates of our connected persons as defined under the Listing Rules

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

“Latest Practicable Date”

24 August 2026, being the latest practicable date prior to the printing of this document for the purpose of ascertaining certain information contained in this document

[REDACTED]

[REDACTED]

[REDACTED]

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Main Board”	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
“MDACS”	the Medical Device Administrative Control System operated in Hong Kong
“Medical Clinics Ordinance”	the Medical Clinics Ordinance (Chapter 343 of the Laws of Hong Kong), which provides for the registration, control and inspection of medical clinics in Hong Kong
“Medical Registration Ordinance”	the Medical Registration Ordinance (Chapter 161 of the Laws of Hong Kong)
“Mr. Mo”	Mr. MO Ka Wai Victor (巫家偉), an executive Director, the chief executive officer and chairman of the Board, the spouse of Ms. Cheung
“Ms. Cheung”	Ms. CHEUNG Sum Lok (張心樂) (with former name as CHEUNG So Ching (張素貞)), an executive Director and chief operating officer, the spouse of Mr. Mo
“Mr. Yeung”	Mr. YEUNG Chin Wan (楊展鵬), the chief financial officer
“MPF”	mandatory provident fund
“New Device”	the ACME ProNew Device, an energy-based treatment device which was put into use by the Group in late March 2026

[REDACTED]

[REDACTED]

“Operating Subsidiaries”	the operating subsidiaries of our Company through which we carry on our business, namely VG Zenith and Victor Zenith
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DEFINITIONS

[REDACTED]

[REDACTED]

“PDPO”	the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong)
“PRC” or “China”	the People’s Republic of China
“Predecessor Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) prior to its repeal and replacement on 3 March 2014 by the Companies Ordinance and the Companies (Winding Up and Miscellaneous Provisions) Ordinance
“Prepaid Package(s)”	the prepaid treatment package(s) purchased by our customers for our pain management and function enhancement services

[REDACTED]

“RDS+” or “RDS+ Approach”	approach to pain management and function enhancement, inspired by the concept of the meridian system (經絡) of Traditional Chinese Medicine and combining Traditional Chinese Medicine concepts with energy-based treatment devices, which subsequently evolved into a new generation, namely ARDS
“Regulation S”	Regulation S under the U.S. Securities Act
“Relevant Parties”	our Group, the Sole Sponsor, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], any other [REDACTED] involved in the [REDACTED], any of our or their respective affiliates or directors, officers, employees or agents or any other person or party involved in the [REDACTED]
“Reorganisation”	the reorganisation of our Group in preparation for the [REDACTED]
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“Service Centre(s)”	our service centre(s) in Hong Kong at which we provide our pain management and function enhancement services, comprising Causeway Bay Service Centre I, Causeway Bay Service Centre II, Tsim Sha Tsui Service Centre I, Tsim Sha Tsui Service Centre II and Sha Tin Service Centre
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO” or “Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Sha Tin Service Centre”	our service centre located at 22/F, Grand Central Plaza, 138 Sha Tin Rural Committee Road, Sha Tin, Hong Kong
“Share(s)”	ordinary share(s) in the capital of our Company with a nominal value of [US\$0.00000002] each
“Shareholder(s)”	holder(s) of our Share(s)
	[REDACTED]
	[REDACTED]
“Sole Sponsor”	VBG Capital Limited
	[REDACTED]
“Striking Off”	Under section 291 of the Predecessor Companies Ordinance, striking off refers to striking off the name of a company from the register of companies by the Registrar of Companies in Hong Kong where the Registrar of Companies has reasonable cause to believe that a company is not carrying on business or in operation
“Stock Exchange” or “HKEX”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Track Record Period”	the period comprising FY2024, FY2025 and FY2026
“Trade Descriptions Ordinance”	the Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong)

DEFINITIONS

“Traditional Chinese Medicine” or “TCM”	traditional Chinese medicine
“Tsim Sha Tsui Service Centre I”	our service centre located at Units 711, 712, 1907, Mira Place Tower A, 132 Nathan Road, Tsim Sha Tsui, Hong Kong
“Tsim Sha Tsui Service Centre II”	our service centre located at 12/F, World Commerce Centre, Harbour City, 11 Canton Road, Tsim Sha Tsui, Hong Kong
“UMAO”	the Undesirable Medical Advertisements Ordinance (Chapter 231 of the Laws of Hong Kong)

[REDACTED]

[REDACTED]

“U.S.” or “United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder
“US\$”, “USD” or “U.S. dollars”	United States dollars, the lawful currency for the time being of the United States
“VG Zenith”	VG Zenith International Company Limited (昇華國際企業有限公司), a company incorporated under the laws of Hong Kong with limited liability on 18 October 2007 and wholly owned by AW Global, and is therefore an indirect wholly-owned subsidiary of our Company after the Reorganisation
“Victor Zenith”	Victor Zenith Company Limited (偉業宏基有限公司), a company incorporated under the laws of Hong Kong with limited liability on 19 March 2010 and wholly owned by AW Global, and is therefore an indirect wholly-owned subsidiary of our Company after the Reorganisation

[REDACTED]

[REDACTED]

“%”	per cent
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DEFINITIONS

In this document, the terms “associate”, “close associate”, “connected person”, “connected transaction”, “core connected person”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

Certain amounts and percentage figures included in this document have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities have been included in this document in both the Chinese and English languages and, in the event of any inconsistency, the Chinese version shall prevail. English translations of company names and other terms from the Chinese language are provided for identification purposes only.

GLOSSARY OF TECHNICAL TERMS

This glossary of technical terms contains explanations of certain technical terms used in this document. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.

“CAGR”	compound annual growth rate, calculated by subtracting one from the result of dividing the ending value by its beginning value raised to the power of one divided by the period length
“CE”	Conformité Européenne, a certification mark indicating conformity with applicable health, safety and environmental protection standards within the European Economic Area
“GFA”	gross floor area
“GMP”	good manufacturing practice
“HEIT”	High Energy Inductive Therapy, which uses Pulsed Electro Magnetic Fields to stimulate surface and deep muscle tissue and structures, enhance blood circulation, and activate tissue regeneration
“IASTM”	Instrument-Assisted Soft Tissue Mobilisation
“INTERTEK”	Intertek Group plc, a testing, inspection and certification organisation
“ISO”	the International Organization for Standardization
“ISO 13485”	the international standard setting out requirements for a quality management system specific to the medical devices industry
“Jing Luo”	meridians, a concept in Traditional Chinese Medicine describing the network of pathways through which Qi (氣) and blood circulate in the body
“KC”	Korea Certification, a certification mark of the Republic of Korea
“KFDA”	the Korean Food and Drug Administration

GLOSSARY OF TECHNICAL TERMS

“microcurrent”	soft electrical current used in certain of our treatment devices
“MRI”	Magnetic Resonance Imaging
“OTC” or “Over-the-Counter”	products that may be sold directly to consumers without a prescription
“Qi”	a concept in Traditional Chinese Medicine
“SGS”	Société Générale de Surveillance, a testing, inspection and certification organisation
“sq. ft.”	square feet
“STC”	Hong Kong Standards and Testing Centre, a testing, inspection and certification organisation
“subhealth”	a condition between health and illness in which a person experiences discomfort or reduced functionality without a diagnosed disease

FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements and information relating to our Company and our subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this document, the words “aim”, “anticipate”, “believe”, “could”, “consider”, “continue”, “estimate”, “expect”, “forecast”, “going forward”, “intend”, “is/are likely to”, “may”, “might”, “ought to”, “plan”, “predict”, “project”, “propose”, “potential”, “prospects”, “seek”, “should”, “shall”, “will”, “would”, “with a view to” and the negative of these terminologies and other similar expressions, as they relate to our Group or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialise or may change. These forward-looking statements are not a guarantee of future performance and are subject to certain risks, uncertainties and assumptions, including the risk factors as described in the section headed “Risk Factors” in this document. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing by our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our operations and business prospects;
- our future debt levels and capital needs;
- future developments, trends and conditions in the industry and markets in which we operate;
- our business strategies, plans, objectives and our various measures to implement or achieve these strategies, plans and objectives;
- our ability to meet the changing needs of our customers;
- general economic, political and business conditions in the markets in which we operate;
- the effects of the global financial markets and economic crisis;
- the general economic trends and conditions;
- our ability to reduce costs;
- our dividend distribution plan and dividend policy;
- our financial condition and performance;
- our capital expenditure plans;
- changes in competitive conditions and our ability to compete under these conditions;
- the amount and nature of, and potential for, future development of our business;

FORWARD-LOOKING STATEMENTS

- our ability to recruit and retain employees and personnel;
- capital market developments;
- the actions and developments of our competitors;
- change or volatility in interest rates, foreign exchange rates, equity prices, volumes, prices, operations, margins, risk management and overall market trends;
- other statements in this document that are not historical facts;
- realisation of the benefits or our future plans and strategies; and
- other factors beyond our control.

The information and assumptions contained in the forward-looking statements have not been independently verified by the Relevant Parties and no representation is given as to the accuracy or completeness of such information or assumptions on which the forward-looking statements are made. Additional factors that could cause actual performance or achievements of our Group to differ materially include, but are not limited to, those discussed under “Risk Factors” and elsewhere in this document.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this document, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this document might not occur in the way we expect or at all. Accordingly, you should not place undue reliance on any forward-looking statements and information.

In this document, statements of or references to our intentions or those of our Directors are made as at the date of this document. Any such information may change in light of future developments. All forward-looking statements and information contained in this document are qualified by reference to the cautionary statements set out in this section.

RISK FACTORS

[REDACTED] in our Shares involves risks. You should carefully consider all the information in this document, including the risks described below, before deciding to **[REDACTED]** in our Shares.

*The occurrence of any of the following events could materially and adversely affect our business, financial condition, results of operations or prospects. If any of these events occur, the trading price of our Shares could decline and you may lose all or part of your **[REDACTED]**. You should seek professional advice from your relevant advisors regarding your prospective **[REDACTED]** in the context of your particular circumstances.*

We believe the most material risks we face are set out first below. The risks are grouped into: (i) risks relating to our business and operations; (ii) risks relating to our industry; (iii) risks relating to doing business in Hong Kong; and (iv) risks relating to the **[REDACTED]** and our Shares.

RISKS RELATING TO OUR BUSINESS AND OPERATIONS

We recorded net current liabilities as at 31 March 2025 and 31 March 2026.

We recorded net current liabilities of approximately HK\$17.4 million and HK\$45.1 million as at 31 March 2025 and 31 March 2026, respectively. This is mainly attributable to the significant contract liabilities arising from the sale of prepaid packages. For details, please refer to the section headed “Financial Information – Net Current Liabilities” in this document.

We cannot assure you that we will not record net current liabilities in the future. A net current liabilities position exposes us to liquidity risks. Our future liquidity and the payment of trade and other payables will primarily depend on our ability to generate adequate cash inflows from our operating activities. If we experience a shortage in cash flow generated from operations, our liquidity position may be adversely affected, which, in turn, may adversely affect our results of operations and financial position.

Our profit for the year fell by about 57.5% in FY2025 and may remain volatile or decline further as our costs rise.

Our profit for the year fell from approximately HK\$79.8 million in FY2024 to approximately HK\$33.9 million in FY2025, a decrease of approximately 57.5%. This drop was driven by an increase in staff costs and other operating expenses. For details, please refer to the section headed “Financial Information – Review of Historical Results of Operations”.

We expect to keep incurring significant expenses as we grow, including rent for new service centres, salaries for additional therapists and health advisors, and advertising cost. Because our revenue may not grow in line with these rising costs, our profit margin is under pressure. If we cannot control our costs or increase our revenue fast enough to absorb them, our profits will fall further, and our past financial performance will not be a reliable guide to our future results. This volatility may also cause our Share price to fluctuate.

RISK FACTORS

We may face customer dissatisfaction arising from expired prepaid packages.

We offer prepaid packages under which customers pay in advance for a specified number of treatment sessions to be redeemed within a defined validity period. Customers who do not utilise their prepaid packages within the applicable validity period are generally not entitled to redeem the unused treatment sessions, subject to our discretion to extend the period due to exceptional and unforeseen circumstances, such as the Covid-19 pandemic.

We recognise revenue from prepaid packages upon the expiry of the validity period for any unutilised treatment sessions. For FY2024, FY2025 and FY2026, forfeiture income arising from the expiry of unutilised treatment sessions amounted to HK\$45.3 million, HK\$48.1 million and HK\$57.9 million, representing approximately 14.2%, 15.4% and 15.8% of our revenue, respectively.

Expiry of prepaid packages may cause dissatisfaction and discourage customers from making future purchases. This could lead to unfavourable feedback against us and may adversely affect our ability to maintain the current level of revenue. Any material decline in the purchase of prepaid packages could have an adverse effect on our business, results of operations, financial condition and prospects.

Potential regulatory changes to the Trade Descriptions Ordinance may adversely affect our business model and financial performance.

The Hong Kong Government launched a public consultation on 29 June 2026 on proposed amendments to the Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) (“**TDO**”), with a particular focus on enhancing consumer protection in relation to pre-paid consumer contracts in the beauty, fitness, and similar services industries. The consultation paper mentions the regulation of services involving the use of energetic procedures for beautifying purposes, such as through the use of ultrasound devices to improve body features. This may encompass a core segment of our service offerings which relies on energy-based devices to provide pain management and function enhancement services.

The key proposals under consultation include:

- Stipulating a statutory cooling-off period for pre-paid contracts, during which a customer may unilaterally cancel the contract without reason;
- Imposing a statutory limit on contract duration (e.g., two years); and
- Empowering the Customs and Excise Department with additional investigatory and enforcement powers.

Any introduction of a mandatory cooling-off period, shorter contract validity, or restrictions on pre-payment terms could reduce our ability to secure upfront payments and lower overall revenue from prepaid packages. In addition, enhanced regulatory scrutiny and enforcement could lead to higher compliance costs, more frequent investigations, and potential penalties for non-compliance.

RISK FACTORS

There is no assurance that the final legislation will not have a broader or more stringent impact on our business model. If the proposed changes are enacted and apply to our operations, they could have an adverse effect on our business, results of operations, financial condition and prospects. For further details, please refer to the section headed "Regulatory Overview".

Our business is concentrated in three service centres, and a problem at any one of them would have a significant impact on our results.

Almost all of our revenue currently comes from three service centres in Hong Kong, located in Causeway Bay, Tsim Sha Tsui and Sha Tin. As our operations are concentrated in a small number of locations, any problem at a single centre, such as a fire, flood, equipment failure, staff shortage or local drop in foot traffic, would have a disproportionate impact on our overall revenue and profits.

A lease dispute regarding any of our service centres could prevent us from delivering treatments, leading to unfavourable feedback and reputational damage.

We face risks associated with business expansion and opening new centres.

We plan to grow by establishing additional service centres in Hong Kong. Opening new centres places significant demands on our management, staff, systems and financial resources and there is inherent uncertainty as to whether such expansion will achieve the expected results. The process of setting up a new service centre involves substantial upfront capital expenditure, including costs relating to lease deposits, renovation and fit-out, acquisition of treatment devices, recruitment and training of staff, and initial marketing.

In addition, we may face challenges in identifying suitable locations, negotiating favourable lease terms, recruiting and retaining sufficient trained staff, and maintaining consistent service quality across all centres. If a lease cannot be secured or renewed on acceptable terms, or if a new centre underperforms for a prolonged period, we may incur significant financial losses and operational disruption.

If we fail to manage the opening and ramp-up of new service centres effectively, the associated costs and risks could outweigh the expected benefits and have an adverse effect on our business, results of operations and financial condition.

Payment solution providers may delay or hold up settlement of payments, which could affect our cash flow.

In FY2024, we had trade receivables overdue for over 90 days of approximately HK\$17.0 million, attributable to customer payments held up by a third-party payment solution provider. There is no assurance that similar delays will not recur in the future.

Any prolonged delay or failure by payment solution providers to settle funds to us in a timely manner could result in increased trade receivables, credit risk exposure, and material adverse effects on our working capital, liquidity position, and overall financial condition. For details, please refer to the section headed "Financial Information - Description of Certain Items of Combined Statements of Financial Position – Ageing analysis of trade receivables".

RISK FACTORS

We rely heavily on our top five largest advertising service providers and external health advisors.

We engage a number of advertising service providers and external health advisors to support our customer acquisition and marketing efforts in bringing in new customers. Our top five service providers and suppliers accounted for approximately 79.5%, 74.3% and 75.9% of our total advertising and marketing expenses and manpower service expenses in FY2024, FY2025 and FY2026 respectively. We do not enter into long-term supply agreements with our advertising service providers, and cannot assure you that these relationships will continue on favourable terms. Any deterioration in the relationship, underperformance, or significant increase in fees could impair our ability to attract new customers and maintain revenue growth. A sudden rise in the cost of these services or disruption in these partnerships could also increase our operating expenses, which we may not be able to fully pass on to customers. Any of the above events could have an adverse effect on our business, results of operations. For details, please refer to the section headed “Financial Information – Results of Operations”.

Our staff may be subject to claims relating to professional misconduct, personal injury or negligence.

We rely on our Chinese Medicine Practitioners, trained therapists, Advanced Functional Enhancement Advisors and nutritionist to provide services to customers. Our service centres are not registered medical clinics under the Medical Clinics Ordinance, and we do not engage registered medical practitioners to provide energy-based treatments. Treatment results vary from customer to customer depending on their body condition, the severity of their pain and how closely they follow our post-treatment instructions. There is an inherent risk that a treatment may produce an undesirable or unexpected outcome, such as complication or injury, or may simply fail to meet a customer’s expectations.

Any incorrect decisions or failure by our staff to follow our protocols, training and safety procedures could result in unsatisfactory outcomes, customer injuries or, in extreme cases, more serious harm. Unfavourable feedback, claims and legal proceedings may be brought by customers against us and our staff. Such claims or proceedings, regardless of their outcome, may generate negative publicity, require substantial time and resources to defend, and result in significant legal costs, damages or compensation. Claims that fall outside the scope of, or exceed the limits of, our existing insurance coverage (including professional indemnity insurance) could expose us to substantial uninsured liabilities.

Furthermore, if any of our staff are found to have committed professional misconduct or negligence, they may be subject to disciplinary actions, including suspension from practice. Any of the above circumstances could materially and adversely affect our reputation, business, results of operations and financial condition.

Our business depends on the reputation of our brand.

Our business depends on customers trusting the safety and effectiveness of our energy-based treatments, which we deliver using our “RDS+” (Restore, Detox, and Strengthen) approach based on Traditional Chinese Medicine theory combined with the use of energy-based treatment and treatment devices.

RISK FACTORS

Unfavourable scientific findings, media reports, regulatory attention or litigation concerning energy-based treatment, alternative medicine, Traditional Chinese Medicine or our specific devices and products, whether or not directed at us, can quickly change how the public views our services. Negative publicity, unfavourable feedback or claims could reduce demand for our services and erode the value of our brand. Because we rely heavily on our reputation in the Hong Kong pain management market to attract and retain customers, any loss of customer trust would directly reduce our sales.

Additionally, a part of our success and brand recognition has been driven by our marketing efforts, which includes engaging celebrity spokespersons who appear in advertisements, events and press interviews, as well as promotions through social media platforms. For details, please refer to the section headed "Business – Marketing and Promotion".

This marketing strategy closely ties our brand image to the public reputation and conduct of our spokespersons. If any of them become involved in scandals, negative publicity or controversial behaviour, such incidents could damage our brand reputation. Any damage to our brand image, decline in marketing effectiveness or reduction in customer acquisition would likely lead to a decrease in revenue. We may also incur additional costs to repair our reputation or revise our marketing campaigns. Such events could have an adverse effect on our business, financial condition, results of operations and prospects.

Our marketing materials and treatment claims risk breaching the Undesirable Medical Advertisements Ordinance, which could result in fines, prosecution or a requirement to withdraw advertising.

Our marketing materials describe the potential benefits of our energy-based treatments and products. The UMAO prohibits advertisements that claim or imply the ability to prevent, treat or cure specified diseases or conditions.

In 2023 and 2026, we received warnings from the Department of Health regarding certain of our advertisements that may be viewed as potentially non-compliant with the UMAO. UMAO is open to various interpretations or varying enforcement approaches. Accordingly, marketing materials that were previously considered acceptable may be regarded as non-compliant as a result of a change in the interpretation of the UMAO or the stringency of enforcement. For details, please refer to the section headed "Business – Regulatory Compliance and Licenses" in this document.

Any non-compliance with the UMAO may result in criminal prosecution, substantial fines (up to HK\$100,000 per offence), imprisonment, and orders requiring us to cease or withdraw advertisements. We may also incur significant costs and expenses in removing or amending existing printed advertisements, outdoor billboards and other promotional materials. Furthermore, any such regulatory action could lead to litigation risks, negative publicity and severe damage to our brand reputation.

RISK FACTORS

If we fail to effectively monitor and ensure ongoing compliance with the UMAO and other applicable advertising regulations, we may be subject to regulatory sanctions, which could have an adverse effect on our business, reputation, results of operations, financial condition and prospects. For details, please refer to the section headed “Regulatory Overview”.

Our success relies on the continued service and expertise of our founders, and any loss or argument between them could severely disrupt our business and growth prospects.

Our success has depended heavily on the leadership, operational knowledge and industry relationships of our founders, Mr. Mo and Ms. Cheung. In particular, Mr. Mo and Ms. Cheung formulate and implement the Group’s business plans and growth strategies, oversee the daily operations of the group, and manage the employees of the Group such as to maximise their productivity.

The loss of either Mr. Mo or Ms. Cheung, or any serious disagreement between them, could materially disrupt our strategic direction, supplier relationships, quality control standards, daily operations and corporate governance. Given the specialised nature of Hong Kong’s pain management sector, finding suitable replacements with comparable industry expertise, relationships and experience would be difficult and time-consuming. In the interim, our ability to pursue expansion plans, maintain service quality and key customer relationships could be significantly impaired.

A failure of our IT systems or a cybersecurity breach could disrupt our operations and expose sensitive customer data.

We rely on information technology systems for billing, financial data, customer records and appointment booking. For details, please refer to the section headed “Business – Information Technology”. Our systems could fail or be disrupted by power loss, natural disasters, computer viruses, hacking or human error. Any such failure could prevent us from booking appointments, serving customers and keeping accurate records, directly interrupting our revenue.

Furthermore, in the ordinary course of our business, we collect, process, and store highly sensitive personal data, including pre-treatment health surveys and treatment histories. A data breach, cyberattack, or unauthorised access to our systems could lead to the loss, theft, corruption, or public disclosure of confidential information. Any such incident could expose us to investigations, penalties, and regulatory sanctions under applicable data privacy laws and regulations (such as the Personal Data (Privacy) Ordinance). Additionally, we could face litigation, data breach notifications, system remediation costs, and reputational damage, which would adversely affect our business, financial condition, and results of operations.

Our brand and trademarks are central to our business, and we may not be able to protect them.

Our registered trademarks in Hong Kong, particularly those under the “ANKH” brand, are critical to our business and brand identity. We rely primarily on trademark registrations to safeguard our intellectual property. However, these protections may not prevent third parties from registering confusingly similar marks, infringing upon our brand, or engaging in passing-off activities, and there is no assurance that the measures we have taken can adequately prevent unauthorised use by third parties.

RISK FACTORS

Any unauthorised use or imitation of our trademarks by third parties could lead to customer confusion, dilute our brand equity, and severely damage the goodwill we have established. Furthermore, defending and enforcing our intellectual property rights through legal proceedings can be costly, protracted, and burdensome, diverting substantial management time and resources without any guarantee of a favorable outcome. If we are unable to effectively protect or enforce our trademark rights, our competitive position, financial condition, and results of operations could adversely affected.

For details of our intellectual property rights, please refer to “Appendix IV – Statutory and General Information – Further Information About Our Business – Our material intellectual property rights” of this document.

We do not own the intellectual property in our treatment devices, so competitors could utilise similar devices in providing treatments.

Our treatment devices are sourced from, and manufactured by, third-party suppliers, mostly under ad hoc purchase orders rather than long-term supply contracts. We generally do not own the underlying technology, designs or production know-how for these devices. As a result, the same or similar manufacturers could supply substantially similar devices to our competitors, which would weaken our ability to differentiate our services and could pressure our margins. We also have limited ability to prevent third parties from offering comparable devices or from developing competing technologies based on similar principles.

Any disruption in the supply of these devices, or any deterioration in their quality or performance, could adversely affect our ability to deliver treatments and harm our reputation and business performance.

Our insurance may not cover all of our potential liabilities.

We maintain various insurance policies, including for our shop contents, business interruption, money, public liability, employees’ compensation and professional indemnity. For details of our insurance policies, please refer to the section headed “Business – Insurance”.

However, we do not maintain product liability insurance, and our existing policies may not cover all types of loss or liability we could face. We sell topical use products and dietary supplement products. The ingredients of our products may cause side effects if misused or used by customers with certain health conditions, and may not produce the intended results. We will have to pay for our own costs in defending product liability claims. Even an unsuccessful claim would consume management time and could deter customers from using our products and our services. We may not be able to fully recover our losses from our manufacturers and suppliers if a product liability claim arises. If we are held liable for an uninsured loss, or if a claim exceeds our coverage limits, we would have to pay the difference ourselves. Our insurance premiums may also rise over time, increasing our costs.

RISK FACTORS

RISKS RELATING TO OUR INDUSTRY

We operate in a highly competitive market and may lose customers to other operators.

The pain management market in Hong Kong is intensely competitive and is characterised by rapid technological change. According to the Ipsos Report, we face direct competition in the Integrated Non-Invasive Pain Management Solution Service Providers market. Besides facing direct competition with other energy-based wellness providers, we also face competition from private hospitals, public hospitals, physiotherapy clinics, Chinese medicine clinics and even massage providers. We compete mainly on location, price, the range and quality of our services, the variety of our treatment devices, and the strength of our brand.

Some competitors have more financial and marketing resources than we do and may offer similar services at lower prices, react faster to market trends, secure prime locations, or attract our customers and our therapists. New entrants are also likely as the market grows and attracts both local and international players. Because none of our device suppliers make their devices exclusively for us, competitors can buy the same devices and offer comparable treatments. If we cannot compete effectively, we may lose market share and find it harder to grow our revenue.

We may fail to keep up with advancements in treatment technologies.

Treatment technologies in our industry change quickly. To stay relevant, we need to upgrade our treatment devices, introduce new services and procedures, and adjust our marketing. Our devices are sourced internationally and embody current technologies, but newer technologies could make them less attractive. Keeping up requires ongoing spending on new devices and research, with no guarantee that the investment will pay off, and certain devices must be ordered well in advance.

If a competitor responds faster to new technology or changing preferences, our services may look outdated and our customers may leave. New non-pharmacological, non-invasive or minimally invasive therapies that are more effective, more convenient or cheaper than ours could also make our current treatments less attractive or obsolete. If we fail to anticipate these changes, or invest in technology that does not gain customer acceptance, our profits could fall and we may not recover the cost of the devices we have purchased.

Demand for our services depends on customers choosing to pay for treatments that are not covered by insurance.

Our services are not reimbursable through government or private health insurance, so customers must pay for them out of their own pockets. The average annual spending per customer at our centres was approximately HK\$60,000 in FY2026, which is a significant discretionary spending. Demand therefore depends on factors such as customers' disposable income, the cost of our treatments compared with alternatives (including pharmaceutical treatments), the success of our marketing, how well we educate customers on the benefits of our services, and general consumer confidence. If the pain management market grows slower than we expect, or if customers cut back on discretionary spending, our revenue and profits will fall.

RISK FACTORS

We depend heavily on demand from the aging population, and a shift in this demographic or its preferences would hurt us.

A key part of our strategy is to serve Hong Kong's aging population, particularly those aged between 40 to 69, who we believe are more receptive to Traditional Chinese Medicine theory and are a growing source of demand for non-pharmacological pain management. This focus means our business is closely tied to the spending patterns, health and preferences of one main demographic group. If older customers reduce their spending, lose confidence in energy-based or TCM-based treatments, or shift to other forms of pain management, demand for our services could fall. Our concentration on this group also means we are exposed to any policy, economic or social change that particularly affects older people in Hong Kong.

A sustained shift in consumption patterns, including the trend of Hong Kong residents travelling northbound to spend in Chinese Mainland, may reduce local consumer spending and adversely affect our business.

In recent years, there has been a notable and persistent increase in the number of Hong Kong residents travelling to Chinese Mainland, particularly to Shenzhen and other cities in the Greater Bay Area, for shopping, dining, entertainment, and other consumption activities. This "northbound" consumption trend has been driven by factors including the comparatively lower price levels in Chinese Mainland, improved cross-border transport connectivity, and evolving consumer preferences. As a result, a portion of consumer spending that would otherwise have been retained within Hong Kong has shifted to Chinese Mainland.

This shift in spending habits poses challenges to our industry and our business. A sustained diversion of local consumer spending to Chinese Mainland could reduce customer traffic and demand for our products and services, place downward pressure on our pricing, and intensify competition among the remaining local operators. Should this trend persist or accelerate, or should we be unable to adapt our business strategy to respond effectively, our revenue, profit margins, and results of operations could be adversely affected.

We cannot assure you that this consumption pattern will reverse, that any government measures intended to stimulate local consumption will be effective, or that we will be able to mitigate the impact of these developments on our business. The continuation of this trend could have an adverse effect on our business, financial condition, results of operations and prospects.

RISKS RELATING TO DOING BUSINESS IN HONG KONG

All of our business is in Hong Kong, so any downturn in the Hong Kong economy will directly affect us.

All of our business operations are carried out in Hong Kong. During the Track Record Period, all of our revenue was generated from sales in Hong Kong. Spending on our services is discretionary and sensitive to local economic conditions and customers' disposable income. An economic slowdown or recession, a fall in consumer confidence, social unrest, a disease outbreak or other disruption in Hong Kong would reduce demand for our treatments. Because we currently have no operations elsewhere, we cannot offset a weak Hong Kong market with income from other regions. Given Hong Kong's small geographic size, a single major disruptive event could affect all of our centres at once.

RISK FACTORS

Several of our leases expire soon, and higher rents or lost leases would squeeze our profits and disrupt our service centres.

Our service centres are all on leased premises, and we do not own any real property. Property rental expenses represented about 11.3% of our cost of services in FY2024, about 10.7% in FY2025 and about 15.1% in FY2026. We must renegotiate each lease before it expires. For details, please refer to the section headed “Business – Properties”.

In Hong Kong’s competitive commercial property market, landlords may demand significantly higher rents on renewal. Our Sha Tin lease, for example, already steps up in stages to approximately HK\$413,000 per month by 2028. Higher rents would directly reduce our profit margins. The lease term for our service centres generally last for 3 years. If a lease is not renewed or is terminated early, we may have to relocate a service centre. Relocation would mean lost revenue during closure, fit-out and renovation costs at new premises, the disruption of moving heavy treatment devices, and the risk that a relocated service centre attracts fewer customers than before. Competition for prime locations also means we may struggle to secure suitable new sites on acceptable terms.

We are exposed to movements in foreign currencies because we buy our devices and some products from overseas.

We source our treatment devices from Germany, the Republic of Korea and Japan, and some of our topical and dietary products from countries including Germany and the Republic of Korea, so part of our purchasing is denominated in foreign currencies. Our revenue, however, is generated almost entirely in Hong Kong dollars. We do not have a foreign currency hedging policy.

If these foreign currencies strengthen against the Hong Kong dollar, the cost of buying and replacing our devices and products would rise. Because we may not be able to raise our prices to offset higher purchasing costs without losing customers, currency movements could reduce our margins.

RISKS RELATING TO THE [REDACTED] AND OUR SHARES

There has been no public market for our Shares, and an active or stable market may not develop.

Before the [REDACTED] there has been no [REDACTED] for our Shares. The [REDACTED] is set by negotiation between us and the [REDACTED] and may not reflect the price at which our Shares will trade after [REDACTED]. We cannot assure you that an active trading market will develop or be sustained. As a smaller company with a limited public float, our Shares may be thinly traded, may trade with wide spreads between buying and selling prices, and may be volatile for reasons unrelated to our performance, including the trading performance of other Hong Kong-listed companies and general market sentiment. You may be unable to sell your Shares at or above the [REDACTED], or at all.

RISK FACTORS

Our Controlling Shareholders will hold a large majority of our Shares and can control most matters requiring shareholder approval.

Immediately after the [REDACTED], our Controlling Shareholders, AW Ocean, will hold [REDACTED] of the issued Shares. AW Ocean is in turn owned as to 71% by Mr. Mo (our founder, executive Director, chairman and chief executive officer) and 29% by Ms. Cheung (our founder, executive Director and chief operating officer), who are spouses.

This means our Controlling Shareholders can decide the outcome of most matters put to shareholders, including the appointment of directors, mergers, sales of assets and other major corporate actions, even if other shareholders disagree. Its interests may differ from yours, and this concentration of control could discourage a takeover that might otherwise allow you to sell your Shares at a premium. Conflicts of interest between the Controlling Shareholders and independent shareholders are governed by the Listing Rules and the Companies Ordinance, but you may still find it difficult to influence decisions affecting the Company.

[REDACTED] in the [REDACTED] will suffer immediate dilution.

The [REDACTED] is higher than our net tangible asset value per Share immediately before the [REDACTED]. As a result, if you buy Shares in the [REDACTED] you will immediately experience a reduction in the net tangible asset value of the Shares you hold. If we [REDACTED] further Shares in future to raise funds for expansion, new centres, overseas growth or acquisitions, you may suffer further dilution, and your percentage ownership and share of earnings could fall.

We are incorporated in the Cayman Islands, and your ability to protect your shareholder rights may be more limited than under the laws of Hong Kong.

We are an exempted company incorporated under the laws of the Cayman Islands. The rights of shareholders and the duties of directors under Cayman Islands law differ from those under Hong Kong law in several respects. Shareholders of Cayman Islands companies do not have a general right to inspect corporate records beyond the memorandum and articles of association and certain registers, and the fiduciary duties owed by directors may be less clearly defined. As a result, shareholders may find it more difficult to bring actions against our directors or to obtain remedies in disputes with our Company compared with shareholders of companies incorporated in Hong Kong. For details, please refer to “Appendix III – Summary of the Constitution of the Company and Cayman Companies Act” in this document.

We may be unable to pay dividends because of our net current liabilities.

Whether we pay dividends is at the discretion of our Board, and under Cayman Islands law we may only pay dividends out of profits or share premium, and only if we can still pay our debts as they fall due in the ordinary course of business. Given our net current liabilities of approximately HK\$45.1 million as at 31 March 2026, we may be legally unable to declare dividends until we reach sustainable profitability. We are also a holding company and depend on dividends from our Operating Subsidiaries to fund any payments to shareholders. You should not [REDACTED] in our Shares expecting dividend income, and your return will depend on whether the price of our Shares rises.

RISK FACTORS

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 “anticipate,” “believe,” “could,” “going forward,” “intend,” “plan,” “project,” “seek,” “expect,” “may,” “ought to,” “should,” “would” or “will” and 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 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.

WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation for the [REDACTED], our Company has applied for the following waiver from strict compliance with the relevant provision of the Listing Rules.

CONTINUING CONNECTED TRANSACTION

We have applied to the Stock Exchange for, and the Stock Exchange [has granted], waiver from strict compliance with Rule 14A.52 of the Listing Rules in relation to our continuing connected transaction such that the term of the Licensing Agreement can be of a fixed term which exceeds three years. For further details, please refer to section headed “Continuing Connected Transaction – Fully-exempt Continuing Connected Transaction”.

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

INFORMATION ABOUT THIS DOCUMENT AND THE [REDACTED]

[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

DIRECTORS

Name	Residential Address	Nationality
<i>Executive Directors</i>		
Mr. Mo Ka Wai Victor (巫家偉)	House 17 37 Lai Ping Road, La Cresta, Kau To Shan Sha Tin, New Territories Hong Kong	Chinese
Ms. Cheung Sum Lok (張心樂)	House 17 37 Lai Ping Road, La Cresta, Kau To Shan Sha Tin, New Territories Hong Kong	Chinese
<i>Independent non-executive Directors</i>		
Mr. Yeung Chun Nin (楊振年)	6/F, Flat D, Tower 5 One Beacon Hill 1 Beacon Hill Road Kowloon Hong Kong	Chinese
Mr. Kong Wing Fai (江永輝)	12A 16/F Mei Foo Sun Chuen Nassau Street Meifoo, Kowloon Hong Kong	Chinese
Mr. Tam Kin Fong (譚建方)	Flat B, 21/F, Block 5 Pacific Palisades 1 Braemar Hill Road North Point, Hong Kong	Chinese

For further information on the background of our Directors, please refer to the section headed "Directors and Senior Management" in this document.

PARTIES INVOLVED IN THE [REDACTED]

Sole Sponsor, [REDACTED]	VBG Capital Limited Suites 707-709 12 Taikoo Wan Road, Taikoo Quarry Bay Hong Kong
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[REDACTED]

DIRECTORS AND PARTIES INVOLVED IN THE [REDACTED]

Legal advisors to our Company

As to Hong Kong law:

Bird & Bird

6/F, The Annex, Central Plaza
18 Harbour Road
Hong Kong

As to Cayman Islands law:

Harney Westwood & Riegels

14th Floor, Alexandra House
18 Charter Road
Central
Hong Kong

**Legal advisors to the Sole Sponsor,
[REDACTED]**

As to Hong Kong law:

Fairbairn Catley Low & Kong

23/F Shui On Centre
6 – 8 Harbour Road
Hong Kong

Reporting Accountant

Forvis Mazars CPA Limited

*Certified Public Accountants and Registered Public
Interest Entity Auditor*
42/F
Central Plaza
18 Harbour Road, Wanchai
Hong Kong

Compliance Advisor

VBG Capital Limited

Suites 707-709
12 Taikoo Wan Road, Taikoo
Quarry Bay
Hong Kong

Industry consultant

Ipsos Asia Limited

701, 7/F
China Life Center, Tower A, One Harbourgate
18 Hung Luen Road, Hung Hom
Hong Kong

[REDACTED]

CORPORATE INFORMATION

Registered Office	4th Floor, Harbour Place 103 South Church Street P.O. Box 10240, George Town Grand Cayman, KY1-1002 Cayman Islands
Headquarters and Principal Place of Business in Hong Kong	Suites 2301-05, 23/F Tower 5, The Gateway, Harbour City Tsim Sha Tsui Hong Kong
Company's Website	https://www.ankh.com.hk/ (Note: the information on this website does not form part of this document)
Company Secretary	Mr. Yeung Chin Wan
Authorised Representatives	Mr. Mo Ka Wai Victor Mr. Yeung Chin Wan
Audit Committee	Mr. Kong Wing Fai Mr. Tam Kin Fong Mr. Yeung Chun Nin
Remuneration Committee	Mr. Yeung Chun Nin Mr. Mo Ka Wai Victor Mr. Kong Wing Fai
Nomination Committee	Mr. Mo Ka Wai Victor Mr. Yeung Chun Nin Mr. Kong Wing Fai

[REDACTED]

[REDACTED]

Principal bank	Hang Seng Bank Limited Hang Seng Tsim Sha Tsui Branch Building 18 Carnarvon Road, Tsim Sha Tsui Kowloon, Hong Kong
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INDUSTRY OVERVIEW

The information in the section below has been partly derived from various publicly available government sources, market data providers and other independent third-party sources. In addition, this section and elsewhere in this document contain information extracted from the Ipsos Report for inclusion in this document. We have no reason to believe that such information is false or misleading in any material respects or that any fact has been omitted that would render such information false or misleading in any material respects. The information has not been independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], any of our or their respective affiliates, directors or advisors or any other persons or parties involved in the [REDACTED], other than Ipsos with respect to the information contained in the Ipsos Report and no representation is given as to its fairness, correctness and accuracy. Accordingly, you should not place undue reliance on such information or statistics.

The information extracted from the Ipsos Report reflects estimates of market conditions based on samples and is prepared primarily as a market research tool. References to Ipsos should not be considered as the opinion of Ipsos as to the value of any security or the advisability of [REDACTED] in our Group. Our Directors believe that the sources of information extracted from the Ipsos Report are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information.

SOURCE AND RELIABILITY OF THE INFORMATION

We have commissioned Ipsos, an independent market research company, to analyse and report on the market landscape and conduct a competitive analysis of the pain management services industry in Hong Kong for the period from 2020 to 2030, at a fee of HK\$300,000. Ipsos is an independent market research company, employing approximately 20,000 personnel worldwide across 90 countries. Ipsos conducts research on market profiles, market size, share, and segmentation, distribution and value analysis, competitor tracking, and corporate intelligence. Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Ipsos Report, various official government publications and other publications. In compiling the Ipsos Report, Ipsos obtained and gathered data and intelligence by (a) conducting desk research covering government and regulatory statistics, industry reports and analyst reports, industry associations, industry journals, and other online sources and data from the research database of Ipsos; (b) performing customer consultation to obtain background information of our Group; and (c) conducting primary research by interviewing key stakeholders and industry experts. The information and data gathered by Ipsos have been analysed, assessed, and validated using Ipsos' in-house analysis models and techniques. The methodology used by Ipsos is based on information sourced from multiple levels, allowing it to be cross-referenced for accuracy.

OVERVIEW OF HONG KONG MACRO-ECONOMIC ENVIRONMENT

Population Demographics in Hong Kong

Hong Kong's population has remained relatively stable from 2020 to 2025, increasing slightly from approximately 7.43 million to 7.51 million. However, population structure has undergone more significant changes, particularly with continued demographic ageing. The population aged 40 and above increased from approximately 4.40 million in 2020 to approximately 4.78 million in 2025, representing a CAGR of approximately 1.65%, primarily driven by demographic ageing, higher life expectancy, and the gradual progression of the working-age population into older age cohorts.

During the forecast period, the population is expected to increase from approximately 7.54 million in 2026F to approximately 7.69 million in 2030F. Consequently, the population aged 40 and above is also expected to increase during this period, growing from approximately 4.47 million in 2026F to approximately 4.97 million in 2030F, or a CAGR of approximately 1.16%.

INDUSTRY OVERVIEW

The ageing demographic trends in Hong Kong support demand for pain management services through a combination of a stable core customer base and a growing ageing population. Individuals aged 40 and above, representing over 62% of the total population, constitute the primary user group, with their higher participation in the workforce and exposure to physical and functional strain, while the expanding elderly population contributes incremental demand due to increased prevalence of age-related health conditions.

Healthcare Private Expenditure Per Capita in Hong Kong

Per capita healthcare expenditure in Hong Kong has shown a consistent upward trend from 2020 to 2025, increasing from approximately HK\$11,178.6 to HK\$16,249.1. Following a decline in 2020, expenditure rebounded strongly in 2021 and continued to grow at a steady pace, reflecting a recovery in healthcare utilisation and increasing demand for healthcare services. Looking ahead, per capita healthcare expenditure is projected to increase further to approximately HK\$19,728.7 by 2030F, reflecting a stable growth trajectory with a CAGR of approximately 4.0% over the forecast period.

The continued rise in healthcare expenditure reflects an overall increase in health-related services, driven by factors such as growing health awareness and demographic ageing. This trend may also indicate an increasing willingness among individuals to allocate spending towards preventive and non-invasive treatments.

Number of patients suffering from musculoskeletal problems in Hong Kong

It is estimated that the number of persons (aged 20 and above) with chronic musculoskeletal pain in Hong Kong increased steadily from approximately 2.35 million in 2020 to 2.87 million in 2025E and is projected to reach around 3.35 million by 2030F, representing a CAGR of 3.3% from 2026F to 2030F. The growth is consistent on a year-on-year basis, with annual increases of roughly 70,000 to 120,000 individuals. This reflects a gradual yet sustained expansion of the affected population, which is expected to support a growing, recurring demand for pain management services.

OVERVIEW OF PAIN MANAGEMENT SOLUTION SERVICE PROVIDERS INDUSTRY IN HONG KONG

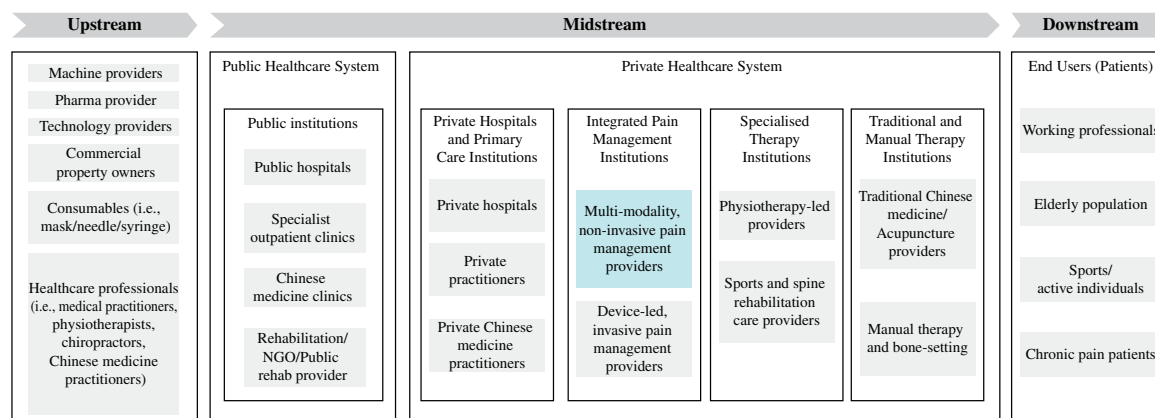
The pain management solution service providers industry in Hong Kong comprises healthcare institutions that provide assessment, treatment and rehabilitation services for individuals suffering from acute or chronic pain conditions, particularly musculoskeletal-related disorders. The industry offers a range of invasive, minimally invasive and non-invasive treatment solutions, including physiotherapy, chiropractic care, occupational therapy, Chinese medicine, manual therapy and instrument-based therapies, such as shockwave therapy, laser therapy, ultrasound therapy and other device-assisted rehabilitation treatments.

The primary service recipients are individuals experiencing pain arising from musculoskeletal conditions, sports injuries, occupational strain, age-related degeneration and other chronic health conditions. Given the recurring nature of many pain-related conditions, the industry is characterised by ongoing treatment and follow-up care requirements, resulting in recurring service utilisation and sustained demand for pain management services.

INDUSTRY VALUE CHAIN

The value chain of the pain management solution service providers industry in Hong Kong is characterised by a multi-layered structure comprising upstream suppliers, midstream service providers and downstream end users.

INDUSTRY OVERVIEW



Source: Ipsos research and analysis

Upstream

The upstream segment of the pain management value chain comprises providers of equipment, technology, consumables and key operating inputs. These include machine and technology providers supplying non-invasive treatment devices, pharmaceutical companies and consumables providers such as needles and related medical supplies. In addition, commercial property owners play an important role by providing premises in prime locations, while healthcare professionals, including medical practitioners, physiotherapists, chiropractors, and Chinese medicine practitioners, constitute a critical talent pool that supports service delivery across the industry.

Midstream

The midstream segment can be characterised by two main dimensions: treatment model and operator types.

Operator Segmentation Model: The operation segmentation is driven by healthcare institutions that deliver pain management services, spanning both public and private healthcare systems.

- The public healthcare system provides baseline services through hospitals, outpatient clinics and rehabilitation services, primarily serving as a safety net. This is exemplified by the Hospital Authority's network of specialised, multidisciplinary pain clinics situated across major public hospitals to handle complex chronic pain.
- The private healthcare system comprises private hospitals and primary care institutions, as well as a range of pain management service providers. Within the private sector, integrated pain management institutions play a central role by offering multimodal, non-invasive treatment services, supported by specialised therapy institutions and traditional or manual therapy providers, which together form the primary service delivery ecosystem.

Treatment Model: The treatment model dimension is defined by the coexistence and integration of Western and non-Western (traditional) medical paradigms.

- The Western pain management model is rooted in evidence-based biomedical and rehabilitative science, predominantly represented by registered allied health professions such as physiotherapy and chiropractic care. Western practices rely heavily on advanced

INDUSTRY OVERVIEW

diagnostic tools (such as X-rays, MRI, and musculoskeletal ultrasound) and physical modalities like Focused Shockwave Therapy (FSWT), high-energy electromagnetic waves, and targeted therapeutic exercise. It also encompasses interventional pain medicine delivered by specialised anaesthesiologists and pain specialists who utilise advanced minimally invasive techniques—such as radiofrequency ablation, cryotherapy, and surgically implantable spinal cord stimulators—to block pain pathways in the central nervous system.

- The non-Western or traditional model in Hong Kong is represented by Traditional Chinese Medicine (TCM) and manual therapies. This approach leverages holistic methods such as acupuncture, acupressure, Tui-na (Chinese therapeutic massage), and cupping to regulate bodily balance, reduce muscle tension, and promote endogenous pain relief. Rather than operating in silos, these two paradigms are increasingly converging.

Multidisciplinary public programs bring together Western pain physicians and physiotherapists with traditional Chinese medicine practitioners to provide comprehensive care.

The service model of the pain management solution service providers in Hong Kong is outlined below:

Midstream Segment (Operator Type)	Specific Provider/ Clinic Type	Estimated Number of Clinics/Centres	Core Operational Proposition (Treatment Model)
Public Institutions <i>(Public Healthcare System)</i>	• Public hospitals • Specialist outpatient clinics (Hospital Authority Pain Clinics) • Chinese medicine clinics • Rehabilitation/NGO/Public rehab providers	Greater than 6 dedicated public Pain Clinics/Centres (<i>embedded within major regional clusters</i>), supported by an array of community public rehab and NGO facilities.	Baseline Public Safety Net and Tertiary Care: Provides essential baseline and community services. Handles complex chronic pain through specialised, multidisciplinary programs combining Western pain physicians, physiotherapists, and traditional practitioners.
Private Hospitals and Primary Care Institutions <i>(Private Healthcare System)</i>	• Private hospitals • Private practitioners (Medical Specialist Groups) • Private Chinese medicine practitioners	Greater than 4 top-tier private hospital pain centres. Greater than 30 private clinics operated by medical specialist groups.	Medical-Grade Interventional and Biomedical Care: Rooted in evidence-based biomedical science. Focuses on acute/specialised care via advanced diagnostics and interventional, minimally invasive techniques.
Integrated Pain Management Institutions <i>(Private Healthcare System)</i>	• Multi-modality, non-invasive pain management providers • Device-led, non-invasive pain management providers	Greater than 10 major specialised commercial brands/chains, operating an estimated	Multimodal, Drug-Free Solution Programs: Form the premier consumer tier of the private market. Offers structured, multi-session care plans with a strict commitment to non-pharma, non-surgical, and non-injection pathways by blending advanced equipment with manual/holistic therapies.
Specialised Therapy Institutions <i>(Private Healthcare System)</i>	• Physiotherapy-led providers • Sports and spine rehabilitation/chiropractic care providers	Greater than 200 small/independent centres territory-wide (comprising standalone clinics and boutique allied health centres).	Evidence-Based Mechanical and Physical Rehab: Led by registered allied health professionals focusing entirely on non-invasive structural recovery. Rely heavily on physical modalities, manual adjustments, decompression, and targeted therapeutic exercise.
Traditional and Manual Therapy Institutions <i>(Private Healthcare System)</i>	• Traditional Chinese medicine/Acupuncture providers • Manual therapy and bone-setting (Dit Da/Tit Tar) providers	Greater than 300 small independent centres and alternative shops territory-wide.	Holistic Balance and Endogenous Relief: Represented by traditional and alternative paradigms. Utilises holistic methods—such as acupuncture, acupressure, Tui-na, cupping, and bone-setting—to promote natural pain relief.

INDUSTRY OVERVIEW

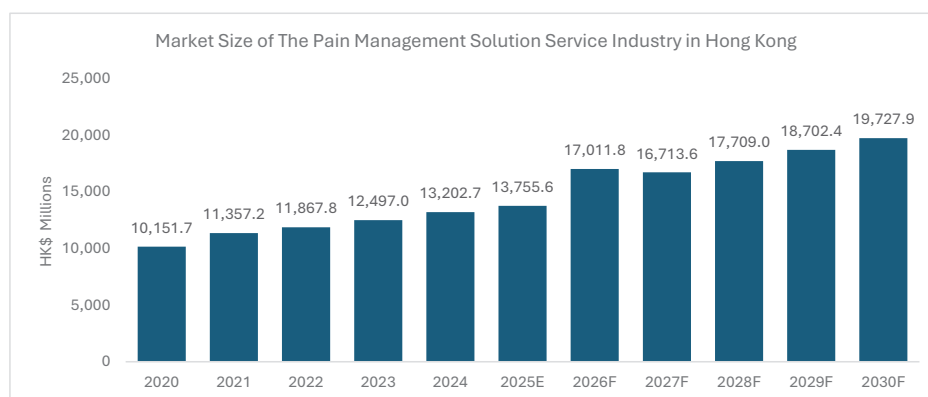
Downstream

The downstream segment consists of end users, primarily patients seeking treatment for musculoskeletal pain conditions. These mainly include working professionals, elderly individuals, sports and active populations, and patients with chronic pain conditions, each of whom exhibits different treatment needs and usage patterns. Demand is characterised by a high degree of recurrence, as pain management typically involves multi-session treatment and ongoing follow-up, supporting sustained utilisation of services across the value chain.

Market size of the pain management solution service industry in Hong Kong

The pain management solution service market in Hong Kong is estimated to expand from approximately HK\$10,151.7 million in 2020 to HK\$13,755.6 million in 2025E, representing a CAGR of 6.3%, and is projected to further increase to HK\$19,727.9 million by 2030F at a CAGR of 3.8%.

Market growth is expected to be supported by the continued expansion of the chronic musculoskeletal pain population, which is projected to exceed 3.35 million individuals by 2030F, alongside sustained demand for a broad range of pain management modalities, including non-invasive device-based therapies, exercise-based therapy, manual therapy, and pharmacological treatment.



Source: Ipsos research and analysis

OVERVIEW OF THE INTEGRATED NON-INVASIVE PAIN MANAGEMENT SERVICE SOLUTION PROVIDERS INDUSTRY IN HONG KONG

In Hong Kong's healthcare ecosystem, Integrated Non-Invasive Pain Management Solution Service Providers occupy a distinct market niche, setting them apart from conventional clinical archetypes. Non-Invasive Pain Management Solution Service Providers operate on a consumer-facing positioning centred around entirely drug-free, non-surgical, and conservative care. While single-modality clinics typically address pain through an isolated therapeutic lens, integrated non-invasive solution providers cross conventional boundaries by blending advanced Western medical equipment, physical rehabilitation, and traditional Eastern modalities under one unified care program.

Within the integrated non-invasive pain management services solution providers industry, the operators generally focuses on,

- **Device-Led Therapies:** Utilisation of advanced, non-invasive treatment technologies such as electrotherapy, shockwave therapy, and other energy-based modalities (including Super Inductive System (SIS), High Energy Inductive Therapy (HEIT), and High Intensity Laser Therapy (HILT)) to accelerate tissue repair and alleviate pain.

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- **Traditional Chinese Medicine Approaches:** Holistic eastern or meridian-based therapies approaches, that include treatments such as minimally invasive acupuncture therapy, specialised bone-setting (Dit Da), and therapeutic acupressure / meridian massage (Tuina), and Moxibustion to restore systemic balance.
- **Therapist-Led Rehabilitation Services:** Hands-on manual therapy, physical rehabilitation, physiotherapy, and chiropractic care to correct skeletal alignment and restore functional mobility.
- **Integrated or Holistic Treatment Programmes:** The structured synthesis of these diverse modalities into comprehensive, multi-session care plans tailored to individual patient profiles.

Market drivers

Demographic-driven growth in musculoskeletal conditions and a core demand base

Approximately 8.4% of individuals aged 15 or above in 2022 reported doctor-diagnosed musculoskeletal diseases, with prevalence increasing significantly with age, from 0.7% among individuals aged 15 to 24 to 25.4% among those aged 85 or above. This pronounced age gradient, together with the continued ageing of the population, suggests that the overall burden of musculoskeletal conditions is likely to increase over time. At the same time, individuals aged 40 to 69 account for about 45% of the total population, forming a large and stable core user group for pain management services. The combination of an expanding elderly population with higher disease prevalence and a sizeable working-age population requiring ongoing care is expected to support both growing and sustained demand for pain management and rehabilitation services.

Public Healthcare System Capacity Overload and Excessive Specialist Waiting Times

As of June 2026, the median waiting time for stable physiotherapy outpatients ranges from 23 weeks in the Hospital Authority's (HA's) Hong Kong West cluster to 65 weeks in the HA's Kowloon East cluster, with the 90th percentile reaching an alarming 81 weeks. Due to these systemic bottlenecks, patients with moderate or progressive conditions—such as frozen shoulders, trigger finger, or chronic sprains—frequently experience deterioration of their symptoms while waiting for their first public appointment.

The resulting public-to-private shift is one of the key commercial drivers as private community rehabilitation providers to bridge this gap. The convenience and flexible appointment times have enabled the private sector to capture an increasing share of clinical demand that the public system cannot immediately accommodate.

Recurring nature of treatment is driving service utilisation

Pain management services are characterised by repeated utilisation, as many musculoskeletal conditions are chronic and typically require ongoing, multi-stage treatment rather than one-off interventions. Patients often undergo a series of treatment sessions to achieve symptom relief, followed by periodic follow-up and maintenance therapy, particularly for conditions prone to recurrence. As such, in addition to the per-session treatment payment option, some service providers may also offer prepaid multi-session programmes or treatment packages to encourage continuous engagement and improved treatment adherence. These prepaid treatment packages result in a recurring consumption pattern, with patients returning for follow-up care or additional treatment cycles over time. Such characteristics contribute to sustained service utilisation and a more predictable demand profile, supporting relatively stable revenue streams for service providers compared to one-off or episodic healthcare services.

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Cost trend of pain management service provider in Hong Kong

From 2020 to 2025, average monthly rents for private retail buildings in Hong Kong declined across all three regions after a brief rebound in 2023, with Hong Kong Island maintaining the highest rents throughout while regional differentials narrowed, resulting in a CAGR of –1.4% for Hong Kong Island and the New Territories and –1.0% for Kowloon. Mainly driven by weak sales and shifting local spending habits, rents have hit a five-year low in 2025.

Between 2020 and 2025, the median monthly wage for employees in Hong Kong’s Human Health Activities sector increased steadily from HK\$19,600 to HK\$22,400, representing a CAGR of 2.7%. This upward trajectory reflects sustained upward pressure on labour costs within the healthcare sector, driven by factors such as an ageing population, rising demand for medical and rehabilitation services, and competition for experienced practitioners.

COMPETITIVE ANALYSIS OF THE PAIN MANAGEMENT SOLUTION SERVICE PROVIDERS INDUSTRY IN HONG KONG

Competitive Landscape

The overall pain management solution service providers Industry in Hong Kong is highly fragmented, characterised by a complex mix of public networks, private clinical providers, and a vast ecosystem of commercial wellness operators. The public healthcare system operates as a safety net, anchored by the Hospital Authority’s network of at least 6 specialised, multidisciplinary pain clinics across major regional public hospitals to manage complex, refractory chronic pain. The private healthcare system comprises 4 to 6 top-tier private hospital centres, 30 to 50 interventional medical specialist clinics, and over 500 to 800 active private commercial relief providers. This expansive commercial landscape is divided between small, independent boutique pure-plays—such as standalone physiotherapy clinics, localised traditional bone-setting (Dit Da) shops, and alternative therapy boutiques—and large-scale corporate networks operating dozens of branches across primary commercial districts.

The market size of the Pain Management Solution Service Providers Industry in Hong Kong was approximately HK\$13,755.6 million, and market size of the private Pain Management Solution Service Providers Industry in Hong Kong was approximately HK\$7,813.4 million. The total revenue of our Group for FY2025 was HK\$367.5 million. Based on these figures, our Group is estimated to account for approximately 2.7% and 3.8% of the overall and private market share in Hong Kong, respectively.

Our Group, based on modalities, belongs to the specialised sub-group of integrated non-invasive pain management solution service providers. This sub-group of modalities service providers remains intensely competitive. The sub-group includes many small and large players, including both pure-play service providers and multi-service providers that cater to pain management, wellness, beauty, and medical aesthetics. However, at least 10 major players belong to this segment. These are generally premium brands that aggressively target affluent consumer segments and high-income individuals, who are rapidly expanding their wallet share for conservative, drug-free care.

The table shows the major Integrated Non-Invasive Pain Management Solution Service Provider brands in Hong Kong.

Key Competitive Brands	No. of branches	Size of branch (Sq. ft.)	Other Information
Our Client	3	~18,000+	A premium holistic, non-invasive pain management and functional regeneration provider combining modern medical technology with Traditional Chinese Medicine principles to deliver customised, non-pharmacological, and non-surgical pain relief solutions.

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Key Competitive Brands	No. of branches	Size of branch (Sq. ft.)	Other Information
Competitor A	4	4,000 to 30,000+	An integrated pain management, wellness, and aesthetic center utilizing device-led non-invasive technology, chiropractic care, minimally invasive acupuncture, TCM, and physiotherapy. It is owned by a medical aesthetics group, which co-locates its specialised pain management services and medical beauty centers across selected shared physical facilities.
Competitor B	3	2,000 – 5,000	A Hong Kong pain management service provider utilizing chiropractic care, physiotherapy, and non-invasive medical technologies. It operates under a private entity, sharing digital infrastructure, physical locations, and privacy compliance with an affiliated medical beauty brand.
Competitor C	3	7,000 – 12,000	A one-stop pain management provider featuring advanced non-invasive therapeutic equipment supported by an in-house team of registered chiropractors, physiotherapists, and medical practitioners. The brand is owned by a Hong Kong Main Board-listed healthcare group.
Competitor D	19	1,500 – 5,000	A major spine and musculoskeletal pain management clinic network owned by a Hong Kong Main Board-listed healthcare group. It offers non-surgical pain treatments supported by registered chiropractors, physiotherapists, orthopedists, and medical practitioners.

Source: Ipsos research and analysis.

Factors of Competitions

Proprietary Clinical Stacks

Hong Kong's pain management industry rests on a provider's ability to offer a comprehensive, multi-modality alternative to surgical or pharmacological interventions. Historically, traditional pain management service providers have operated in distinct silos, where a patient had to choose between a single specialised lens—such as pure Western physiotherapy, localised chiropractic clinics, or traditional Eastern bone-setting (Dit Da) shops. Integrated non-invasive solution providers disrupt this fragmented paradigm by blending these conflicting medical universes under a single corporate roof, creating a highly coordinated clinical offering that smaller, single-modality practices cannot replicate.

Top-tier brands engineer sophisticated “clinical stacks” that cross conventional therapeutic boundaries. These frameworks require substantial capital investment in high-end, energy-based Western medical devices—such as Super Inductive Systems (SIS), High Energy Inductive Therapy (HEIT), and High Intensity Laser Therapy (HILT)—which are frequently backed by international regulatory safety standards, such as FDA approval or CE marking. These advanced technological modalities are then deliberately integrated with the hands-on mechanical adjustments of registered allied health professionals and the systemic balancing methods of Traditional Chinese Medicine (TCM), including minimally invasive acupuncture and non-invasive treatments such as therapeutic massage and herbal compresses and pastes.

Brand Track-Record, Perceived Trust and Institutional Reliability

In Hong Kong's expansive outpatient market, which features an overwhelming ecosystem of 500-800 active private commercial relief providers, establishing perceived trust is a vital operational requirement. Because “pain relief” is marketed as a commercial wellness service, the clinical boundaries separating licensed medical specialists, registered allied health professionals, and alternative traditional

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shops can appear highly blurred to the general public. In an environment with varying levels of clinical oversight, building a transparent, authoritative brand track record is the ultimate mechanism for customer acquisition and market defence.

Leading brands position themselves as highly reliable, institutional alternatives to hospital-grade invasive procedures. Market leaders cultivate this elite positioning by heavily highlighting robust case volumes, proprietary branded methodology claims, and validated patient success rates to send clear credibility signals to the public.

Premiumization, Strategic Accessibility and Elevated Customer Experience

For premium pain management brands in Hong Kong, success is closely tied to capturing the wallet share of high-income consumer segments that demand an elite standard of service. The financial commitment from this affluent demographic is expanding rapidly. Premium providers typically charge between HK\$1,000 and HK\$2,600 per treatment session. To justify these premium pricing tiers, industry leaders must ensure that their physical environments and overall patient journeys reflect the high-end investment. Geographical premiumization and strategic retail accessibility form the baseline of this experience. Rather than operating from cramped, low-tier neighbourhood locations, market leaders deliberately cluster their flagships within Grade-A commercial landmarks across Hong Kong's core business districts to maximise convenience for busy working professionals and affluent seniors.

ENTRY BARRIERS

Capital, Technology and Operational Requirements

Non-invasive pain management services, particularly those incorporating device-led treatment modalities, require ongoing investment in specialised equipment and technology, including electrotherapy systems and other non-invasive treatment devices. Providers may also need to invest in upgrading equipment and adopting new treatment technologies to remain competitive, thereby creating a technology-related barrier to entry in addition to initial capital requirements.

At the same time, operators are typically required to secure well-located premises in prime commercial districts, as service delivery depends on accessibility and customer convenience. Combined with facility setup, staff training and service standardisation, these requirements make the business relatively capital-intensive and operationally demanding, particularly for providers seeking to scale or establish a network of centres.

Brand Positioning, Reputation and Patient Engagement

Given the recurring nature of musculoskeletal pain, non-invasive pain management services are highly dependent on customer trust, brand recognition and treatment outcomes. Providers rely on reputation and practitioner expertise to attract and retain customers, while trial sessions and bundled treatment programmes are commonly used to convert and engage customers over longer treatment cycles.

Establishing a strong brand and operating model often requires time, market experience and sustained investment, particularly in an industry where service quality and results directly influence customer perception and repeat visits. As such, brand positioning, service integration and the ability to maintain active patient engagement represent important competitive differentiators and barriers to entry, especially for new market entrants.

Professional Qualification Requirements

Services such as physiotherapy, chiropractic care and Chinese medicine typically require practitioners to be registered with the relevant professional bodies and to hold valid practising certificates in order to provide services legally.

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OPPORTUNITIES

Capitalising on the Consumer Shift Toward Non-Invasive and Non-Pharmacological Care

The gradual evolution of consumer preferences in Hong Kong toward non-invasive, non-pharmacological modalities presents a sustainable opportunity for market expansion for specialised service providers. Providers that strategically position their offerings around drug-free, non-surgical, non-invasive pathways that deliver pain relief are well-placed to capture rising discretionary spending from health-conscious and affluent demographics who prioritise long-term functional recovery and the minimisation of pharmaceutical dependency.

Integrated, Multi-Modality Platforms

The increasing market adoption of integrated treatment paradigms creates a clear avenue for structured operators to drive consolidation and enhance brand equity. Modern consumers are exhibiting a strong preference for unified healthcare ecosystems that eliminate the operational friction of navigating isolated physiotherapy, chiropractic care, and Traditional Chinese Medicine (TCM) consultations independently. Integrated solution providers capable of combining advanced Western energy-based devices with hands-on manual therapy and traditional Eastern holistic practices under a single operational platform are structurally positioned to capture significant market share. By delivering systemised, centralised, multi-session care plans that address complex chronic musculoskeletal pain holistically, these integrated institutions are well-positioned to optimise patient retention, increase customer lifetime value, and realise superior clinical and operational efficiencies.

CHALLENGES AND RISKS

Operational Scaling Complexities and Service Quality Inconsistency

The non-invasive pain management industry in Hong Kong is highly fragmented, particularly in the long-tail segment, with many smaller, independent operators. This structural fragmentation creates market-wide variances in treatment methodologies, service quality, and clinical oversight. For larger, multi-branch integrated solution providers, expanding a retail and clinical footprint across multiple prime commercial districts—such as Central, Causeway Bay, and Mong Kok—introduces operational scaling risks.

Ensuring uniform service quality and strict adherence to standardised treatment protocols requires continuous corporate oversight and rigorous internal training. Because integrated models rely on a diverse team of registered physiotherapists, chiropractors, and Traditional Chinese Medicine (TCM) practitioners, any localised deficit in practitioner expertise or variance in customer service standards at an individual branch level could materially and adversely affect the group's unified brand equity, clinical credibility, and market reputation.

Variance in Treatment Outcomes and Management of Patient Expectations

Unlike highly standardised acute medical interventions, the efficacy of non-invasive pain management solutions is inherently variable and subject to individual patient physiology. Musculoskeletal and chronic pain conditions are influenced by a complex matrix of external factors, including a patient's underlying health status, daily lifestyle habits, occupational constraints, and strict compliance with prescribed multi-session care plans. Consequently, providers face inherent difficulties in predicting uniform recovery timelines or guaranteeing specific therapeutic outcomes across diverse patient segments.

This biological variability presents a distinct challenge in managing consumer expectations and communicating gradual physical progress. In instances where pain relief or functional regeneration materialises over an extended treatment window, patients may experience dissatisfaction or perceive a lower return on their financial investment. To mitigate this risk, operators must continuously invest in comprehensive patient education, sophisticated digital monitoring systems, and structured clinical follow-up protocols. Failure to effectively manage customer expectations or maintain high long-term engagement can lead to premature drop-outs from multi-session programs, directly suppressing customer lifetime value and historical retention rates.

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LAWS AND REGULATIONS IN HONG KONG APPLICABLE TO OUR BUSINESS

All of our business operations are based in Hong Kong and are subject to various laws, regulations, rules, and policies in Hong Kong. This section sets out a summary of the major laws, regulations, rules, and policies which are relevant and material to our business operations in Hong Kong.

Laws and Regulations on Business Registration

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

Every person (a company or individual) who carries on a business in Hong Kong is required under the BRO to apply for a business registration certificate from the Inland Revenue Department within one month from the date of commencement of the business, and to display a valid business registration certificate at the place of business. Business registration does not serve to regulate business activities and it is not a licence to trade. Business registration serves to notify the Inland Revenue Department of the establishment of a business in Hong Kong. Business registration certificate will be issued on submission of the necessary document(s) together with payment of the relevant fee. A business registration certificate is renewable every year or every three years (if business operators elect for issuance of business registration certificate that is valid for three years). Any person who fails to apply for business registration shall be guilty of an offence and shall be liable to a fine of HK\$5,000 and to imprisonment for one year.

During the Track Record Period and as at the Latest Practicable Date, the Group held valid business registration certificates.

Laws and Regulations on Healthcare Professionals

Chinese Medicine Ordinance (Chapter 549 of the Laws of Hong Kong) ("CMO")

Pursuant to sections 75 and 76 of the CMO, a person may only practice Chinese medicine if he is (i) a registered Chinese medicine practitioner who is registered under section 69 of the CMO with a practicing certificate; (ii) a listed Chinese medicine practitioner under the transitional provisions listed under section 90 of the CMO; or (iii) a person with limited registration for treating patients in the course of educational or research purposes who is registered under section 85 of the CMO. Under section 108(2) of the CMO, any person who is not a registered Chinese medicine practitioner or listed Chinese medicine practitioner practices Chinese medicine commits an offense and is liable to a fine of HK\$100,000 and imprisonment for three years, or on conviction upon indictment to imprisonment for five years.

As some of our treatments are based on the application of traditional Chinese medicine theory and meridian-related concepts, we have employed eight Chinese medicine practitioners, all of whom hold valid and subsisting practicing certificates issued by the Registrar of Chinese Medicine Practitioners, as at the Latest Practicable Date. All of our Chinese medicine practitioners in Hong Kong are registered Chinese medicine practitioners.

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Laws and Regulations on Advertisements

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

The UMAO regulates the advertising of medicines and treatments in Hong Kong, with the purpose of protecting the public from misleading, false, or potentially harmful claims relating to medical products and services. UMAO restricts certain advertisements relating to medical and health matters. It aims to protect public health through prohibiting or restricting the publication of advertisements for medicine, surgical appliance or treatment that may induce the seeking of improper management of certain health conditions.

According to Section 3 of the UMAO, unless by or with due authorisation from relevant authorities, no advertisement shall be published or caused to be published if it is likely to lead to the use of any medicine, surgical appliance or treatment for: (a) the treatment or prevention of any disease or condition listed in column 1 of Schedule 1 to the UMAO, except for a purpose specified in column 2 of the said Schedule; and (b) the treatment of human beings for any purpose listed in Schedule 2 to the UMAO.

Section 2 of the UMAO defines "medicine" to include any kind of medicament or other curative or preventive substance, and whether a proprietary medicine, a patent medicine, a Chinese herbal medicine, a proprietary Chinese medicine, or purported natural remedy. "Advertisement" includes any notice, poster, circular, label, wrapper or document, and any announcement made orally or by any means of producing or transmitting light or sound.

Section 3B of the UMAO provides that no person shall publish, or cause to be published, an advertisement for an orally consumed product which makes for the product a claim specified in column 1 of Schedule 4 to the UMAO, or any similar claim, except as allowed under the provisions in column 2 of that Schedule 4.

Any person who contravenes Section 3 or 3B of the UMAO commits an offence and shall be liable upon a first conviction to a fine at level 5 of HK\$50,000 and imprisonment for 6 months and upon a second or subsequent conviction for an offence under the same section to a fine at level 6 of HK\$100,000 and imprisonment for 1 year.

Under the UMAO, the Group and its advertising practices should not purport to advertise on its treatment or health products if it is likely to lead to their use for the treatment or prevention of the disease or conditions set out under column 1 of Schedule 1 to the UMAO except for a purpose specified in column 2 of the Schedule 1.

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Laws and Regulations on the Supply of Goods and Services

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

The TDO seeks to prohibit false trade description, misleading, false or incomplete information, false marks and misstatements in relation to goods and services supplied in the course of trade. Under Section 2 of the TDO, the definition of trade description is broad and includes, inter alia, references to quantity, method of manufacture, composition, fitness for purpose, availability, compliance with a standard specified or recognised by any person, price, approval by any person, a person by whom they have been acquired, the goods being of same kind as goods supplied to a person, place or date of manufacture, etc. Section 2 of TDO further provides that a trade description which is false to a material degree, or which, though not strictly false, is misleading such that it is likely to be taken as a materially false description, will be regarded as a false trade description.

Section 7A makes it an offence for a trader to apply a false trade description to a service supplied or offered to a consumer, or to supply or offer such a service. Sections 13E, 13F, 13G, 13H and 13I of the TDO provide that a trader commits an offence if the trader engages, in relation to a consumer, in a commercial practice that is a misleading omission, or is aggressive, or constitutes bait advertising, or constitutes a bait and switch, or wrongly accepting payment for a product. Pursuant to Section 18 of the TDO, any person who commits an offence under Sections 7, 7A, 13E, 13F, 13G, 13H or 13I shall be liable, on conviction on indictment, to a fine of HK\$500,000 and to imprisonment for 5 years, and on summary conviction, to a level 6 fine of HK\$100,000 and imprisonment for 2 years. However, Sections 30L and 30M empower an officer authorised by the Commissioner of Customs and Excise or the Communications Authority, with the written consent of the Secretary for Justice, to accept a written undertaking from a business or individual not to continue, repeat or engage in conduct constituting an offence under the TDO. Upon acceptance of such an undertaking, neither the Commissioner of Customs and Excise nor the authorised officer may commence or continue an investigation or proceedings in respect of the matter to which the said undertaking relates.

The TDO applies to representations made regarding the Group's treatments, equipment and health products. Claims relating to the effectiveness and scientific basis of the pain-management treatment must be accurate, substantiated and presented with material qualifications. The same considerations apply to statements that the Group's technology is capable of addressing the root cause of pain or capable of producing a particular success rate. The information crucial to customers including prices, package limitations, cancellation arrangements and material treatment conditions should also be disclosed clearly. Awards and testimonials should not be presented in a way that creates a misleading impression of medical endorsement or guaranteed efficacy.

The Hong Kong Government launched a public consultation on 29 June 2026 on proposed amendments to the TDO, with a particular focus on enhancing consumer protection in relation to pre-paid consumer contracts in the beauty, fitness, and similar services industries. The consultation paper mentions the regulation of services involving the use of energetic procedures for beautifying purposes, such as through the use of ultrasound devices to improve body features.

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The major amendments proposed include:

- stipulating a statutory cooling-off period on beauty and fitness services contracts to provide consumers with room to reconsider their pre-payment decisions following the conclusion of contracts;
- imposing a statutory limit on contract duration and other restrictions on beauty and fitness services contracts to prevent consumers from making a large amount of pre-payment, and shorten the duration in which they are exposed to the risks of pre-payment mode of consumption; and
- including Section 13I of the TDO pertaining to the offence of wrongly accepting payment into Schedule 1 to the Organised and Serious Crimes Ordinance to empower the Customs and Excise Department with additional investigatory and enforcement powers.

With regards to our Group's business and service offerings, whereby we rely on energy-based devices to provide pain management and function enhancement services, this may come under the intended regulation of services proposed by the consultation paper – which include contracts for beauty services (e.g., energetic procedures for beautifying purposes). Under the consultation paper, private healthcare facilities and registered healthcare professionals offering beauty or fitness services are also subject to the proposed regime.

If the above proposals come into force, the business operations of our Group may have to observe the newly-implemented statutory requirements with regards to our prepaid packages – including introducing a cooling-off period, limit on contract duration, and the limit on the amount of pre-payment with regards to our service contracts to be entered into with our customers in the future. The above proposed amendments are still subject to the outcome of the public consultation and have not yet been enacted. As the regulatory requirements are still evolving, there is uncertainty as to the final form and scope of the amendments and how they may apply to our business operations. Please refer to the section headed "Risk Factors" for further details on the potential impact of the proposed TDO amendments on our Group's business.

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

The CGSO imposes a statutory duty on manufacturers, importers and suppliers of consumer goods (i.e. goods which are ordinarily supplied for private use or consumption) to ensure that such consumer goods are safe. Section 6 of CGSO provides that no person may supply, manufacture or import consumer goods into Hong Kong unless such consumer goods comply with the general safety requirement under the CGSO or with any applicable safety standard(s) or safety specification(s) approved by the Secretary for Commerce and Economic Development for that category of consumer goods. A person who contravenes Section 6 commits an offence and is liable (i) on first conviction, to a level 6 fine of HK\$100,000 and imprisonment for 1 year; (ii) on subsequent convictions, to a fine of HK\$500,000 and to imprisonment for 2 years; and (iii) in case of a continuing offence, a further fine of HK\$1,000 for each day during which the offence continues, in addition to the penalties above.

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Where the Commissioner of Customs and Excise reasonably believes that consumer goods do not comply with an approved standard, or with a safety standard or safety specification established by regulation, the Commissioner is empowered under the CGSO to (i) serve a prohibition notice prohibiting a person from supplying those consumer goods for a specified period not exceeding 6 months; and (ii) serve a recall notice requiring the immediate withdrawal of any consumer goods if there is a significant risk that the consumer goods will cause a serious injury and do not comply with the approved standard or a safety standard or safety specification established by regulation. Any person who fails or refuses to comply with such prohibition notice or recall notice commits an offence and is liable (i) on first conviction, to a level 6 fine of HK\$100,000 and imprisonment for 1 year; (ii) on subsequent convictions, to a fine of HK\$500,000 and to imprisonment for 2 years; and (iii) in case of a continuing offence, a further fine of HK\$1,000 for each day during which the offence continues, in addition to the penalties above.

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

The SOGO governs the formation, performance and enforcement of contracts for the sale of goods in Hong Kong and the transfer of title in goods sold. The SOGO also sets out certain implied terms or conditions and warranties relating to the safety and suitability of goods supplied under a contract of sale for goods in Hong Kong, including:

- (i) where there is a sale of goods by description, the goods shall correspond with the description;
- (ii) where the seller sells goods in the course of a business, the goods shall be of a merchantable quality, i.e. (a) as fit for the purpose or purposes for which the goods of that kind are commonly bought; (b) of such standard of appearance and finish; (c) as free from defects (including minor defects); (d) as safe; and (e) as durable, as it is reasonable to expect having regard to any description applied to them, the price (if relevant) and all the other relevant circumstances; and
- (iii) where the seller sells goods in the course of a business and the buyer makes known to the seller (whether expressly or by implication) any particular purpose for which the goods are being bought, the goods supplied under the contract shall be reasonably fit for that purpose.

Section 55 of the SOGO provides that where a seller is in breach of a warranty, the buyer is not entitled, solely on that basis, to reject the goods. Instead, the buyer may either rely on the breach of warranty to reduce or extinguish the price payable, or bring an action against the seller for damages for such breach of warranty.

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Supply of Services (Implied Terms) Ordinance (Chapter 457 of the Laws of Hong Kong) (“SSITO”)

The SSITO stipulates that in a contract for the supply of service, where the supplier is acting in the course of a business, there is an implied term that the supplier will carry out the service with reasonable care and skill. The SSITO provides that where, under a contract for the supply of a service by a supplier acting in the course of a business, the time for the service to be carried out is not fixed by the contract, is not left to be fixed in a manner agreed by the contract or is not determined by the course of dealing between the parties, there is an implied term that the supplier will carry out the service within a reasonable time. The SSITO also provides that where, under a contract for the supply of a service, the consideration for the service is not determined by the contract, is not left to be determined in a manner agreed by the contract or is not determined by the course of dealing between the parties, there is an implied term that the party contracting with the supplier will pay a reasonable charge.

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

The CECO limits the extent to which a business may avoid civil liability through contractual terms, waivers, disclaimers or notices. Section 7 provides that a person cannot exclude or restrict liability for death or personal injury resulting from negligence by reference to a contract term or notice. This prohibition is absolute and is not cured merely because the customer signed the relevant document. In the case of other loss or damage, a person cannot so exclude or restrict his liability for negligence except in so far as the term or notice satisfies the requirement of reasonableness.

The CECO also provides that unless the concerned terms satisfy the test of reasonableness, a person dealing as consumer cannot by reference to any contract term be made to indemnify another person (whether a party to the contract or not) in respect of liability that may be incurred by the other for negligence or breach of contract.

The considerations for reasonableness are set out in schedule 2, including (a) the relative bargaining positions of the parties, (b) whether the customer received an inducement to agree to the term, (c) whether the customer knew or ought reasonably to have known of the term, (d) whether compliance with a condition was practicable and (e) whether the service was adapted to the customer’s special requirements.

Unconscionable Contracts Ordinance (Chapter 458 of the Laws of Hong Kong)

The Unconscionable Contracts Ordinance (Chapter 458 of the Laws of Hong Kong) empowers the court to, with respect to a consumer contract, refuse to enforce the contract, enforce the remainder of the contract without the unconscionable part, or limit the application of, revise or alter any part which is found to be unconscionable so as to avoid any unconscionable result.

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Laws and Regulations on Food Safety and Health Products

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

The legal framework governing food safety in Hong Kong is primarily set out in Part V of the PHMSO and its subsidiary legislation. Under the PHMSO, food manufacturers and sellers are required to ensure that all food intended for sale is fit for human consumption and complies with applicable requirements on food safety, food standards and labelling.

Section 50 of the PHMSO prohibits the manufacture, advertising and sale in Hong Kong of food and drugs that is injurious to health. A contravention of this provision constitutes an offence punishable by a level 3 fine of HK\$10,000 and imprisonment for 3 months. Section 52 of the PHMSO provides that, subject to the statutory defences set out in Section 53 of the PHMSO, a seller who sells to the prejudice of a purchaser any food and drugs which is not of the nature, substance, or quality demanded commits an offence which likewise carries a penalty of level 3 fine of HK\$10,000 and imprisonment for 3 months. According to Section 54 of the PHMSO, any person who sells or offers for sale any food and drugs that is intended for, but unfit for, human consumption commits an offence punishable by a level 5 fine of HK\$50,000 and imprisonment for 6 months. Section 61 of the PHMSO makes it an offence for any person to sell or display for sale any food and drugs accompanied by a label that falsely describes the food and drugs or is likely to mislead as to its nature, substance, or quality, unless it can be shown that the person neither knew nor could, with reasonable diligence, have discovered the false or misleading nature of the label. It is likewise an offence to publish, or to be involved in the publication of, any advertisement that falsely describes food and drugs or is likely to mislead as to its nature, substance, or quality. An offence under Section 61 of the PHMSO is punishable by a level 5 fine of HK\$50,000 and imprisonment for 6 months.

The Food and Environmental Hygiene Department ("FEHD") is the authority responsible for the enforcement of the relevant food safety laws and regulations. It may take samples of all kinds of food products at their point of entry to Hong Kong. It may prohibit or restrict their importation. In addition, under Section 59 of the PHMSO, the FEHD may examine any food which is, or which appears to be, intended for human consumption, and seize and remove such food or its packaging if it appears to be unfit for human consumption.

Given that the Group's business encompasses the sale of dietary supplement products in our service centres and online shop of our website, its operations fall within the regulatory ambit of the PHMSO and its subsidiary legislation. The Group is required to ensure that all such products offered for sale comply with the applicable statutory requirements on food safety, standards, and labelling.

REGULATORY OVERVIEW

Food and Drugs (Composition and Labelling) Regulations (Chapter 132W of the Laws of Hong Kong) ("FDCLR")

FDCLR is a subsidiary legislation of PHMSO which regulates the advertising and labelling of food.

Regulation 3 of the FDCLR requires that food and drugs manufactured shall conform to the standards set out in Schedule 1 thereof. Any person who advertises for sale, sells or manufactures for sale any food which does not meet these standards commits an offence and is liable to a level 5 fine of HK\$50,000 and imprisonment for 6 months. Regulation 4A of the FDCLR provides that unless exempted under Schedule 4, prepackaged food and drugs must be marked and labelled in accordance with Schedule 3. The required particulars under Schedule 3 to the FDCLR in relation to prepackaged food include:

- (i) the food name or designation;
- (ii) the list of ingredients;
- (iii) durability indication, i.e. "best before" or "use by" date;
- (iv) statement of special conditions for storage or instructions for use;
- (v) name and address of manufacturer or packer;
- (vi) count, weight or volume; and
- (vii) language requirement, i.e. the marking or labelling of prepackaged food and drugs shall be in either English or Chinese or in both languages.

Regulation 4B of the FDCLR further requires that prepackaged food to be marked and labelled with its energy value and nutrient content as prescribed in Part 1 of Schedule 5, and provides that any nutrient claims made on the packaging or in advertisement should comply with Part 2 of Schedule 5. Contravention of Regulations 4A and/or 4B of the FDCLR is an offence punishable by a level 5 fine of HK\$50,000 and imprisonment for 6 months.

Laws and Regulations on Competition

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

The Competition Ordinance (Chapter 619 of the Laws of Hong Kong) aims, inter alia, to prohibit conduct that prevents, restricts or distorts competition in Hong Kong, and to prohibit mergers that have the effect of substantially lessening competition in Hong Kong. There are three competition rules under the Competition Ordinance, namely, the First Conduct Rule, the Second Conduct Rule and the Merger Rule.

REGULATORY OVERVIEW

The First Conduct Rule prohibits anti-competitive agreements if the object or effect of the agreement, concerted practice or decision is to prevent, restrict or distort competition in Hong Kong. The Second Conduct Rule prohibits abuse of market power if the object or effect of the conduct is to prevent, restrict or distort competition in Hong Kong. Penalties for infringement of the First Conduct Rule and the Second Conduct Rule that may be imposed by the Competition Tribunal include, among others, financial penalty that may amount to 10% of the turnover of the companies concerned for up to 3 years in which the contravention occurs, disqualification order against a director and prohibition order, etc.

Laws and Regulations on Intellectual Property

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

The TMO governs the registration, use and protection of registered trade marks in Hong Kong. Trade mark protection in Hong Kong is territorial in nature, therefore, trade marks registered in other countries or regions do not automatically enjoy protection in Hong Kong. In order to obtain protection as registered trade marks in Hong Kong, trade marks must be registered under TMO and the Trade Marks Rules (Chapter 559A of the Laws of Hong Kong). According to Section 10 of the TMO, a registered trade mark is a property right obtained by registration under the ordinance, and the owner of a registered trade mark has the rights and is entitled to the remedies provided by the ordinance. Section 14 further provides that the owner of a registered trade mark has exclusive rights in the trade mark which are infringed by use of the trade mark in Hong Kong without his consent.

Our Group is the registered owner of the trade marks as set out in "Appendix IV – Statutory and General Information – B. Further Information about our Business – 2. Our material intellectual property rights". Conducts which amount to infringement of a registered trade mark are set out in Section 18 of TMO, which include, among others, (i) the use, in the course of trade or business, of a sign identical to the registered trade mark in relation to goods or services to those for which it is registered; (ii) the use, in the course of trade or business, of a sign identical to the trade mark in relation to goods or services which are similar to those for which it is registered; and the use of the sign in relation to such goods or services is likely to cause confusion on the part of the public. Pursuant to Section 22 of the TMO, the registered owner of a trade mark is entitled to commence infringement proceedings once any infringement by third parties occurs, and is entitled to seek remedies including damages, injunctions, taking of accounts or such other relief as is available in respect of infringement of any other property right. The trade mark owner may also apply to the court for an order for delivery up and an order for disposal pursuant to Sections 23 and 25 of the TMO.

Copyright Ordinance (Chapter 528 of the Laws of Hong Kong) ("Copyright Ordinance")

The Copyright Ordinance provides comprehensive protection for recognised categories of work including artistic work. The Copyright Ordinance restricts certain acts such as copying and/or issuing or making available copies to the public of a copyright work without the authorisation from the copyright owner as it may constitute primary infringement. The Copyright Ordinance provides that a person may also incur liability for secondary infringement if that person possesses, sells, distributes or deals with a copy of a work which is, and which he knows or has reason to believe to be, an infringing copy of work for the purposes of or in the course of any trade or business without the consent of the copyright owner.

REGULATORY OVERVIEW

Laws and Regulations on Data Protection

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

The PDPO aims to safeguard the privacy of individuals in relation to personal data. Section 2 of the PDPO defines "personal data" as any data (i) relating directly or indirectly to a living individual; (ii) from which it is practicable for the identity of the individual to be directly or indirectly ascertained; and (iii) in a form in which access to or processing of the data is practicable. The PDPO regulates the conduct of a data user, i.e. person who, either alone or jointly or in common with other persons, controls the collection, holding, processing or use of the personal data. The PDPO sets out six data protection principles which all data user need to comply with, namely:

- | | |
|-------------|---|
| Principle 1 | Purpose and manner of collection:

Personal data should be collected by means which are lawful and fair, and should be collected for a lawful purpose directly related to a function or activity of the data user. The data collected should be necessary, adequate but not excessive. The data subject should be informed of the purpose and the classes of persons to whom the data may be transferred. |
| Principle 2 | Accuracy and duration of retention:

Practicable steps shall be taken to ensure that the personal data is accurate and is not kept longer than is necessary. |
| Principle 3 | Use of personal data:

Unless consent of the data subject is obtained, personal data must only be used for the purpose for which the data is collected or for a directly related purpose. |
| Principle 4 | Security of personal data:

Practicable steps shall be taken to ensure that the personal data held by a data user are protected against unauthorised or accidental access, processing, erasure, loss or use. |
| Principle 5 | Information to be generally available:

Practicable steps shall be taken to ensure that personal data policies and practices are generally available to the public regarding the types of personal data it holds and the main purposes for which the personal data is used. |
| Principle 6 | Access to personal data:

Data subjects must be given access to their personal data and be allowed to make corrections of their personal data. |

REGULATORY OVERVIEW

Section 38 of the PDPO empowers the Privacy Commissioner for Personal Data to initiate an investigation against a data user if a complaint is received, or if there is reasonable ground to believe that the data user has done an act or practice or engaged in an act or practice in relation to personal data that may contravene the PDPO. The Commissioner may, under Section 50, issue an enforcement notice directing the data user to remedy the contravention and/or take steps to prevent its recurrence. A data user who fails to comply with an enforcement notice commits an offence and is liable, on first conviction, to a level 5 fine of HK\$50,000 and imprisonment for 2 years on a first conviction. As the Group collects personal information such as names, email addresses and telephone numbers from customers who receives their services and via online purchases, it qualifies as a data user pursuant to the PDPO and is subject to the principles and requirements as set out therein. In this regard, the Group has established internal guidelines to ensure compliance with the PDPO.

Laws and Regulations on Employee Protection

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

The Employment Ordinance regulates the general conditions of employment and matters connected therein in Hong Kong. It provides for the payment of wages, restrictions on deductions from wages, the grant of statutory holidays, and the termination of contract, among other things. In addition, employees under a continuous contract are entitled to benefits such as maternity leave, sickness allowance, paid annual leave, rest days, severance and long service payment under the Employment Ordinance.

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

The ECO establishes a no-fault, non-contributory employee compensation system for work injuries, and lays down the rights and obligations of employees and employers respectively in respect of injuries sustained by, or death of, employees as a result of an accident arising out of and in the course of employment, or in respect of specified occupational diseases suffered by the employees. If an employee sustains an injury or dies as a result of an accident arising out of and in the course of his employment, his employer shall be generally liable to pay compensation in accordance with the ECO.

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

The MWO provides that an employee is entitled to be paid wages not less than the minimum wage in respect of any wage period. The prescribed minimum hourly wage rate at present is HK\$43.10 per hour, effective from 1 May 2026. Pursuant to Section 15, a provision of a contract of employment that purports to extinguish or reduce any right, benefit or protection conferred on the employee by the MWO is void. The MWO applies to every employee being engaged under a contract of employment to which the Employment Ordinance applies, except those who are employed as a domestic worker in, or in connection with, a household and who dwells in that household free of charge, a student intern, or a work experience student during a period of exempt student employment.

REGULATORY OVERVIEW

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

The MPFSO provides for the establishment and regulation of non-governmental mandatory provident fund schemes, enabling for members of the workforce to accumulate financial benefits for retirement. Unless otherwise exempted, employers are required to arrange their employees who are aged between 18 and 64 and employed for not less than 60 days to be enrolled as a member of a mandatory provident fund scheme ("MPF Scheme"). An employer who without reasonable excuse fails to enroll his employees in a MPF Scheme commits an offence and is liable on conviction to a fine of HK\$350,000 and to imprisonment for 3 years, while an employer who without reasonable excuse fails to comply with the contribution requirement is liable to a fine of HK\$450,000 and to imprisonment for 4 years.

Laws and Regulations on General Compliance

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

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

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

Our Group conducted our business on leased properties and we are considered to be the occupier of such properties under the OLO. As such, we are required to comply with the OLO, which regulates the obligations of a person occupying or having control of premises on which injury or damage resulting to persons or goods lawfully on the land or other property from dangers.

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

The purpose of the OSHO is to ensure the safety and health of employees when they are at work; to prescribe measures that will contribute to making the workplaces of employees safer and healthier for them; to improve the safety and health standards applicable to certain hazardous process, plant and substances used or kept in workplaces; and generally to improve the safety and health aspects of working environments of employees. The employer shall ensure the safety and health at work of all his employees by (i) providing and maintaining plant and work systems that are safe and without risks to health; (ii) making arrangements for ensuring safety and absence of risks to health in connection with the use, handling, storage or transport of plant or substances; (iii) providing all necessary information, instruction, training and supervision as may be necessary to ensure the safety and health at work of his employees; (iv) maintaining the workplace in a condition that is safe and without risks to health; (v) providing or maintaining safe means of access to and egress from the workplace; and (vi) providing and maintaining a working environment that is safe and without risks to health.

REGULATORY OVERVIEW

Failure to comply with the above requirements constitutes an offence and the employer is liable on conviction to a fine of HK\$200,000. An employer who fails to comply intentionally, knowingly or recklessly commits an offence and is liable on conviction to a fine of HK\$200,000 and to imprisonment for 6 months. Under Sections 9 and 10 of the OSHO, the Commissioner for Labour may serve an improvement notice on an employer, or an occupier of premises where a workplace is located, if the employer or occupier contravenes the provisions of the ordinance, or the Commissioner for Labour may serve a suspension notice to the employer or the occupier of premises where there is an imminent risk of death or serious bodily injury in the premises. Failure to comply with the improvement notice constitutes an offence and is liable to a fine of HK\$200,000 and to imprisonment for 12 months, while failure to comply with the suspension notice constitutes an offence and is liable to a fine of HK\$500,000 and to imprisonment for 12 months.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

OVERVIEW

Our Group's history can be traced back to 2007 when VG Zenith was founded by Mr. Mo, our Controlling Shareholder, chief executive officer, executive Director and chairman of the Board, and Ms. Cheung, our chief operating officer and executive Director. Since our inception, our Group has been engaged in the healthcare business. Our business has gradually grown and expanded its operations in providing pain management and function enhancement services, with 3 current service centres located in the prime commercial buildings in Tsim Sha Tsui, Causeway Bay and Sha Tin in Hong Kong as at the Latest Practicable Date. In light of the sustained high utilisation rates at Causeway Bay Service Centre I and Tsim Sha Tsui Service Centre I, the Group expanded its operational capacity by securing larger premises in both districts. In February 2025, the Group leased an additional premises in Causeway Bay for the establishment of Causeway Bay Service Centre II, followed by the lease of an additional premises in Tsim Sha Tsui for the establishment of Tsim Sha Tsui Service Centre II in October 2025. These expansions reflect the Group's commitment to meeting growing customer demand and enhancing its service delivery capabilities across its network. Please refer to section headed "Directors and Senior Management" in this document for further details regarding the background of Mr. Mo and Ms. Cheung.

On 17 January 2024, our Company was incorporated in the Cayman Islands as an exempted company with limited liability, and, as part of our Reorganisation, became the holding company of our Group with our business being conducted through our Operating Subsidiaries, namely VG Zenith and Victor Zenith. Over the course of our business history, our shareholding structure has remained stable, with the Controlling Shareholders maintaining control over our Operating Subsidiaries. For further details on the shareholding structure of our Group companies, see "– Shareholding and Corporate Structure" in this section below.

Immediately upon completion of the [REDACTED] and the [REDACTED] (assuming the [REDACTED] is not exercised), Mr. Mo and Ms. Cheung, through AW Ocean, will together control [REDACTED] of the voting rights in our Company and hence are our Controlling Shareholders.

KEY MILESTONES

The following is a summary of our Group's key development milestones:

Date	Event
2007	VG Zenith, our operating subsidiary, was incorporated in Hong Kong.
2010	Victor Zenith, our operating subsidiary, was incorporated in Hong Kong.
2017	We opened our first flagship store of Tsim Sha Tsui Service Centre I at Mira Place.
2020	We opened our second flagship store of Causeway Bay Service Centre I.
2021	We expanded our Tsim Sha Tsui Service Centre I.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Date	Event
2022	We opened our third flagship store of Sha Tin Service Centre.
2023	We established our headquarter office at Harbour City in Tsim Sha Tsui.
2025	We opened our Causeway Bay Service Centre II at Times Square in Causeway Bay.
2026	The New Device was introduced and launched.
	We opened our Tsim Sha Tsui Service Centre II at Harbour City in Tsim Sha Tsui, which is the largest service centre in our Group.

SHAREHOLDING AND CORPORATE STRUCTURE

Group companies

As at the Latest Practicable Date, our Group comprises our Company, AW Global, VG Zenith and Victor Zenith.

Our Company

On 17 January 2024, our Company was incorporated as an exempted company with limited liability under the laws of the Cayman Islands, with an authorised share capital of US\$50,000 divided into 500,000,000 ordinary shares with a par value of US\$0.0001 each.

On 28 February 2025, our Company effectuated a share split at a ratio of 5,000 for 1 (the “**Share Split**”), pursuant to which the authorised share capital of our Company has been changed from US\$50,000 divided into 500,000,000 Shares with a par value of US\$0.0001 each to US\$50,000 divided into 2,500,000,000,000 Shares with a par value of US\$0.00000002 each. As a result of the Share Split, 10,000 issued Shares of a par value of US\$0.0001 each in the capital of our Company held by AW Ocean has been sub-divided into 50,000,000 Shares of a par value of US\$0.00000002. As at the Latest Practicable Date, our Company has 50,000,000 Shares, all of which were held by AW Ocean.

AW Global

AW Global was incorporated in the BVI with limited liability on 15 January 2024. On 9 February 2024, 10,000 ordinary shares of AW Global (being all the issued ordinary shares of AW Global) were allotted and issued fully paid to our Company at US\$1.00 each. As at the Latest Practicable Date, AW Global had issued 10,000 ordinary shares, all of which were directly held by our Company. AW Global is an investment holding company and an intermediate holding company of our Group.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

VG Zenith

VG Zenith, the operating subsidiary of our Group, is principally engaged in the business of providing pain management and function enhancement services at our service centres in Hong Kong. It commenced its business in 2007.

VG Zenith was incorporated on 18 October 2007 under the laws of Hong Kong with limited liability. Upon incorporation, each of Mr. Mo and Ms. Cheung held 500 and 500 ordinary shares of VG Zenith, representing 50% and 50% of the issued shares of VG Zenith, respectively. On 23 March 2018, 250 ordinary shares of VG Zenith were allotted and issued fully paid to Mr. Mo for a nominal consideration of HK\$250. Immediately after such allotment and issuance, each of Mr. Mo and Ms. Cheung held 60% and 40% of the issued shares of VG Zenith. As part of our Reorganisation, on 28 March 2024, Mr. Mo transferred 750 ordinary shares of VG Zenith to AW Global for a nominal consideration of HK\$750 based on the price of HK\$1 per share, and Ms. Cheung transferred 500 ordinary shares of VG Zenith to AW Global for a nominal consideration of HK\$500 based on the price of HK\$1 per share. Immediately after such transfer, our Company indirectly held all of the issued shares of VG Zenith through AW Global. On 12 December 2025, 298,750 ordinary shares of VG Zenith were allotted and issued fully paid to AW Global at the consideration of HK\$298,750 based on the price of HK\$1.00 per share. As at the Latest Practicable Date, VG Zenith had an issued share capital of HK\$300,000, comprising 300,000 ordinary shares, all of which were directly held by AW Global.

Victor Zenith

Victor Zenith, the operating subsidiary of our Group, is principally engaged in the business of sales of healthcare products. It commenced its business in 2010.

Victor Zenith was incorporated on 19 March 2010 under the laws of Hong Kong with limited liability. Upon incorporation, each of Mr. Mo and Ms. Cheung held 6,000 ordinary shares and 2,000 ordinary shares of Victor Zenith, representing 75% and 25% of the issued shares of Victor Zenith, respectively. On 14 December 2023, Mr. Mo transferred 1,200 ordinary shares of Victor Zenith to Ms. Cheung for a nominal consideration of HK\$1,200 based on the price of HK\$1.00 per share. Such transfer was a matter of family arrangement between Mr. Mo and Ms. Cheung to align the same shareholding ratio of VG Zenith and Victor Zenith (both of which were owned as to 60% by Mr. Mo and 40% by Ms. Cheung), and not a commercial divestment of his interests in Victor Zenith. Immediately after such transfer, each of Mr. Mo and Ms. Cheung held 60% and 40% of the issued shares of Victor Zenith. As part of our Reorganisation, on 28 March 2024, Mr. Mo transferred 4,800 ordinary shares of Victor Zenith to AW Global for a nominal consideration of HK\$4,800 based on the price of HK\$1 per share, and Ms. Cheung transferred 3,200 ordinary shares of Victor Zenith to AW Global for a nominal consideration of HK\$3,200 based on the price of HK\$1 per share. Immediately after such transfer, our Company indirectly held all of the issued shares of Victor Zenith through AW Global. As at the Latest Practicable Date, Victor Zenith had an issued share capital of HK\$8,000, comprising 8,000 ordinary shares, all of which were directly held by AW Global.

Save as disclosed above and save as pursuant to the Reorganisation, there has been no material shareholding change in respect of our Group during the Track Record Period.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and as at the Latest Practicable Date, save for the Reorganisation, we did not conduct any acquisitions, disposals or mergers that we consider to be material to us.

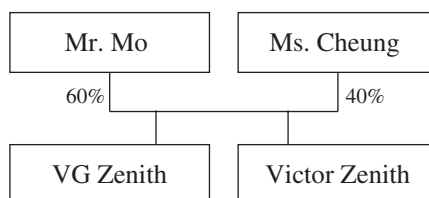
PREVIOUS U.S. LISTING ATTEMPT

From June 2024 to November 2025, our Company filed registration statements on Form F-1, as amended, with the U.S. Securities and Exchange Commission (the “SEC”) in relation to our proposed initial public offering on the Nasdaq Global Market in the United States (the “**Proposed U.S. Listing**”). We experienced no difficulty in addressing the SEC’s comments prior to discontinuing the Proposed U.S. Listing. As part of SEC’s review process, we received comments generally relating to requests for clarification and additional disclosure on certain aspects of, among others, our business operations, operating results and corporate structure, which we had satisfactorily addressed through written responses and subsequent filings of revised registration statements to the SEC. The U.S. legal counsel of our Company in respect of the Proposed U.S. Listing informed our Company that there were no outstanding comments from SEC on the registration statement on Form F-1 which would require further response or supplemental information in November 2025. In view of the unfavourable market conditions and investor sentiments at the material time, we decided to discontinue the [REDACTED] for the Proposed U.S. Listing in 2026.

We voluntarily decided to pursue the [REDACTED] [REDACTED] on the Stock Exchange instead, since we considered that the Stock Exchange would be a more appropriate [REDACTED] venue. To the best knowledge of our Directors, our Directors confirm that (i) there were no material matters relating to the Proposed U.S. Listing which may adversely impact the [REDACTED] or affect the suitability of the [REDACTED] and should therefore be brought to the attention of the Stock Exchange, Shareholders or potential [REDACTED] for them to form an informed assessment of our Company; and (ii) there were no disagreements or disputes between the Group and the professional parties involved in the Proposed U.S. Listing. Based on the due diligence conducted by the Sole Sponsor, nothing has come to the Sole Sponsor’s attention that would reasonably cause the Sole Sponsor to disagree with the Directors’ view above.

GROUP STRUCTURE PRIOR TO OUR REORGANISATION

The corporate structure and shareholding structure immediately prior to the commencement of the Reorganisation are set out as below:



HISTORY, REORGANISATION AND CORPORATE STRUCTURE

REORGANISATION

Our Group carried out the Reorganisation steps to rationalise our Group structure in preparation for the [REDACTED] and the major steps of our Reorganisation are summarised as follows:

Reorganisation steps

In preparing for the [REDACTED], our Group carried out the Reorganisation which involved the following steps:

(a) *Incorporation of AW Ocean*

On 15 January 2024, AW Ocean was incorporated in the BVI with limited liability and was authorised to issue a maximum of 50,000 ordinary shares of a par value of US\$1.00 each. On 25 January 2024, 6,000 ordinary shares of AW Ocean were allotted and issued at par and credited as fully paid to Mr. Mo, and 4,000 ordinary shares of AW Ocean were allotted and issued at par and credited as fully paid to Ms. Cheung.

(b) *Incorporation of AW Global*

On 15 January 2024, AW Global was incorporated in the BVI with limited liability and was authorised to issue a maximum of 50,000 ordinary shares of a par value of US\$1.00 each. On 9 February 2024, 10,000 ordinary shares of AW Global were allotted and issued at par and credited as fully paid to our Company.

(c) *Incorporation of our Company*

On 17 January 2024, our Company was incorporated as an exempted company with limited liability under the laws of the Cayman Islands, with an authorised share capital of US\$50,000 divided into 500,000,000 ordinary shares with a par value of US\$0.0001 each. On the date of incorporation, one Share of US\$0.0001 in our Company was allotted and issued to an independent subscriber, and such Share was subsequently transferred to AW Ocean on 25 January 2024. On 25 January 2024, 9,999 Shares were allotted and issued at par and credited as fully paid to AW Ocean. It is the holding company of our subsidiaries, and its principal business activity is investment holding.

Our Company was registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on 24 July 2026.

(d) *Transfer of the entire issued share capital of VG Zenith to AW Global*

On 28 March 2024, our Company, through AW Global, acquired the entire issued share capital of VG Zenith from its existing shareholders, namely Mr. Mo and Ms. Cheung, for a nominal consideration of HK\$1,250 in aggregate based on the price of HK\$1.00 per share, which has been settled in cash in March 2024.

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

(e) *Transfer of the entire issued share capital of Victor Zenith to AW Global*

On 28 March 2024, our Company, through AW Global, acquired the entire issued share capital of Victor Zenith from its existing shareholders, namely Mr. Mo and Ms. Cheung, for a nominal consideration of HK\$8,000 in aggregate based on the price of HK\$1.00 per share, which has been settled in cash in March 2024.

(f) *Transfer of 1,100 issued shares of AW Ocean from Ms. Cheung to Mr. Mo*

On 6 August 2024, Ms. Cheung transferred 1,100 ordinary shares of AW Ocean to Mr. Mo for a nominal consideration of US\$1,100 based on the price of US\$1.00 per share.

Upon completion of the above, each of VG Zenith and Victor Zenith became an indirect wholly-owned subsidiary of our Company, which is in turn indirectly held as to 71% and 29% by Mr. Mo and Ms. Cheung, respectively, through AW Ocean.

[REDACTED]

On [•] 2026, our sole Shareholder has resolved that, conditional upon the share premium account of our Company being credited as a result of the allotment and issue of the [REDACTED] by the Company pursuant to the [REDACTED], our Directors are authorised to capitalise an amount of [REDACTED] standing to the credit of the share premium account of our Company by applying such sum thereof towards the paying up in full at par a total of [REDACTED] Shares for allotment and issue to the holders of Shares whose names appear on the register of members of our Company at the close of business on [•] 2026 in proportion (as near as possible without involving fractions so that no fraction of a share shall be allotted and issued) to their then existing respective shareholding in our Company. Details of the resolutions of our sole Shareholder dated [•] 2026 are set out in “Appendix IV – Statutory and General Information – A. Further Information About Our Group – 3. Resolutions in writing of our sole Shareholder passed on [•] 2026” in this document.

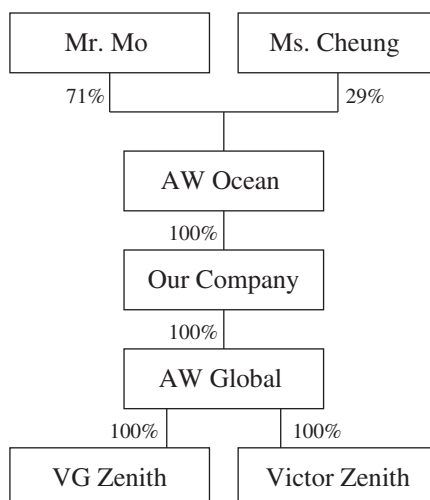
Post-[REDACTED] corporate structure

As at the date of this document, with the exception of the [REDACTED] which will take place on the [REDACTED], all steps of our Reorganisation have been properly and legally completed and settled and no approval is required from the relevant regulatory authorities.

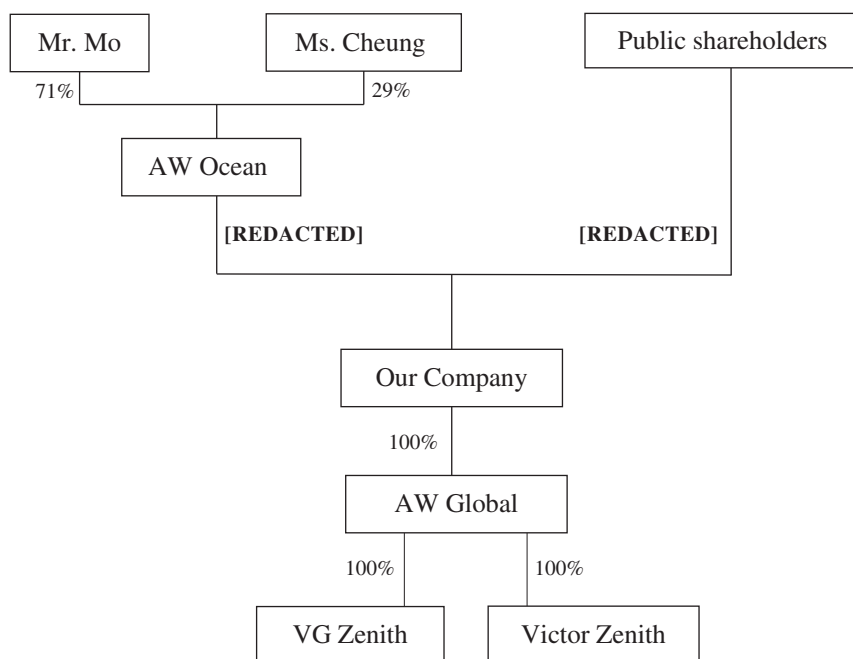
The following diagrams illustrate our shareholding and corporate structure (1) immediately after completion of the Reorganisation but prior to completion of the [REDACTED] and the [REDACTED] and (2) immediately following completion of the [REDACTED] and the [REDACTED].

HISTORY, REORGANISATION AND CORPORATE STRUCTURE

1. Immediately after completion of the Reorganisation but prior to completion of the [REDACTED] and [REDACTED]



2. Immediately following completion of the [REDACTED] and [REDACTED]



HISTORY, REORGANISATION AND CORPORATE STRUCTURE

Public Float

Rule 8.08 of the Listing Rules requires that there must be an open market in the securities for which [REDACTED] is sought. This will normally mean that for a class of securities new to [REDACTED], at least a minimum prescribed percentage of that class of securities must be held by the public at the time of [REDACTED]. Where the expected market value of the class of securities at the time of [REDACTED] is not exceeding HK\$6,000,000,000, the minimum prescribed percentage is [REDACTED]. Based on (i) the indicative [REDACTED] range being HK\$[REDACTED] per [REDACTED] at the low-end and HK\$[REDACTED] per [REDACTED] at the high-end, and (ii) [REDACTED] Shares in issue immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised), in any event, where the [REDACTED] is at HK\$[REDACTED], being the high-end of the indicative [REDACTED] range, it is expected that the market value of our Shares at the time of [REDACTED] will be HK\$[REDACTED]. Accordingly, as the market value of the class of securities at the time of [REDACTED] will not exceed HK\$6,000,000,000, at least [REDACTED] of the total number of issued Shares must be held by the public at the time of [REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED]).

The Shares held by AW Ocean, representing [REDACTED] of our total issued Shares upon the completion of the [REDACTED] and the [REDACTED], will not be counted towards public float. Save as disclosed above, no other Shareholder is a core connected person of our Company as defined in the Listing Rules. Therefore, the Shares held by the other Shareholders, representing [REDACTED] of the issued share capital of the Company upon the completion of the [REDACTED] and the [REDACTED], will count towards the public float for the purposes of Rule 8.08 of the Listing Rules, which is in compliance with the requirement under Rule 8.08(1) of the Listing Rules.

Free Float

Rule 8.08A of the Listing Rules provides that there must be sufficient shares for which [REDACTED] is sought by a new applicant that are held by the public and available for trading upon [REDACTED]. This will normally mean that the portion of the class of shares for which [REDACTED] is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of [REDACTED], must: (i) represent at least [REDACTED] of the total number of issued shares in the class of shares for which [REDACTED] is sought (excluding treasury shares), with an expected market value at the time of [REDACTED] of not less than HK\$50,000,000; or (ii) have an expected market value at the time of [REDACTED] of not less than HK\$600,000,000. The Company is expected to satisfy the free float requirement under Rule 8.08A(1) of the Listing Rules.

NO [REDACTED]

There was no [REDACTED] to our Group before and after our Reorganisation within the meaning of the Listing Rules.

BUSINESS

OVERVIEW

We are a Hong Kong-based pain management and function enhancement services provider operating under our “ANKH” brand. The name “ANKH” stands for “A New Key to Health”. We were established in 2007 and have over 18 years of experience in healthcare.

We offer a range of non-surgical, non-invasive and non-pharmacological pain management therapies, function enhancement therapies, and topical use and dietary supplement products to our customers. Our services aim to eliminate pain points, invigorate blood circulation, enhance the body’s detoxification function, strengthen muscle and joint, and enhance functionality. For detail, please refer to the section “Business – Our Services and Products – Pain management and function enhancement services” below.

The theoretical basis of our therapies is “RDS+” (Restore, Detox, and Strengthen) approach, which is inspired by the concept of the meridian system (經絡) of Traditional Chinese Medicine. We combine Traditional Chinese Medicine concepts with energy-based treatment and therapy devices that we source internationally. For details, please refer to the sections headed “Business – Our Strengths – Commitment to continuous development and innovation in non-surgical, non-invasive and non-pharmacological pain management and functional enhancement” and “Business – Our Strengths – Integration of Traditional Chinese Medicine Theory with Energy-Based Technologies”.

We evaluate and assess our treatment devices before they are deployed. Our treatments and therapies are developed to be free from pharmaceutical products and invasive procedures.

In aggregate, our trained therapists performed over 364,000 treatment sessions during the Track Record Period. The average annual spending of each customer at our service centres was approximately HK\$49,000, HK\$50,500 and HK\$60,000 for FY2024, FY2025 and FY2026 respectively, representing an increase of approximately 3% from FY2024 to FY2025 and 19% from FY2025 to FY2026.

The table below sets out selected financial information for the years indicated:

	FY2024	FY2025	FY2026	Change from FY2024 to FY2025	Change from FY2025 to FY2026
Total revenue	HK\$319.2 million	HK\$311.9 million	HK\$367.5 million	-2.3%	+17.8%
Profit for the year	HK\$79.8 million	HK\$33.9 million	HK\$37.8 million	-57.5%	+11.5%

BUSINESS

OUR STRENGTHS

Commitment to continuous development and innovation in non-surgical, non-invasive and non-pharmacological pain management and functional enhancement

The Group commenced operations in 2007 and has over 18 years of experience in healthcare. Some pain management options may include surgical, invasive or medication-based treatments, which may involve recovery time, physical discomfort, procedural risks or potential side effects from medication. Thus, our business objective is to offer alternative pain management services designed to alleviate pain and improve physical function through non-surgical, non-invasive and non-pharmacological approaches.

Since our inception, we have grown from boutique centres to larger-scale service centres currently located in Sha Tin, Tsim Sha Tsui and Causeway Bay. This expansion not only reflects the natural progression of our business and the consolidation of our operating experience, but also enables us to serve a broader customer base, collect more customer feedback and better understand evolving customer needs, while our focus on pain management and wellness has remained unchanged. Based on our accumulated experience and observations of customers' needs, we developed our RDS+ framework, which allows us to provide a more comprehensive "one-stop" service model covering restoration, detoxification and strengthening. Depending on each customer's condition and needs, the Restore, Detox and Strengthen functions may be applied within the same therapy session or across follow-up sessions. For example, certain body parts may require restoration or detoxification, while other body parts may require strengthening. This flexible framework enables us to provide more tailored treatments, address both pain management and ongoing functional enhancement needs, cater to a wider range of customers, including those seeking preventive, maintenance or strengthening services, improve consistency in service delivery and enhance treatment outcomes, thereby supporting recurring customer demand for our services. Our trained therapists provide both symptomatic relief and address root causes of pain and health conditions, reducing recurrence and helping customers regain vitality.

For further details regarding the treatment backgrounds, please refer to the section headed "Business – Our Services and Products" below.

We believe our continuous development of treatment methodologies, service protocols and technology-assisted applications demonstrates our commitment to learning from evolving customer demand and operating experience, pursuing innovation and technological advancement, strengthening our service delivery model, and developing more systematic, technology-enabled and forward-looking pain management solutions. Going forward, we will continue to monitor technological developments, observe customers' evolving needs and identify opportunities to adopt suitable technologies to further enhance our treatment protocols, technical capabilities and customer experience.

BUSINESS

Integration of Traditional Chinese Medicine Theory with Energy-Based Technologies

We have developed a comprehensive pain management approach that integrates the holistic principles of TCM theory with modern energy-based treatment devices. This distinguishes us from pure Western physiotherapy clinics, localised chiropractic clinics, and traditional TCM bone-setting (跌打) shops in Hong Kong. For further details regarding our pain management and function enhancement services, please refer to the section headed “Business – Our Services and Products – Pain management and function enhancement services”.

By focusing our business on the integration of TCM’s systemic perspective with targeted energy-based technologies (such as electromagnetic, radiofrequency and ultrasound therapies), we are able to deliver more comprehensive, holistic and effective treatment outcomes compared to providers who rely solely on TCM or energy-based device therapies, differentiating our brand from other competitors in the market. We believe this synergistic model represents a key competitive advantage as it requires deep expertise in TCM as well as substantial experience in applying energy-based devices.

Diversified treatment portfolio supporting standardised and individualised service delivery

We have a diversified portfolio of treatment applications, which enables us to offer customers a wide range of therapy options within a consistent treatment framework. Rather than relying on a single treatment modality, we provide a selection of technology-assisted and therapist-administered treatments that may be applied individually or in combination, depending on each customer’s pain points, physical condition, treatment history and functional enhancement objectives.

Our treatments involve a range of technologies and techniques, including electromagnetic field, radiofrequency, infrared and ultrasound. We believe this diversity allows us to address a broad spectrum of customer needs, including muscle tightness, improving sleep quality, pain relief, weight management, circulation-related wellness needs and function enhancement. For further details regarding our treatments, please refer to the section headed “Business – Our Services and Products – Pain management and function enhancement services”.

High customer satisfaction and extensive customer testimonials reinforcing our service quality

We believe customer satisfaction is a key indicator of the quality of our service delivery and an important competitive strength of our Group. Our business model relies not only on our treatment methodology, but also on the ability of our frontline staff to understand each customer’s pain points, and recommend suitable therapy proposals and provide consistent follow-up throughout the course of treatment.

Internal customer satisfaction surveys conducted since FY2025, with approximately 1,900 respondents each year, showed that overall customer satisfaction remained consistently high at approximately 90%, while over 70% of respondents reported pain relief or symptom reduction after the therapy.

BUSINESS

In addition to our internal customer survey, we have accumulated a substantial number of customer testimonials and thank-you letters, particularly regarding the support provided by our frontline staff including their efforts in understanding their physical conditions, explaining treatment procedures, and arranging suitable treatments. These testimonials are documented on our Company's website and displayed at our service centres. These testimonials cover customers from diverse backgrounds, including healthcare workers, teachers, engineers, homemakers and retirees, and reported improvement in their daily activities such as walking, climbing stairs, sleeping, exercising and performing household tasks after receiving our treatments. We believe these testimonials reflect the breadth of our customer base and support our reputation as a customer-oriented pain management and function enhancement services provider.

We believe this customer-centric service approach enhances customer trust, supports treatment continuity and contributes to repeat visits and referrals.

Experienced and well-trained frontline staff supporting consistent and customer-oriented service delivery

Since the establishment of our business in 2007, we have accumulated practical experience and technical know-how in customer assessment, therapist-administered techniques, treatment planning, device operation, staff training and service standardisation. We believe our ability to deliver consistent, professional and customer-oriented services through our frontline staff is a key competitive strength of our Group.

Our Chinese Medicine Practitioners, Advanced Functional Enhancement Advisors, trained therapists, nutritionist and health advisors support the customer service process from reception and consultation to treatment delivery, follow-up and feedback collection. As of 31 July 2026, we had 8 full-time Chinese Medicine Practitioners, 4 Advanced Functional Enhancement Advisors, 102 trained therapists and 1 nutritionist. All of our trained therapists are required to complete mandatory internal training courses upon joining our Group and will receive ongoing training during the course of their employment. All Chinese Medicine Practitioners and Advanced Functional Enhancement Advisors are registered professionals in Hong Kong. For further details regarding our frontline team and staff training, please refer to section "Business – Employees – Training" below.

Our frontline staff has accumulated experience from serving a broad customer base. In aggregate, our trained therapists performed over 364,000 treatment sessions during the Track Record Period. We believe the experience accumulated by our frontline staff from serving a substantial number of customers, together with our structured training system and quality control procedures, enables us to understand each customer's condition, recommend suitable therapy proposals and provide consistent follow-up throughout the course of treatment.

Senior management team with industry experience and strong execution capabilities

Our senior management team is experienced in the pain management market. Mr. Mo has received various business recognitions in Hong Kong. In 2022, he was granted the Fellowship of Innovation and Technology and the Fellowship of Life Science by the Global Academy of Innovative Enterprises. Ms. Cheung is a certified health manager and received various certifications internationally.

BUSINESS

The capabilities of our senior management team are complemented by Mr. Yeung, our Chief Financial Officer. We believe his experience in financial management, listed company operations and the health services industry contributes to our financial reporting, internal control and corporate governance functions. For further details of the qualifications and experience of our Directors and senior management, please refer to the section headed “Directors and Senior Management” in this document.

We believe the backgrounds, practical experience and strategic direction of our senior management team have contributed significantly to our development. We also consider that our founders’ direct industry experience and continued emphasis on treatment innovation and quality provide an important foundation for our operations.

Large-Scale Service Centres in Accessible Hong Kong Locations

We operate large-scale service centres in Hong Kong, each centre having an approximate floor area of 18,000 sq. ft. Our service centres are located in Causeway Bay, Tsim Sha Tsui and Sha Tin, which we believe are highly populated districts with strong accessibility. We believe this positioning supports our ability to attract customers in the mid to high-income segment, which is our target customer base. For details of our service centres, please refer to “Business – Our Service Centres” in this document.

OUR STRATEGIES

Driving organic growth by expanding our customer base and service centre network in Hong Kong

Our strategy to expand our customer base and enhance brand awareness comprises: (i) continuing to deliver a range of treatments and products; (ii) enhancing our marketing efforts across both online and offline channels; (iii) expanding our pain management and function enhancement service capacities; and (iv) further developing our spokesperson strategy by identifying high-profile individuals who appeal to our various customer segments.

In February 2025, we rented a new service centre in Causeway Bay. The new centre has a size of 17,130 sq. ft., which is comparable in size to our Sha Tin Service Centre (17,938 sq. ft.).

Enhancing customer experience and treatment quality through centralised management

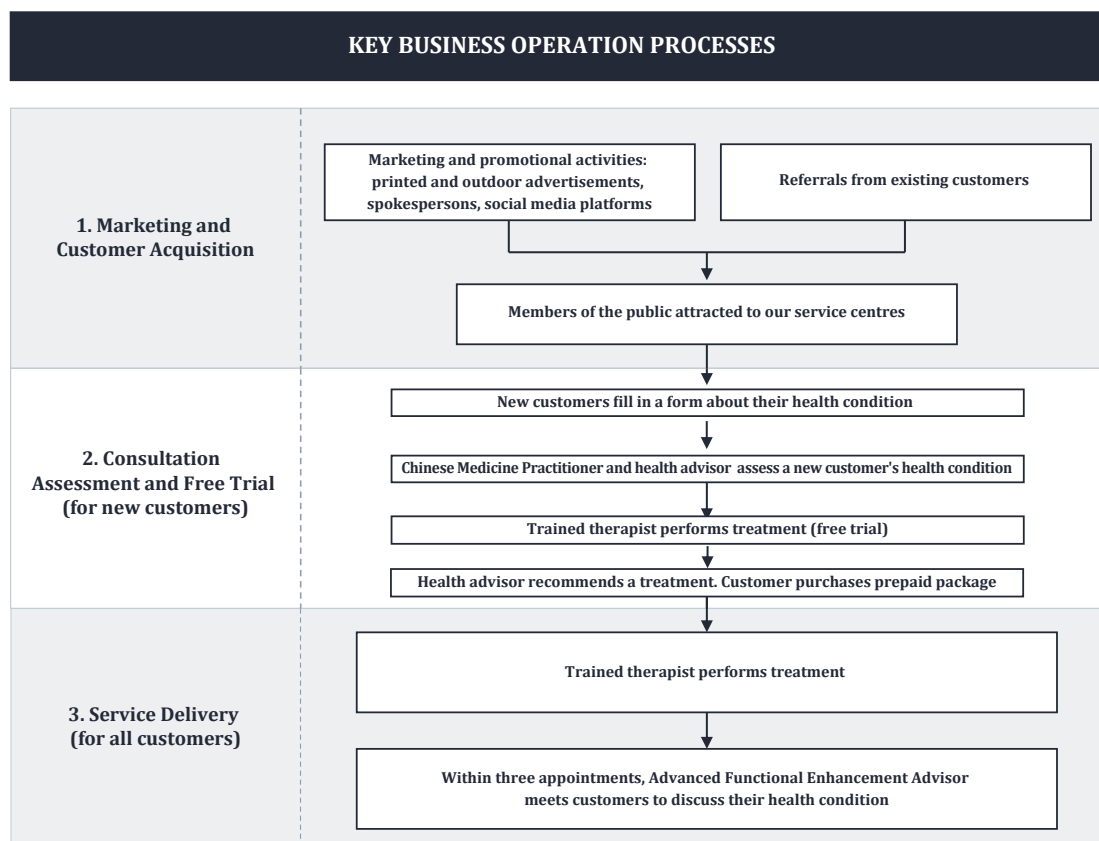
We intend to enhance customer experience and strengthen the consistency and quality control of our treatment services by introducing a centralised management platform for all of our treatment devices. The platform is expected to enable us to standardise, record and monitor treatment parameters, including the energy levels applied during treatment sessions, and facilitate management review of relevant treatment data.

Going forward, we plan to progressively integrate the platform into our service delivery process. We believe the platform will facilitate the timely identification and follow-up of deviations from prescribed treatment parameters, and support the continuous review and enhancement of our treatment protocols and service quality. These initiatives are expected to improve the consistency and reliability of our treatment services and enhance the overall customer experience. Please refer to the section headed “Future Plans and Use of [REDACTED] – Use of [REDACTED]” in this document for details.

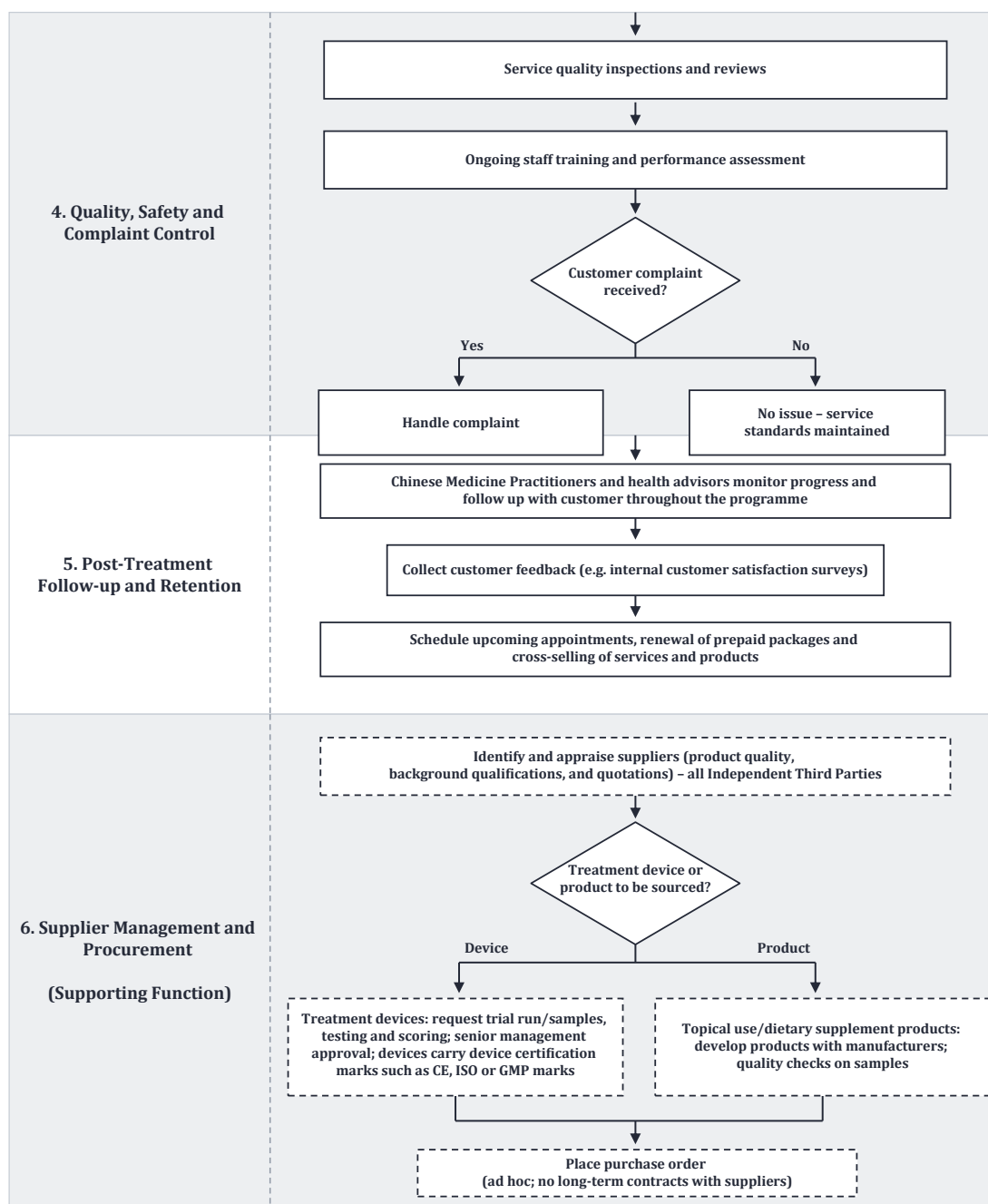
BUSINESS

BUSINESS MODEL

The flow chart below shows our business model.



BUSINESS



BUSINESS

OUR SERVICES AND PRODUCTS

Pain management and function enhancement services

Pain management and function enhancement services have been our dominant business, accounting for approximately 85.7%, 84.5% and 84.1% of our revenue for FY2024, FY2025 and FY2026 respectively.

The theoretical basis of our pain management and function enhancement services is our “RDS+” (Restore, Detox, and Strengthen) approach, which is inspired by the concept of the meridian system (經絡) of Traditional Chinese Medicine. According to Traditional Chinese Medicine theory, the stagnation, blockage or deficiency in the flow of Qi (氣) and blood are the root causes of pain and illness. Our RDS+ approach combines Traditional Chinese Medicine concepts with various energy-based treatment devices sourced internationally, with the aim of restoring, detoxing and strengthening the flow of Qi, and of easing and eliminating acute and chronic musculoskeletal and nociceptive pain (such as back, neck, limb, joint, thoracic and trunk pain conditions), alleviating muscle fatigue, relieving muscle stiffness, removing stagnation, detoxing metabolic wastes, improving blood circulation, strengthening muscle and joints, and enhancing body functionality.

All of our pain management and function enhancement treatments are non-invasive, non-pharmacological and non-surgical in nature. We use various energy-based devices sourced from Germany, the Republic of Korea and Japan, together with procedures and manual therapy operated and performed by our trained therapists, to provide each customer with a treatment solution tailored to their individual needs. Our treatments focus not only on pain relief but also on strengthening, maintenance and overall improvement of bodily function.

Our Chinese Medicine Practitioners and health advisors recommend suitable therapies to our customers based on their conditions, and monitor and follow up with each customer throughout the programme.

We encourage customers to visit our service centres regularly, and undergo two to three treatment sessions per visit. We limit the number of treatment sessions per visit for health reasons.

As at 31 July 2026, we had 8 full-time Chinese Medicine Practitioners, 4 Advanced Functional Enhancement Advisors, 102 trained therapists and 1 nutritionist. Depending on the conditions of our customers and the progress of their treatment, we recommend suitable treatments using different energy-based treatment devices, which apply different methods (such as electromagnetic, radiofrequency and ultrasound therapies) to achieve different targeted results, coupled with the use of different manual therapy techniques.

BUSINESS

Our Key Treatments

Treatment/Treatment device used	Description	Expected effects	Original price per time as at the Latest Practicable Date
Relieve Master	The device emits low-intensity ultrasound and micro-vibrations, which conduct thermal energy into the tissue to promote local blood circulation and relieve muscle discomfort.	It provides a relaxing vibrating massage, helping to loosen tense muscles and alleviate pain.	HK\$1,800
Dr. Strengthen	This treatment utilises High Energy Inductive Therapy (HEIT), designed to stimulate the body through pulsed electromagnetic fields. To address customer needs, this treatment offers both a targeted strengthening mode and a dynamic enhancement mode.	It relieves pain; strengthens muscles to protect joints and promote bone and cartilage health, whilst aiding the body's recovery.	HK\$1,800
Health Star	This treatment utilises microcurrent technology, with low-frequency energy penetrating the muscles to target areas of pain.	It eases fatigue and improve sleep quality. This treatment synergises with ANKH's meridian and acupoint therapy techniques, promoting blood and lymphatic circulation throughout the body and aiding detoxification.	HK\$2,100

BUSINESS

Treatment/Treatment device used	Description	Expected effects	Original price per time as at the Latest Practicable Date
Dr. Energy	The treatment integrates the three core elements of deep heat therapy: Capacitive Energy Transfer (CET), Resistive Electrical Transfer (RET), and instrument assisted soft tissue mobilisation (IASTM) tool therapies. CET directs radiofrequency energy into the muscles to generate heat; whilst; RET concentrates radiofrequency energy on the target area and combines this with the use of specialised instruments for therapy.	It relaxes tense muscles and soft tissues; improves joint flexibility; and relieves pain.	HK\$1,900
Ultra Detox	The treatment combines thermotherapy with vacuum suction technology to induce localised warming and a deep heat sensation.	It promotes blood circulation and unclogs meridians, helping to boost metabolism and aid detoxification, whilst relieving swelling. It also relieves muscle fatigue and soothes pain.	HK\$2,100
Micro Healing	The treatment utilises interferential current and electromyostimulation technology, featuring four operating modes, and is designed to deliver electrical pulses to deep tissues and trigger points.	It helps to relax tense muscles, soothe muscle aches and fatigue in the lower back, shoulders, neck and joints, and helps to accelerate metabolism.	HK\$1,300

BUSINESS

Treatment/Treatment device used	Description	Expected effects	Original price per time as at the Latest Practicable Date
Power Wellness	The probe emits far-infrared energy, which, when combined with the application of ANKH Power Oil, promotes absorption.	By unblocking the body's meridians, it improves the circulation of Qi and blood, and strengthens the body.	HK\$2,800
Super Strong	The non-invasive high-intensity electromagnetic fields penetrate the muscular layer, causing contractions of large muscles intensively. The device comes pre-programmed with multiple therapy modes tailored to different treatment areas.	It stimulates muscle contraction to strengthen muscles, tendons and ligaments, and promotes joint flexibility and stability.	HK\$3,800
Elite Health Pro	The treatment combines dual-frequency ultrasound and high-intensity focused ultrasound technology to deliver thermal energy to the area between the fascia and the fat layer for therapeutic purposes.	It promotes skin tightening and muscle relaxation, helping to reduce the thickness of subcutaneous fat; weight loss consequently eases the strain on the joints; it also aids collagen production, improves tissue elasticity and promotes the body's recovery.	HK\$15,000

There was no material fluctuation in treatments required and price during the Track Record Period. Our business is not subject to seasonality. We set the price of treatments by considering market price of similar treatments, the type of device, manpower and consumables required.

BUSINESS

Our Professionals

Chinese Medicine Practitioners

As at 31 July 2026, we had 8 full-time Chinese Medicine Practitioners.

Our Chinese Medicine Practitioners are responsible for conducting initial consultations to identify customers' pain points, understanding the customers' needs and health conditions, and understanding the root causes of their conditions from a holistic TCM perspective. They sometimes monitor treatments. Our Chinese Medicine Practitioners are a free add-on feature of our treatments. This ensures that each customer receives a tailored treatment plan aimed at achieving optimal pain relief and wellness outcomes.

The following lists out the details of our Chinese Medicine Practitioners:

Chinese Medicine Practitioner	Year of Registration as a Chinese Medicine Practitioner	Year of joining our Group
CMP A	2017	2024
CMP B	2020	2021
CMP C	2020	2025
CMP D	2020	2022
CMP E	2021	2024
CMP F	2024	2025
CMP G	2022	2024
CMP H	2019	2024

Trained therapists

As at 31 July 2026, we had 102 trained therapists. Our trained therapists are responsible for delivering the treatment sessions to our customers through operating our energy-based devices. In order to ensure the quality of our treatment services and customer satisfaction, all our trained therapists undergo comprehensive training on the use of our energy-based devices and are assessed on their competence to ensure consistent service quality across our service centres. For details on the training received by our trained therapists, please refer to the section headed "Business – Employees – Training" of this document.

BUSINESS

Advanced Functional Enhancement Advisor

As at 31 July 2026, we had 4 Advanced Functional Enhancement Advisors. They are responsible for assessing customers' physical health, mobility, and functional condition to identify any movement-related issues and advising customers on how to improve their mobility. They will monitor customers' progress through follow-up assessments, observing their posture, balance, walking pattern, and range of motion, and guide them through appropriate movements or exercises. They will evaluate whether the customer's condition has improved, adjust the treatment plan as necessary, and provide advice to support recovery and improve mobility. Our Advanced Functional Enhancement Advisors are a free add-on feature of our treatments.

Advanced Functional Enhancement Advisor	Relevant qualifications	Year of qualification	Year of joining our Group
Advanced Functional Enhancement Advisor A	Registered Part Ib Physiotherapist	2022	2025
Advanced Functional Enhancement Advisor B	Registered Part Ib Physiotherapist	2021	2024
Advanced Functional Enhancement Advisor C	Registered Part Ib Physiotherapist	2025	2025
Advanced Functional Enhancement Advisor D	Registered Part Ia Physiotherapist	2024	2024

Our Chinese Medicine Practitioners and Advanced Functional Enhancement Advisors are required to adhere to their professional codes of conduct throughout the period of their practice. We have obtained certificates of standing in respect of our Chinese Medicine Practitioners and Advanced Functional Enhancement Advisors issued by the Chinese Medicine Council and the Physiotherapists Board certifying that they have not been found guilty of professional misconduct and no disciplinary proceedings against them were in process.

Our Chinese Medicine Practitioners and Advanced Functional Enhancement Advisors maintain professional malpractice liability insurance, which includes indemnity, advice and legal representation in relation to claims, investigations and proceedings arising from or in connection with their professional practices. For details, please refer to the section headed "Business – Insurance".

Nutritionist

As at 31 July 2026, we had 1 nutritionist. Our nutritionist is principally responsible for providing customers with general dietary and wellness guidance to help customers building up muscle, including suggestions on food choices, eating habits and the maintenance of a balanced diet. He may also respond to customers' general enquiries regarding nutrition and provide practical dietary suggestions based on their individual preferences and general wellness needs. Our nutritionist is a free add-on feature of our treatments.

For details of recruitment and staff training, please refer to the section headed "Business – Employees".

BUSINESS

Topical use and dietary supplement products

To complement our services, we sell over-the-counter topical use products, including creams, moisturisers and ointments, as well as dietary supplement products, at our service centres and through the online shop on our website. Revenue from the sale of our topical use and dietary supplement products accounted for approximately 0.1%, 0.1% and 0.1%, of our total revenue for FY2024, FY2025 and FY2026 respectively. For details about our suppliers, please refer to the section headed “Business – Suppliers, Procurement and Inventory Management”. Customers can return products due to damage or defect within seven days from the date of purchase. All products can be exchanged once only. During the Track Record Period, we had not been subject to any material product liability claim nor did we have any material product return or product recall. There is no product life cycle or seasonality. We set the price of products based on comparison with similar products in the market and our market position. We do not foresee material change in the price of our products.

1. 30s Ice and Warm Rescue



Product type:

A set of two roll-on ointments

Intended effects/Target audience:

Instant relief for muscle tendons joint pain discomfort, sprains and strains, injury prevention before exercise, relief after exercise, redness, swelling, burning discomfort.

Original price as at the Latest Practicable Date:

HK\$676

2. 40+ Knee Expert



Product type:

A supplement

Intended effects/Target audience:

It is suitable for people aged 40 or above who are suffering from various types of pain, including joint degeneration, sports injuries, occupational strain, neck and shoulder pain, frozen shoulder, lower back pain, elbow pain, finger joint pain, and ankle pain.

Original price as at the Latest Practicable Date:

HK\$599

BUSINESS

3. *ANKH Skin Power*



Product type:

An ointment

Intended effects/Target audience:

To cure dry and sensitive skin and eczema.

Original price as at the Latest Practicable Date:

HK\$680

4. *CHARISMS*



Product type:

An ointment

Intended effects/Target audience:

It improves eczema, rashes, diaper rash, housewife's hand, and sensitive skin problems; it reduces redness and marks, moisturises and repairs damaged skin, and can be used as a daily moisturiser.

Original price as at the Latest Practicable Date:

HK\$280

5. *Super 17 Probiotics*



Product type:

A supplement

Intended effects/Target audience:

It is suitable for people with sensitive intestine, poor digestion, immunodeficiency, eczema and sensitive skin.

Original price as at the Latest Practicable Date:

HK\$499

BUSINESS

OUR SERVICE CENTRES

We provide pain management and function enhancement services through our service centres in Causeway Bay, Tsim Sha Tsui and Sha Tin. In view of high utilisation rate of Causeway Bay Service Centre I and Tsim Sha Tsui Service Centre I, we entered into rental agreements for larger premises in Causeway Bay in February 2025 and in Tsim Sha Tsui in November 2025 for the establishment of Causeway Bay Service Centre II and Tsim Sha Tsui Service Centre II respectively. For details of our properties, please refer to the section headed “Business – Properties” below.

Each Service Centre is equipped with various treatment devices, enabling our trained therapists to provide treatment procedures tailored to the individual needs of each customer. The same types of services and the same types of equipment are provided across all of our Service Centres. We sourced them from treatment device manufacturers, distributors and healthcare companies. The table below summarises the number of treatment rooms and approximate number of treatment devices of our service centres as at the Latest Practicable Date:

	Causeway Bay Service Centre I (ceased operation in June 2025)	Causeway Bay Service Centre II	Tsim Sha Tsui Service Centre I (ceased operation in February 2026)	Tsim Sha Tsui Service Centre II	Sha Tin Service Centre
Number of treatment rooms	17	48	30	60	72
Number of treatment devices (approximate)	89	89	155	155	100

The table below sets out the revenue contribution of our service centres during the Track Record Period.

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Tsim Sha Tsui	173,179	54.3	151,948	48.7	155,904	42.4
Causeway Bay	89,154	27.9	93,092	29.9	112,381	30.6
Sha Tin	56,884	17.8	66,852	21.4	99,258	27.0
Total	319,217	100.0	311,892	100.0	367,543	100.0

BUSINESS

The table below sets out the utilisation rate of our service centres during the Track Record Period.

	FY2024			FY2025			FY2026		
	Service capacity	Actual number of treatment sessions	Utilisation rate	Service capacity	Actual number of treatment sessions	Utilisation rate	Service capacity	Actual number of treatment sessions	Utilisation rate
	(Note 1)		(Note 2)	(Note 1)		(Note 2)	(Note 1)		(Note 2)
Tsim Sha Tsui Service Centre I (Note 3)	87,840	70,204	80%	87,600	62,223	71%	74,400	58,044	78%
Tsim Sha Tsui Service Centre II (Note 3)	Nil	Nil	Not available	Nil	Nil	Not available	26,400	9,324	35%
Causeway Bay Service Centre I (Note 4)	49,776	37,415	75%	49,640	36,471	73%	10,744	8,885	83%
Causeway Bay Service Centre II (Note 4)	Nil	Nil	Not available	Nil	Nil	Not available	109,824	34,911	32%
Sha Tin Service Centre	210,816	28,749	14%	210,240	32,730	16%	209,664	48,282	23%
Overall	348,432	136,368	39%	347,480	131,424	38%	431,032	159,446	37%

Notes:

1. The service capacity is presented for illustrative purposes only and represents the estimated maximum number of treatment sessions that can be delivered. It is determined by reference to (i) the number of treatment rooms available at each service centre, (ii) the estimated number of treatment sessions that can be performed per room per day during normal operations based on our experience and standard operating procedures, and (iii) the actual number of days on which the centres were open for business in each respective financial year.
2. Utilisation rate is calculated by dividing the actual number of treatment sessions performed (including the estimated preparation time) by the service capacity.
3. Tsim Sha Tsui Service Centre I operated until February 2026, and Tsim Sha Tsui Service Centre II commenced operations in February 2026.
4. Causeway Bay Service Centre I operated until June 2025, and Causeway Bay Service Centre II commenced operations in June 2025.

We allocate manpower and equipment among our service centres by taking into account factors including their sizes, locations, number of customers, number of prepaid packages sold, and the historical booking records of customers, in order to optimise the utilisation of our resources.

We book two to three visits in advance for each customer. For details of our booking process, please refer to the section headed “Business – Customers – Prepaid Packages” below.

BUSINESS

Below are pictures of our Causeway Bay Service Centre II:

Reception



Resting area



Treatment room



VIP treatment room



BUSINESS

Below are pictures of our Tsim Sha Tsui Service Centre II:

Reception



Resting area



Treatment room



VIP treatment room



BUSINESS

Below are pictures of our Sha Tin Service Centre:

Reception



Resting area



Treatment room



VIP treatment room



OUR DEVICES

As at the Latest Practicable Date, we had approximately 300 treatment devices. For details about our procurement process, please refer to the section headed “Business – Suppliers, Procurement and Inventory Management” in this document.

According to our accounting policy, depreciation of our treatment devices is calculated using the straight line method to allocate their cost to their residual values over an estimated useful life of five years. For details, please refer to “Appendix I – Note 3 Material Accounting Policies – Property, Plant and Equipment” of this document. We do not have a specific replacement cycle for our equipment and we will only replace them when necessary. Replacement decisions are made on a case-by-case basis having regard to the factors such as the operating conditions and cost effectiveness. Our suppliers provide warranty for our devices.

BUSINESS

OUR WEBSITE

The Company maintains a corporate website at <https://www.ankh.com.hk/>, which serves as a key platform for communicating information about the Group to existing and prospective customers as well as other stakeholders. In addition, customers may review the customer testimonials, browse health and pain-related information and specialist blog articles, register for a complimentary trial experience, contact the Group directly and purchase products online.

CUSTOMERS

Our target customers are primarily mid-to-high income individuals. The Group's revenue from any single customers did not contribute 10% or more of the total revenue of the Group for FY2024, FY2025 and FY2026. Our top five customers during the Track Record Period were Independent Third Parties. In FY2024, FY2025, FY2026, approximately 8,700, 10,000 and 11,200 customers redeemed their prepaid packages respectively.

The table below sets out the number of repeat customers who continue to buy further packages upon expiry of the previous prepaid packages:

	FY2024	FY2025	FY2026
Total number of customers who made purchases in the year	4,495	5,599	6,335
Repeat customers	912	974	833
Rate	20%	17%	13%

Prepaid Packages

Our customers generally purchase prepaid packages for our pain management and function enhancement services. Customers may pay the lump sum upfront or by instalment. As described above, we encourage customers to visit our service centres regularly, and undergo two to three treatment sessions per visit. Generally, each customer will attend treatment sessions at one service centre only. As seen from the utilisation rate of our service centres in the section headed "Business – Our Service Centres" above, we have sufficient capacity to meet customers' needs. The validity period of prepaid packages is generally 1 to 2 years. Each invoice states the validity period of the prepaid package. Generally, customers cannot book unused treatment sessions after the validity period. We have discretion to extend the validity period in unforeseen circumstances such as the Covid-19 pandemic.

We pay our health advisors monthly commission for selling prepaid packages. The percentage of commission increases in line with monthly sales amount. We pay them bonus for reaching sales target. We have discretion to change the terms of commission and bonus at any time.

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We have internal control measures to prevent health advisors from selling excessive prepaid packages. Health advisors must comply with our guidelines when selling prepaid packages in order to receive commission. We ask for customers' feedback regularly. If we receive unfavourable feedback, we will discuss with our staff during regular meetings. Our senior management regularly reviews prepaid package sales reports to identify any potential excessive sale and the utilisation percentage of prepaid packages. We assess the health condition of new customers. Our guideline stipulates that we will not sell prepaid package to people with certain health conditions, such as people undergoing cancer treatment.

For FY2024, FY2025 and FY2026, the refund amounts to our customers for their requested refunds were HK\$3.7 million, HK\$2.7 million and HK\$3.9 million, representing 1.4%, 0.9% and 0.9% of our contracted sales in FY2024, FY2025 and FY2026 respectively. If we refund our customers for prepaid packages, we will deduct the relevant health advisors' monthly sales amount accordingly before calculating commission. Refund requests are reviewed and handled on a case-by-case basis and are subject to our senior management's final approval, with the Administrative Department and the Finance Department involved in handling and processing the relevant arrangements and payment. We monitor the status and progress of refund requests. We believe that our low refund levels reflect our service quality, our complaint-handling practices and our commitment to customer satisfaction.

For financial reporting purposes, the prepaid packages are recorded as contract liabilities in the balance sheet at the point of sales and subsequently recognised as revenue in the income statement when the service treatments are delivered to customers. Expired prepaid packages are fully recognised as revenue. For details of our accounting policy regarding prepaid packages, please refer to Appendix I of this document.

We have continuously operated our prepaid package business model for more than 10 years and forfeiture income has been a feature of our business since 2016. Forfeiture income accounted for 14.2%, 15.4% and 15.8% of our total revenue for FY2024, FY2025 and FY2026, respectively. For details, please refer to the section headed "Financial Information – Description of selected items in combined statements of profit or loss – Revenue" and Appendix I in this document.

SUPPLIERS, PROCUREMENT AND INVENTORY MANAGEMENT

Major Service Providers and Suppliers

During the Track Record Period, our service providers principally comprised providers of advertising services and health advisory services. We also procured treatment devices, topical use products, dietary supplement products and related consumables used in our business from other suppliers.

We have not entered into long-term agreements with suppliers and service providers of devices, topical use products, dietary supplement products, and advertising services. Instead, we generally procure goods and services on an as-needed basis by placing purchase orders with suppliers and service providers. This approach enables us to retaining flexibility to select suppliers, adjust order quantities and specifications, and negotiate commercial terms to align with our operational needs.

BUSINESS

We have not experienced any significant issues or disputes with our suppliers and service providers, nor have we experienced any material fluctuations in purchase prices or material shortage when procuring from our suppliers and service providers during the Track Record Period and up to the Latest Practicable Date.

Below is a description of our procurement procedure for treatment devices, topical use products and dietary supplement products, advertising services and external health advisor services.

1) Treatment devices, topical use products and dietary supplement products

When we first identify a need to purchase or introduce new treatment devices, the procurement team will be notified. The procurement team will then conduct research and collect information on different types of treatment devices from the respective suppliers and distributors, including but not limited to their price, functions, certifications, and place of origin. Where appropriate, we may also request trial runs for internal testing and assessment after obtaining senior management's approval.

We evaluate the proposed device based on functionality, safety, certifications, after-sales service, cost-effectiveness, supplier reliability and compatibility with our business model. The procurement recommendation and supporting documents are then submitted to our senior management.

Our senior management are responsible for the final decision on whether to purchase or introduce a new treatment device. Upon approval by our senior management, we will negotiate with the supplier and place the relevant purchase order. Inspection, assessment and checking procedures are required before the relevant treatment devices are put into use by us.

Our procurement of topical use products and dietary supplement products generally involves selecting suitable suppliers and product manufacturers based on criteria including product quality, background qualifications, and quotations. Upon approval by our senior management and before formal production or batch procurement, product samples are required to be inspected for appearance, packaging, labelling, ingredient or formulation information, and arranging for testing or certification documents. Where required, we also arrange packaging and printing services, including bottling, labeling, printing and packing arrangements.

(2) Advertising services

Our Marketing Department is responsible for designing our marketing campaigns, and identifying suitable vendors offering the required services. The proposed campaigns are then presented to our senior management for review and approval. Our Marketing Department staff will then liaise with the service providers to confirm the order, or create accounts on online advertising platforms to place and manage advertisements. We assess service providers based on their service scope, track record, historical performance, and prices. For details, please refer to the section headed "Business – Marketing and Promotion".

BUSINESS

(3) *External health advisor services*

We engage external health advisors. For further details, please refer to the sections headed “Business – Customers – Prepaid Packages”.

The key terms of the external health advisor contract are as follows:

Key term	Summary
Scope of services	Enhancing individual and corporate performance, providing quality services to customers
Duration	Remain in force until terminated by either party.
Termination	Either party may terminate the agreement by written notice or payment in lieu of notice. The Company may terminate the agreement in the event of a significant breach by the health advisor
Remuneration	Monthly fee plus commission based on sales amount. We may adjust the percentage of commission

There were no material breaches of the agreements during the Track Record Period and up to the Latest Practicable Date.

We select external health advisors in accordance with our internal evaluation and approval procedures. Some external health advisors were former therapists, while others were engaged through referrals from our staff. The selection process consists of an interview and final review and approval by our executive Directors. In selecting external health advisors, we consider factors including their prior sales experience, sales ability and professional ethics.

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The following table sets forth the basic information of our top five service providers and suppliers during the Track Record Period:

FY2024

Service provider	Principal business	Principal business location	Service	Year of commencing business relationship	Credit term	Payment method	Payment amount (HK\$'000)	Percentage*
A	Web search and online advertising	Singapore	Advertisement	2020	Monthly	Credit card	20,880	38.9%
B	Online advertising and social media platform	Ireland	Advertisement	2020	Instant direct debit	Credit card	6,997	13.0%
C	Health advisor	Hong Kong	Health advisor	2022	Monthly	Cheque	6,155	11.5%
D	Health advisor	Hong Kong	Health advisor	2022	Monthly	Cheque	5,049	9.4%
E	Health advisor	Hong Kong	Health advisor	2023	Monthly	Cheque	3,572	6.7%

* *Percentage of advertising and marketing expenses and manpower service expenses*

FY2025

Service provider	Principal business	Principal business location	Service	Year of commencing business relationship	Credit term	Payment method	Payment amount (HK\$'000)	Percentage*
B	Online advertising and social media platform	Ireland	Advertisement	2020	Instant direct debit	Credit card	14,369	24.2%
A	Web search and online advertising	Singapore	Advertisement	2020	Monthly	Credit card	13,583	22.9%
C	Health advisor	Hong Kong	Health advisor	2022	Monthly	Cheque	7,379	12.4%
D	Health advisor	Hong Kong	Health advisor	2022	Monthly	Cheque	5,574	9.4%
F	Health advisor	Hong Kong	Health advisor	2022	Monthly	Cheque	3,152	5.3%

* *Percentage of advertising and marketing expenses and manpower service expenses*

BUSINESS

FY2026

Service provider	Principal business	Principal business location	Service	Year of commencing business relationship	Credit term	Payment method	Payment amount (HK\$'000)	Percentage*
B	Online advertising and social media platform	Ireland	Advertisement	2020	Instant direct debit	Credit card	27,861	33.8%
A	Web search and online advertising	Singapore	Advertisement	2020	Monthly	Cheque	14,622	17.7%
C	Health advisor	Hong Kong	Health advisor	2022	Monthly	Cheque	9,730	11.8%
D	Health advisor	Hong Kong	Health advisor	2022	Monthly	Cheque	7,062	8.6%
G	Health advisor	Hong Kong	Health advisor	2025	Monthly	Cheque	3,242	3.9%

* Percentage of advertising and marketing expenses and manpower service expenses

To the best knowledge and belief of our Directors, all of our top five largest service providers and suppliers during the Track Record Period were Independent Third Parties and none of our Directors, their respective close associates, or any Shareholder who owns more than 5% of our issued share capital had any interest in any of our top five largest service providers and suppliers during the Track Record Period.

Inventory Management

Our inventory mainly comprises of our consumables, topical use products and dietary supplement products. Upon delivery, we inspect the item name, quantity, specifications, batch number, expiry date and packaging condition before accepting and recording the inventories in our inventory ledger. We monitor the level of our stock and conduct stock-takes regularly to minimise storage time while ensuring sufficient inventory is maintained to support our operations and customer demand. Replenishment decisions are made with reference to business needs, historical sales or consumption, existing inventory levels and expiry dates. We also record and monitor the expiry dates of our products closely as part of our inventory management procedures.

MARKETING AND PROMOTION

We provide pain management and function enhancement treatments directly to customers at our service centres, and sell topical use products and dietary supplement products directly to customers at our service centres and through our own online store.

We place significant emphasis on marketing and promotion to maintain brand visibility, driving customer acquisition, retaining existing customers and increasing customer spending. Marketing and promotional activities are overseen by the Group's marketing department under the direction of senior management and are adjusted from time to time in response to market conditions and business needs.

BUSINESS

(1) Offline Marketing

The Group conducts offline marketing primarily to maintain and enhance brand awareness and market recognition in Hong Kong. Offline marketing initiatives include advertising at/on tunnel billboards, public transport stations, taxis, as well as other outdoor media placements. The Group may from time to time enter into booking arrangements with outdoor media service providers to display advertisements at specified locations and periods. The Group also participates in promotional and charitable events.

(2) Online Marketing

We utilise online and social media platforms to promote our services and enhance our brand presence. Our online marketing initiatives include (i) advertisements on major online search engines, television programmes, online press and social media platforms, and (ii) maintaining and operating our official social media accounts for ongoing brand communication and customer interaction through regular content postings. The content disseminated through these channels primarily focuses on (a) customer recognition and testimonials, (b) spokesperson-led promotional materials, and (c) communications relating to the Group's treatments and service features, as well as other brand-building and service-related updates.

(3) Spokespersons

We also engage spokespersons directly or through their agencies to participate in our advertising and promotional activities. Based on our spokesperson arrangements, the scope of services typically includes (i) production of advertising materials (including television commercial, promotional/treatment video and photos) and (ii) the publication of social media posts on the spokesperson's official social media accounts. Under our spokesperson arrangements, we have the right to produce, release and distribute advertising materials featuring the spokesperson in Hong Kong across specified media channels, which may include television, online platforms (including our official websites and social media accounts), and offline print and outdoor media.

(4) Promotion and Discount

We offer free trials to new customers. We also offer one-off discounts on treatment to new customers if they purchase treatment packages after free trial. We may also offer free treatment sessions to customers who purchase treatment sessions in bulk.

BUSINESS

QUALITY CONTROL, SAFETY AND COMPLAINT MANAGEMENT

We have established a comprehensive quality control system covering, among other things, (i) staff training and assessment to maintain service quality and safety standards, and (ii) certification and quality assurance system for our treatment devices, topical use products and dietary supplement products.

(1) Staff Training

We believe that well-trained frontline staff are one of our strongest assets. In order to ensure the service quality and competence of our frontline staff, we have implemented mandatory training programmes that cover all aspects of our workflow with the aim of ensuring our frontline staff is equipped with the necessary skills and knowledge to serve our customers. Our staff will also undergo regular assessments to ensure they retain their skills and knowledge covered in their training. We also employ standardised workflow protocol for our trained therapists. For details on our staff training, please refer to the sections headed “Business – Employees – Training” and “Business – Employees – Ongoing Oversight and Quality Assurance”. Our staff also receive training on customer safety procedures, including health screening, and treatment suitability assessment. For details, please refer to the section headed “Business – Health and Work Safety – Customer Safety.”

Our staff are also required to respond to customers’ feedback in a timely manner to identify potential issues and review the quality and safety of our treatments and products. For details, please refer to the section headed “Business – Quality Control, Safety and Complaint Management – Customer Feedback and Complaint Handling.”

(2) Product and Device Safety

We place great emphasis on the quality and safety of our treatment devices and products. As part of our quality control, we procure treatment devices that bear recognised certification marks and/or are manufactured under recognised quality management standards. The certifications associated with our treatment devices include CE marking, ISO 13485, Korea Certification (KC), Korean Food and Drug Administration (KFDA) certification and GMP, and certain devices have also been tested or verified by independent organisations such as SGS and Intertek. Our topical use and dietary supplement products have also been tested and/or certified by independent testing organisations, including SGS and STC, for specified parameters such as heavy metals, toxic elements, microbiological content and the presence of certain prohibited substances.

Customer Feedback and Complaint Handling

We regard customer feedback as an important tool for continuously improving our services, enhancing the customer experience and maintaining high service standards. We take customer feedback seriously and handle comments, suggestions and complaints in a timely, fair and professional manner.

BUSINESS

Customer feedback

Upon completion of a treatment session, we will invite customers (including new and repeat customers) to complete an on-site satisfaction questionnaire to track customer satisfaction and obtain feedback on their overall experience. Where a customer provides comments or raises concerns in the questionnaire, our frontline staff and Operations Department will follow up, with the aim of addressing the customer's concerns in a timely manner by listening to and recording the customer's specific concerns and requests. We also receive feedback and complaints through instant messaging channels and telephone.

Satisfied customers may provide handwritten thank-you letters and other positive feedback. We may also invite satisfied customers to provide video testimonials regarding their experience. We review such feedback and testimonials to identify the aspects of our services that customers value the most, which assists us in maintaining our service strengths and identifying areas for continuous improvement.

Complaint handling procedure

We have adopted internal procedures for handling complaints:

- **First stage:** The health advisor, customer service staff or Operations Department will contact the customer as soon as practicable to listen proactively, clarify the issues raised and identify the reasons behind. Our staff will, where appropriate, offer an apology, provide further explanations and arrange subsequent treatments proactively. If the customer's dissatisfaction cannot be effectively addressed at this stage, the matter will be escalated to the second stage.
- **Second stage:** A supervisor will contact the customer and, having regard to the customer's core concerns, coordinate with relevant departments and propose specific resolution options including a change in therapists or service centres.
- **Third stage:** Where a complaint is resolved, the Operations Department and customer service staff will conduct an internal review of the case, investigate any deficiencies in the relevant service processes, and implement process enhancements and staff training where appropriate. The Operations Department is required to summarise the case and report internally as part of continuous improvement.

During FY2024, FY2025 and FY2026, we received nine, one and five unfavourable feedbacks. Common reasons for our unfavourable feedbacks are difference between customers' expectations and the actual timeframe or results delivered. All unfavourable feedbacks during the Track Record Period have been settled or resolved.

BUSINESS

INFORMATION TECHNOLOGY

Our Group has a comprehensive information technology system to support our overall business operations so as to deliver service across our therapeutic treatments and retail channels.

Our business operations, including maintaining customer records, billing and recording daily revenue, are highly dependent on the continuous operation of our information technology systems. As at 31 July 2026, our IT Department comprised 11 full-time employees.

POS and Booking Systems

Our information technology infrastructure is anchored by a Point-of-Sale (POS) and booking systems. Our POS and booking systems connect the terminals at each Service Centre to our centralised customer databases, enabling us to record, consolidate and track transactional and operational data relating to treatment packages.

Customer Records

The POS system maintains a comprehensive and secure customer records. Each customer has a unified digital profile that consolidates personal information, treatment history and payment records. Our POS system tracks all customer package details, including descriptions, validity periods, number of unused treatment sessions and payment history. Each time a customer attends a treatment session, we will record in the POS system the name of the attending trained therapist, the number of treatment sessions used, and the date and time of providing the service.

This empowers our Group to analyse customer purchasing behaviour, treatment outcomes, market trends, and operational efficiency. Our senior management can therefore formulate and adjust our business strategies promptly and make data-driven decisions on targeted marketing campaigns.

Operational Capabilities

The booking system records the availability of each trained therapist, recording their daily schedule in blocks of time where they are required to perform a treatment. The booking system will record the trained therapist to carry out the treatment on the day, the room that was booked for the treatment, the health advisor in charge of the relevant customer, the check-in and check-out times and the customer's review of the treatment performed. There is also a record showing the number of customers who have not showed up for treatment on the day, allowing us to remind the relevant customer of their booking when necessary.

BUSINESS

Billing and Payment Processing

The POS system also features a billing and payment processing module. It automatically calculates charges based on the specific treatment services rendered. The system then records the treatment price, applies applicable package discounts, and finally generates an invoice. The system tracks usage of each treatment package, deducts treatment sessions upon service completion which enables our staff to monitor package utilisation and facilitate timely renewal discussions prior to exhaustion. Multiple payment methods are supported, including cash, credit cards, and digital payment platforms, with all transactions securely processed. Receipts and invoices are automatically generated immediately after each transaction.

System Maintenance

In order to ensure that it can continue to meet our operational demands, we regularly maintain, upgrade and enhance our IT capabilities. We follow a structured, risk-based approach covering routine maintenance, scheduled upgrades, and strategic enhancements for our workstations and centralised servers.

To mitigate risks such as power disruptions and network failures, our primary servers are hosted in dedicated data centers with backup generators to ensure continuous uptime. To mitigate risks of cyber threats, we have implemented centralised network firewalls to neutralise malicious activity. This approach ensures the continuity of our customer services, guards against operational interruptions, and maintains the records of our customers properly. Through the ongoing improvement of our information technology system, we ensure a highly secure and resilient digital environment that safeguards our business operations.

DATA SECURITY

In the ordinary course of our business, we collect and handle personal and health-related information of our customers in connection with the provision of our pain management and function enhancement services.

We manage the entire lifecycle of customer data through systematic controls designed to adhere to the core data protection principles under the PDPO and have adopted a personal data and privacy information management policy accordingly:

- **Collection and Consent:** Customers' personal and health data are collected directly from them during in-person consultations. We provide customers with a personal information collection statement prior to collection, explicitly stating the purposes of data collection and obtaining their express consent. We do not collect personal data beyond what is strictly necessary for prescribing and performing treatments.

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- **Data use and accuracy:** Customers' health records and treatment records may only be used for the purposes notified at the time of collection. Where such data is used for new purposes, such as marketing or analytical purposes, consent from the customer shall be obtained beforehand. We shall ensure the accuracy of key data of our customers such as contact details, service records, payment status and complaint handling results. Where such data is updated, our relevant registers and systems shall be updated in a timely manner.
- **Retention and destruction:** All customers' records are stored in a secure and centralised server equipped with firewall protection. We will establish data retention periods based on operational, legal requirements, ensuring personal data is not kept longer than necessary for its original purpose. Once retention timelines expire without a valid business or legal need, the data will be deleted, anonymised, or securely destroyed.

During the Track Record Period and up to the Latest Practicable Date:

1. the Group had not experienced any material data leaks, security breaches, or unauthorised cyber-attacks resulting in the compromise of our customers' personal or health-related data;
2. the Group had not been subject to any material regulatory investigations, penalties, or enforcement notices issued by the Privacy Commissioner for Personal Data (PCPD) in Hong Kong; and
3. the Group had not received any material complaints from customers regarding the collection, misuse, or leakage of personal data.

COMPETITION

Market Positioning and Major Competitors

According to the Ipsos report, our Group operates in the pain management solution services providers industry in Hong Kong where market participants provide treatment services for individuals suffering from pain conditions. We face competition from a wide range of competitors consisting of public and private healthcare centres, small, independent boutique clinics and local bone-setting shops.

Within this industry, our Group belongs to a specialised sub-group of integrated non-invasive pain management solution service providers, which provides pain management services through entirely drug-free, non-surgical and conservative care. We face intense competition against the market players within this sub-group which consists of pure-play service providers and multi-service providers that cater to pain management, wellness, beauty and medical aesthetics.

For details, please refer to the section headed "Industry Overview" in this document.

BUSINESS

Entry Barriers of the Non-Invasive Pain Management Solution Service Providers Industry

According to the Ipsos Report, new market entrants attempting to penetrate the non-invasive pain management solution service providers industry in Hong Kong face significant entry barriers, including (i) capital, technology and operational requirements, (ii) brand positioning, reputation and patient engagement and (iii) professional qualification requirements. For details, please refer to the section headed "Industry Overview" in this document.

Our Directors believe we have successfully differentiated ourselves from competitors through our competitive strengths set out in the section headed "Business – Our Strengths" in the document.

EMPLOYEES

As at 31 July 2026, we had 255 full-time employees in total. All of our employees are based in Hong Kong. During the Track Record Period, we did not have any labour union. The following table sets forth the number of our employees categorised by function as at the Latest Practicable Date:

Function	Number of Employees
Management	3
Administration	67
Operation Support and Management	8
Customer Service	55
Chinese Medicine Practitioner	8
Nutritionist	1
Advanced Functional Enhancement Advisor	4
Health Advisor ^(Note)	7
Trained Therapist	102
Total	255

Note: The figure does not include external health advisors.

Recruitment

We have established structured workflows for recruitment. We primarily recruit through online channels by posting vacancies on job platforms. Applicants submit their resumes and job applications through these platforms, and our Human Resources Department conducts an initial screening based on relevant experience, job knowledge and qualifications.

Shortlisted candidates are invited for interviews. Final hiring decisions are made based on interview performance and are subject to approval by our executive Directors. This systematic recruitment process enables us to attract and select suitable talent efficiently, thereby supporting our operational needs and service quality.

BUSINESS

Training

We place strong emphasis on staff training and development to maintain high service quality, operational efficiency, and regulatory compliance. To this end, we have employed trainers who specialise in developing and delivering dedicated training programs for our service centre staff.

Therapist Training

Newly joined therapists undergo a mandatory initial training program lasting approximately three to four weeks, covering both theoretical and practical instruction on treatment devices. They must pass assessments for our treatment devices before being assigned to work under supervision. Beyond initial onboarding, therapists receive ongoing training, including instruction on operation and safety precautions for new equipment, as well as specialised sharing sessions led by our Advanced Functional Enhancement Advisor.

Health Advisor Training

Newly joined health advisors complete a five-day initial training program. Although health advisors do not administer treatments, their training curriculum covers treatment theory and practice so they can recommend suitable treatments to customers. The program also equips them with background knowledge regarding industry information.

Ongoing Oversight and Quality Assurance

To maintain a consistent customer experience, we enforce a standardised workflow for trained therapists (covering customer reception and appearance standards) and conduct regular training. We review our service processes and monitor the effectiveness of training through regular departmental meetings with our trainers. During these meetings, the trainers report on the training progress of our therapists and health advisors, provide individual evaluations, and recommend targeted training or retraining where necessary. We believe our robust training system is instrumental in upholding service quality, enhancing employee competency, and supporting sustainable business growth.

Labour Disputes

During the Track Record Period and up to the Latest Practicable Date, we had no material labour disputes.

INSURANCE

We maintain insurance coverage for (i) material damage to the contents and stocks in our shops, (ii) business interruption, (iii) money, (iv) public liability, and (v) statutory employees' compensation for our full time and part time employees as well as (vi) institutional professional indemnity insurance.

We review our insurance policies from time to time for adequacy in the breadth of coverage. Our Directors consider that our insurance coverage is in line with the normal coverage in the industry and is adequate for our operations.

BUSINESS

HEALTH AND WORK SAFETY

Our health and safety management system is overseen by our Operations and Human Resources teams.

Customer Safety

Before receiving any treatment or purchasing any treatment packages, customers are required to complete a health declaration form. This enables us to assess whether the proposed treatment is suitable for their individual conditions. For further details, please refer to section “Business – Customers – Prepaid Packages.”

Our trained therapists perform safety checks on treatment devices before treatment, ensuring that the equipment is in good working condition, energy settings are reset to default levels, and the emergency stop button is functional. We also conduct regular inspections and maintenance of our devices.

Premises and Staff Safety

We have established work protocols to maintain a safe environment at our service centres. These include regular checks for slip hazards, clear fire exits and emergency procedures, and periodic inspections of first-aid kits. To protect our staff, we provide guidelines on the safe handling of heavy objects, as well as specific procedures for outdoor duties and severe weather conditions. In addition, we have developed department-specific health and safety protocols tailored to the particular risks of each functional team. Through these measures, we aim to minimise workplace hazards and ensure the well-being of both our customers and employees.

We will continue to review and enhance our health and safety policies and training programmes as our business expands, to ensure compliance with evolving regulatory requirements and industry best practices.

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PROPERTIES

We operate our service centres on leased premises located in convenient commercial and residential districts in Hong Kong. We do not own any of the properties used in our operations.

The following table sets out the details of the leases as at the Latest Practicable Date:

Purpose	Property location	Approximate floor area (sq. ft.)	Lease term	Monthly rent
Causeway Bay Service Centre I	36/F, Soundwill Plaza, 38 Russell Street, Causeway Bay, Hong Kong	7,156	September 1, 2023 – August 31, 2026	HK\$307,708
Causeway Bay Service Centre II	42/F, Tower 1, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong	17,130	February 17, 2025 – February 16, 2028	HK\$729,738
Sha Tin Service Centre	22/F, Grand Central Plaza, 138 Sha Tin Rural Committee Road, Sha Tin, Hong Kong	17,938	July 4, 2022 – July 3, 2028; lease renewed on July 3, 2025, for a further term of 3 years, from July 3, 2025 to July 3, 2028	HK\$376,698 from July 4, 2025 until July 3, 2026; HK\$394,636 until July 3, 2027; and HK\$412,574 until July 3, 2028
Tsim Sha Tsui Service Centre I	Unit 711, Mira Place Tower A, 132 Nathan Road, Tsim Sha Tsui, Hong Kong	2,542	January 16, 2024 – January 15, 2027 ⁽¹⁾	HK\$101,680
	Unit 712, Mira Place Tower A, 132 Nathan Road, Tsim Sha Tsui, Hong Kong	2,505	January 16, 2024 – January 15, 2027 ⁽¹⁾	HK\$100,200
	Unit 1907, Mira Place Tower A, 132 Nathan Road, Tsim Sha Tsui, Hong Kong	2,567	January 16, 2024 – January 15, 2027 ⁽²⁾	HK\$102,680
Tsim Sha Tsui Service Centre II	12/F, World Commerce Centre, Harbour City, 11 Canton Road, Tsim Sha Tsui, Hong Kong	18,579	October 27, 2025 – October 26, 2028	HK\$650,265
Executive and Administrative Office	Suites 2301-05, 23/F, Tower 5, The Gateway, Harbour City, 15 Canton Road, Tsim Sha Tsui, Hong Kong	11,075	February 15, 2026 – February 14, 2029	HK\$498,375

Notes:

- (1) The service centres located at Unit 711, Mira Place Tower A, 132 Nathan Road, Tsim Sha Tsui, Hong Kong and Unit 712, Mira Place Tower A, 132 Nathan Road, Tsim Sha Tsui, Hong Kong, will be terminated on 15 September 2026 by mutual agreement between our Group and the landlord.
- (2) The service centre located at Unit 1907, Mira Place Tower A, 132 Nathan Road, Tsim Sha Tsui, Hong Kong, has been early terminated on 30 July 2026 by mutual agreement between our Group and the landlord.

BUSINESS

RISK MANAGEMENT AND INTERNAL CONTROL

Our Directors and senior management are responsible for establishing, maintaining and reviewing the effectiveness of our internal control and risk management systems. These systems are designed to ensure our ongoing compliance with applicable laws, regulations and rules relevant to our business operations and corporate governance, and to prevent the recurrence of any non-compliance incidents. We have adopted the following internal control measures:

- We have established the Audit Committee on [•] with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and approve our Group's financial reporting process and internal control and risk management system.
- we have appointed VBG Capital Limited as our compliance advisor, which will provide advice and guidance to us with respect to compliance with the applicable laws and the Listing Rules, including but not limited to various requirements relating to Directors' duties and internal controls.

In preparation for the [REDACTED], we engaged an independent internal control consultant in 2026 to review our internal control system and provide recommendations for improving our internal control system. The independent internal control consultant has conducted a review on the key systems and internal control procedures of our Group in several major areas, including:

- Entity level controls;
- Financial reporting and disclosure;
- Revenue and receipts;
- Procurement, accounts payable and payment;
- Inventory management, including logistics;
- Fixed assets;
- Cash and treasury management; and
- Trademarks and intellectual property.

The independent internal control consultant provided a number of findings and recommendations, in response to which we have taken remedial actions and have adopted comprehensive policies which set out work processes, standards, clear segregation and delegation of duties, risk management frameworks and principles. The major recommendations that we have adopted include, among others:

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Entity Level Control Policies: policies covering key areas at an entity level, including, conflict of interest, board diversity, directors' training and development, risk assessment and management, corporate governance, personal data and privacy information management policy.

Process Level Control Policies: policies covering key processes relevant to the operations of our business, including financial assets management, insurance management, cash and treasury management, revenue and receipts management, inventory management, intellectual property management and tax management.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

We are committed to fostering sustainable practices, promoting social responsibility and maintaining high standards of corporate governance. We have established an ESG governance framework in accordance with the requirements of Appendix C2 to the Listing Rules, through which ESG considerations are incorporated into its business strategy and operations. Under this framework, we seek to identify, assess and manage ESG-related risks and opportunities, including climate-related risks, and to support our long-term sustainable development.

For details of our corporate governance structure, Board composition, Board diversity policy, Directors' duties and corporate governance practices, please refer to the section headed "Directors and Senior Management".

The disclosures below focus on our governance of environmental, social and governance matters.

Governance Structure

The Board assumes overall responsibility for the formulation and oversight of our ESG strategy, policies, risk management and disclosures. The Board oversees ESG-related risks and opportunities, reviews the alignment of ESG strategy with our business objectives, and monitors our ESG performance and the effectiveness of relevant measures on a regular basis.

To assist the Board in discharging its responsibilities, we have established an ESG working group comprising representatives from relevant functions. The ESG working group is responsible for implementing ESG strategies and policies approved by the Board, identifying and assessing ESG-related risks and opportunities relevant to our operations, monitoring ESG performance indicators and coordinating the preparation of ESG disclosures.

The ESG working group reports to the Board at least annually, and more frequently if any material ESG issues arise, on our ESG performance, progress against ESG-related targets, ESG-related risks and opportunities, and the effectiveness of our ESG management and related measures. Through such reporting and ongoing communication with relevant stakeholders, we seek to enhance our understanding of ESG matters and continuously improve our ESG governance practices.

BUSINESS

ESG Policies

We have established ESG-related policies to guide our management of environmental impacts, employee welfare, operational practices and business conduct. Our ESG-related policies cover, among others, environmental management, climate-related matters, employment and labour practices, occupational health and safety, employee development and training, supply chain management, customer welfare and data protection, product and service responsibility, and ethical business conduct. These policies form an integral part of our ESG framework and set out the principles, responsibilities and expectations for managing ESG matters across its operations.

In particular, the ESG-related policies provide guidance on, among others, (i) the management of environmental impacts and resource usage, including energy consumption, emissions and waste management, (ii) employee-related matters such as employment practices, workplace health and safety, and equal opportunity, (iii) operational practices relating to product and service quality, customer welfare and data protection, and (iv) standards of business conduct, including ethical behaviour and compliance with applicable laws and regulations.

Through the implementation of these policies, we seek to promote responsible business practices, enhance risk awareness and support the consistent management of ESG-related matters across its business operations. The ESG-related policies also provide a basis for identifying and addressing ESG-related risks and opportunities, including climate-related considerations.

We review and update our ESG-related policies from time to time, considering applicable regulatory requirements, business developments and evolving stakeholder expectations.

Process to Identify, Assess and Manage ESG-related Risks

We recognise that effective management of ESG-related risks and opportunities is integral to our sustainable development. ESG and climate-related considerations are incorporated into our overall risk management framework, through which relevant risks and opportunities are identified, assessed and monitored on an ongoing basis.

Given the nature of our operations, the principal ESG-related risks faced by us primarily include, among others:

- i. employee-related risks, including talent attraction and retention, workplace health and safety and employee engagement, which may affect service quality and operational stability; and
- ii. risks relating to service quality, customer welfare and data protection, which may adversely affect customer trust, reputation and business performance.

The ESG working group, under the oversight of the Board, is responsible for identifying and evaluating such ESG-related risks and opportunities with reference to our operations, stakeholder expectations and relevant industry practices. ESG-related factors are considered in our business, operational and, where appropriate, financial decision-making processes.

BUSINESS

To support the management of ESG-related risks, we monitor relevant ESG performance indicators and progress against our sustainability objectives. Such indicators include, among others, those relating to greenhouse gas emissions, energy consumption, water usage, employee-related metrics and service quality and compliance measures. These indicators enable us to track our ESG performance, identify potential areas of risk and implement appropriate measures as necessary.

We will continue to enhance our ESG risk identification, assessment and management processes over time, considering business development, regulatory developments and evolving stakeholder expectations.

Environment

(1) Environmental management

Our operations are primarily conducted at our service centres and office in Hong Kong. Given the service-oriented nature of its business, our principal environmental impacts primarily arise from energy consumption, greenhouse gas emissions, water consumption and waste generation associated with its daily operations. We seek to manage these environmental aspects in accordance with applicable laws and regulations and have incorporated environmental considerations into our operational practices and ESG management framework.

We are committed to promoting environmental stewardship and responsible use of resources. In implementing its environmental management approach, we seek to enhance resource efficiency, minimise unnecessary consumption and monitor environmental performance indicators relevant to its operations. We also review our environmental practices from time to time with a view to identifying opportunities for continuous improvement.

(2) Environmental targets

To support our environmental management efforts, we have established environmental objectives relating to greenhouse gas emissions, energy consumption and resource utilisation. We target to reduce Scope 1 and Scope 2 greenhouse gas emission intensity and energy consumption intensity by 5% by the year ending 31 March 2030 using FY2025 as the baseline year. We may review and update such targets from time to time having regard to our operational development, data availability and evolving regulatory and stakeholder expectations.

(3) Energy and water management

In terms of energy management, purchased electricity consumed at our service centres and office represents its principal source of energy consumption. As we do not operate energy-intensive manufacturing facilities, our energy consumption mainly arises from daily business operations.

BUSINESS

We seek to improve energy efficiency through various measures, including the use of energy-efficient lighting and equipment where practicable, optimisation of lighting and air-conditioning usage, regular maintenance of equipment and the promotion of energy-saving awareness among employees. Employees are encouraged to switch off idle equipment and lighting when not in use and to adopt energy conservation practices in their daily work. We also monitor our energy consumption and identify opportunities to enhance energy efficiency over time.

The following table details our energy consumption over the Track Record Period:

Energy Consumption	Unit	FY2024	FY2025	FY2026
Direct energy consumption ¹	MWh	5.17	19.28	25.08
Indirect energy consumption ²	MWh	195.29	226.73	296.29
Total energy consumption	MWh	200.46	246.01	321.37
Energy consumption intensity	MWh/million HKD revenue	0.63	0.79	0.87

Notes:

1. The increase in direct energy consumption was mainly due to increased business travel and corporate motor vehicle usage arising from the expansion of our operations during the Track Record Period.
2. The increase in indirect energy consumption was driven by the expansion of our operations, including the relocation and fitting-out of service centres and the operation of larger premises, resulting in increased electricity demand across our facilities.

We are also committed to promoting water conservation across its operations. Given the nature of our business, water consumption mainly arises from the daily operation of its service centres and office and is not considered material to our operations. We do not engage in any manufacturing or production activities that require significant water consumption.

To improve water efficiency, we have implemented water conservation measures, including promoting employee awareness through water-saving reminders, encouraging the responsible use of water resources and promptly addressing any identified leakage or maintenance issues. During the Track Record Period and up to the Latest Practicable Date, we did not encounter any material issues in sourcing water for its operations.

Our service centres and head office are located in leased premises where water consumption is generally not separately metered to individual tenants and the related charges are typically incorporated into rental or management fees. Accordingly, we do not have access to water consumption data that accurately reflects our own usage during the Track Record Period.

BUSINESS

(4) Greenhouse gas emissions

Our greenhouse gas emissions are mainly attributable to Scope 2 energy indirect emissions arising from purchased electricity consumed at our service centres and office, and Scope 3 other indirect emissions generated from activities across its value chain. Scope 1 direct emissions account for a relatively small portion of our total greenhouse gas emissions and mainly relate to fuel consumption from company vehicles. Given the nature of our business and the small scale of our vehicle fleet, emissions of nitrogen oxides, sulphur oxides and particulate matter during the Track Record Period were not material.

In view of our operational profile, purchased electricity remains the principal contributor to its greenhouse gas emissions. To reduce its carbon footprint, we seek to improve energy efficiency through energy conservation measures, including optimising electricity usage, promoting responsible use of office equipment and increasing employee awareness regarding environmental protection.

The following table sets forth our greenhouse gas emissions data during the Track Record Period:

Greenhouse Gas Emissions	Unit	FY2024	FY2025	FY2026
Scope 1 greenhouse gas emissions ¹	tCO ₂ e	1.44	5.36	6.97
Scope 2 greenhouse gas emissions ²	tCO ₂ e	85.23	94.38	120.91
Scope 3 greenhouse gas emissions ³	tCO ₂ e	92.32	113.67	128.83
Total greenhouse gas emissions	tCO ₂ e	178.99	213.41	256.71
Total greenhouse gas emissions intensity	tCO ₂ e/million HKD revenue	0.56	0.68	0.70

Notes:

1. Scope 1 greenhouse gas emissions are primarily generated from direct energy consumption, including fuel consumption by company vehicles where applicable. The increase was mainly due to increased business travel and corporate vehicle usage associated with our business expansion.
2. Scope 2 greenhouse gas emissions are generated from purchased electricity consumed at service centres and office. The increase was mainly due to the expansion, relocation and fitting-out of service centres, which increased electricity consumption.
3. Scope 3 emissions, where applicable, primarily arise from employee commuting, business travel, energy-related activities not included in Scope 1 or Scope 2 emissions, and paper consumption and disposal activities. The increase was mainly attributable to the growth in employee headcount, which resulted in higher estimated emissions from employee commuting, together with other indirect activities associated with our business expansion. We may further enhance its Scope 3 emissions identification, measurement and disclosure practices over time as our data collection and reporting processes continue to develop.

(5) Waste and packaging materials management

We recognise the importance of responsible waste management and seeks to minimise unnecessary waste generation during its operations. Given the service-oriented nature of its business, waste generated by us is predominantly non-hazardous and mainly comprises general office waste and packaging materials used in daily operations and service delivery processes.

BUSINESS

We operate primarily from leased service centres and office. General waste generated at these premises is collected and handled by the respective property management companies as part of the building management arrangements. As a result, we do not maintain complete records of the total volume of waste collected and disposed of from our premises.

To promote responsible resource utilisation, we seek to reduce unnecessary paper consumption through operational measures such as promoting electronic communication where practicable and encouraging prudent use of office materials. We also monitor certain consumables and packaging materials for which data is available to facilitate the assessment of resource usage trends over time.

Given the nature of our operations, the use of hazardous materials is limited. To the knowledge of the Directors, we did not generate any material hazardous waste during the Track Record Period.

The following table sets forth the information on our consumption of paper and packaging materials during the Track Record Period:

Packaging Materials Consumption	Unit	FY2024	FY2025	FY2026
Plastic-based packaging materials	tonnes	0.33	0.69	0.31
Paper-based packaging materials	tonnes	0.77	0.54	0.66
Other packaging materials	tonnes	0.40	0.81	–
Total	tonnes	1.50	2.04	0.97

(6) Climate-related risks and opportunities

Given the nature of its business, we do not generate any material emissions and wastes and pollutions. Nonetheless, we recognise that climate-related risks and opportunities may have implications to our operations, financial performance and long-term development. Such risks include transition risks arising from evolving regulatory requirements, increased expectations on environmental performance and potential changes in energy costs, as well as physical risks such as extreme weather events that may disrupt the operations of our service centres, affect customer traffic or otherwise adversely impact business continuity.

In response, we seek to incorporate climate-related considerations into our business strategy and operational decision-making. We monitor relevant regulatory developments and industry trends and evaluates potential impacts on our operations, with a view to enhancing our resilience and adaptability over time. We also recognise potential opportunities arising from improved resource efficiency, enhanced operational resilience and increasing stakeholder awareness of sustainability-related matters.

To support the management of climate-related risks and opportunities, we have established internal processes for the collection, monitoring and analysis of climate-related data, including energy consumption, greenhouse gas emissions and other environmental indicators. Such data enables us to assess our climate-related performance, identify trends and areas for improvement, and support informed decision-making.

BUSINESS

Employee Care

(1) Employment and labour standards

We regard our employees as an important resource supporting our long-term development and seek to maintain employment practices that are fair, lawful and aligned with our operational needs. We comply with applicable employment-related laws and regulations in Hong Kong and seeks to foster a workplace environment that promotes equal opportunity, diversity, inclusion and mutual respect. We have established policies and procedures covering recruitment, remuneration, training, performance management and employee welfare. For further details regarding our frontline staff, training arrangements and service delivery model, please refer to the section headed “Business – Employees”.

We are committed to maintaining lawful and ethical employment practices and prohibits the use of child labour, forced labour and other forms of unlawful employment. As part of our recruitment procedures, we verify the identity and eligibility of prospective employees to work in Hong Kong in accordance with applicable laws and regulations. We also seek to provide equal employment opportunities and do not tolerate discrimination or harassment on grounds such as gender, age, race, nationality, religion or other status protected by applicable laws.

We recognise the importance of employee development and provides training programmes designed to support employees’ professional competency and career development. Depending on their roles and responsibilities, employees may receive induction training, operational and service-related training, compliance-related training and ongoing professional development programmes. For further details regarding our staff training and development programmes, please refer to the section headed “Business – Employees”.

We also seek to foster a supportive and respectful workplace culture that promotes employee well-being and engagement. In addition, we maintain communication channels and internal procedures through which employees may raise concerns, provide feedback or report workplace-related matters.

The following table sets out the total number of our employees as at 31 March 2024, 31 March 2025 and 31 March 2026:

	As at 31 March		
	2024	2025	2026
Total Number of Employees	201	245	279

BUSINESS

(2) Occupational health and safety

We place importance on maintaining a safe and healthy working environment for our employees and have established internal policies and operational procedures to support workplace safety and reduce occupational risks. We provide workplace safety guidance to employees, promote awareness of safe working practices and seek to ensure that workplace incidents and hazards are reported and addressed in a timely manner. We also maintain insurance coverage for employees' compensation liability in accordance with applicable laws.

Given the nature of our operations, occupational health and safety considerations primarily relate to the safe delivery of services, the use of treatment equipment and the maintenance of a safe working environment at its service centres and office. The number and rate of work-related fatalities remained at zero during the Track Record Period. For further details on our occupational health and safety measures and practices, please refer to the section headed "Business – Health and Work Safety".

Product and Service Responsibility

(1) Product quality and safety

We place significant emphasis on the quality, consistency and safety of its services and products. Given the nature of its business, maintaining service quality and customer safety is important to our reputation, customer experience and long-term development.

To support service quality and safety, we have established internal policies and procedures relating to service quality management, the introduction of new treatments and the procurement of products and devices. We also seek to maintain standardised service procedures and quality control measures in the delivery of our services and products.

For further details regarding our quality control framework, service protocols and product and device evaluation procedures, please refer to the sections headed "Business – Quality Control, Safety and Complaint Management" and "Business – Suppliers, Procurement and Inventory Management".

(2) Customer welfare and selling practices

We attach importance to customer welfare, responsible selling practices and the accuracy of information provided to customers. We seek to provide transparent and accurate information regarding its services and products and to comply with applicable laws and regulations in Hong Kong relating to advertising, labelling and consumer protection.

We also seek to maintain procedures for handling customer enquiries and complaints and reviews customer feedback as part of our ongoing efforts to enhance service quality and customer experience. Through our customer communication and service processes, we seek to promote informed decision-making and maintain customer trust.

BUSINESS

For further details regarding customer experience, complaint handling and service delivery, please refer to the section headed “Business – Quality Control, Safety and Complaint Management”.

(3) *Data security and customer privacy*

We recognise the importance of protecting customer data and personal information during its operations. We are subject to data protection requirements in Hong Kong, in particular the Personal Data (Privacy) Ordinance, and have established internal controls and procedures governing the collection, holding, processing, use and protection of personal data.

We seek to safeguard customer information by restricting unauthorised access, maintaining appropriate data handling practices and supporting operational needs through system and process controls. Access to customer information is restricted on a need-to-know basis, and employees are expected to comply with our internal requirements relating to confidential information and personal data protection.

Compliance with applicable personal data protection requirements may entail ongoing effort and expense, including the need to maintain secure information handling processes and to enhance data security measures from time to time. Against this backdrop, we seek to maintain customer trust through responsible data management and ongoing review of its privacy-related controls.

For further details on customer data handling in service processes, please refer to the section headed “Business – Data Security”.

Supply Chain Management

We recognise the importance of maintaining a responsible and reliable supply chain in support of its operations. We have established policies and procedures for supplier and service provider selection, evaluation and procurement with a view to managing quality, operational and compliance risks.

When assessing service providers and suppliers, we may consider factors such as product quality, service standards, qualifications, track record, reliability and compliance with applicable requirements. We also seek to maintain ongoing communication with service providers and suppliers to support the stable supply of products and services required for our operations.

Given the nature of our business, products and devices supplied to us play an important role in supporting service delivery. Accordingly, we seek to procure products and services from suppliers that satisfy its operational and quality requirements.

For further details regarding supplier selection criteria, procurement procedures and quality control measures, please refer to the section headed “Business – Suppliers, Procurement and Inventory Management”.

BUSINESS

Business Ethics and Anti-corruption

We seek to maintain high standards of integrity and ethical conduct in our business activities. We adopt a zero-tolerance approach towards bribery, corruption, extortion, fraud and money laundering, and expects its directors, employees and business partners to comply with applicable laws and internal conduct requirements.

To support ethical business conduct, we have established policies and procedures relating to employee conduct, conflict of interest management and compliance awareness. We also maintain reporting channels through which employees and, where appropriate, third parties may raise concerns regarding suspected misconduct, bribery, corruption or other improper behaviour.

We seek to ensure that reported matters are handled appropriately and confidentially and that individuals raising concerns through established channels are protected from retaliation to the extent permitted by applicable laws and internal procedures. We also seek to promote awareness of ethical business conduct and compliance obligations among employees from time to time.

During the Track Record Period and as of the Latest Practicable Date, we were not aware of any material non-compliance, nor any Director or employee being involved in misconduct relating to bribery, corruption or money laundering.

Community Investment

As a healthcare service provider, we recognise the importance of contributing to the well-being of the communities in which it operates. Through volunteer activities and community engagement initiatives, we seek to support vulnerable groups and promote social welfare.

During the Track Record Period, we participated in various community investment activities, including support for elderly care services, children's welfare programmes, community health education, disaster relief initiatives and assistance to underprivileged families. We also encourage employees to participate in volunteer activities and community services as part of our commitment to corporate social responsibility.

We will continue to identify opportunities to contribute to the community through charitable engagements, volunteer services and other public welfare initiatives.

REGULATORY COMPLIANCE AND LICENSES

During the Track Record Period and up to the Latest Practicable Date, we believe we have obtained all requisite licenses and certificates that are material to our operations, which consist solely of our business registration certificates for our Operating Subsidiaries. Our latest business registration certificate for VG Zenith commenced on 18 October 2025 and expires on 17 October 2026. Our latest business registration certificate for Victor Zenith commenced on 19 March 2026 and expires on 18 March 2027.

BUSINESS

Our Directors confirm that our Group did not experience any material difficulties in obtaining and/or renewing our business registration certificates. Further, our Directors are not aware of any circumstances that would significantly hinder or delay the renewal of our business certificates upon their expiration. Therefore, our Directors do not foresee any major difficulties in compliance with such business registration requirements that would cause material impact on our Group's operations and business.

All of our staff have also obtained necessary qualifications required for their practice. For details, please refer to the section headed "Business – Our Professionals".

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material non-compliance incidents that had led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations. Given the internal control system which we have implemented to ensure our compliance with relevant laws and regulations in all material respects of our business, our Directors confirm that none of the non-compliance incidents are systemic in nature.

The advertisement of our treatments and sale of products are regulated under the UMAO. During the Track Record Period and up to the Latest Practicable Date, the Drug Office of the Department of Health issued warning letters to our Group on two separate occasions concerning potential non-compliance of certain advertisements with the UMAO:

- 12 December 2023: VG Zenith received a warning letter regarding website advertisements that potentially contravened the applicable advertising restrictions under the UMAO. In response, we removed or replaced the potentially non-compliant wordings. Our Directors confirm that no prosecution or follow-up enforcement action has been taken by the Department of Health against us, and as at the Latest Practicable Date, the warning letter issued on 12 December 2023 was already time-barred for prosecution.
- 21 May 2026: VG Zenith and Victor Zenith each received four warning letters relating to various online and offline advertisements that potentially contravened the applicable advertising restrictions under the UMAO. Upon consulting with the Drug Office of Department of Health to clarify the specific areas of concern, we removed or revised the relevant promotional language. Our Directors confirm that no prosecution or follow-up enforcement action has been taken by the Department of Health regarding the warning letters dated 21 May 2026 as at the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, no charge had been laid against and no penalty has been imposed on us in respect of the above suspected contraventions. Our Operations Department is responsible for reviewing and managing our marketing and advertising materials. To prevent the recurrence of similar non-compliance incidents, we have implemented the following internal control measures:

- (i) the adoption of compliance guidelines to provide specific guidance to staff members on advertisements to ensure compliance with relevant laws and regulations, including the UMAO;

BUSINESS

- (ii) our Operations Department review all marketing materials against internal guidelines to ensure compliance with the relevant requirements under the laws of Hong Kong before publication;
- (iii) we have distributed relevant training materials to our management and marketing teams where they were given an overview on the applicable laws and regulations of Hong Kong relating to advertising within the context of UMAO;
- (iv) we will arrange trainings to reinforce our management team's and marketing team's awareness on applicable Hong Kong laws and regulations, including the UMAO; and
- (v) we will consult relevant governing authorities and our external legal advisers for guidance in case of any uncertainties or queries regarding compliance matters related to advertising.

We endeavour to maintain an open and cooperative relationship with the Department of Health and will continue to address any feedback or warnings in a timely manner, with a view to ensuring ongoing compliance with applicable advertising regulations.

LEGAL PROCEEDINGS

From time to time we have been, and may in the future be occasionally, involved in legal proceedings or disputes in the ordinary course of business that are common for our industry, including minor employment disputes. During the Track Record Period and up to the Latest Practicable Date, none of our Company or any other members of our Group were involved in any claims or litigation or arbitration proceedings of material importance and no litigation, claim or arbitration proceeding of material importance is known to our Directors to be pending or threatened against any member of our Group, and our Directors are of the view that none of the litigation claims or disputes involving our Group is material to our Group.

INTELLECTUAL PROPERTIES

We operate our business under the brand name "ANKH", which we believe embodies our established reputation for quality services and products. As at the Latest Practicable Date, our Group had registered 11 trademarks and one domain name in Hong Kong which we believe are material to our business. We are also in the process of applying for 4 trademarks in Hong Kong which we believe are material to our business. For details of our material intellectual property rights, please refer to "Appendix IV – Statutory and General Information" of this document.

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, we were not aware of any material infringement (i) by us of any intellectual property rights owned by third parties; or (ii) by any third parties of any intellectual property rights owned by us, and there were no disputes or infringements in connection with our intellectual property rights pending or threatened against our Group which could have a material adverse effect on our operations or financial performance, and we had not been involved in any material proceedings, disputes or claims in relation to infringement of any intellectual property rights.

BUSINESS

AWARDS

We have received a number of awards and accreditations in recognition of our services and innovation. The following table sets forth the awards and accreditations we have been granted up to the date of this document:

Year	Award	Organised/Granted By
2021	The Most Trusted Health Brand Award among Healthcare Workers Award	Hong Kong Health Care Federation
2022	The Most Reliable Pain Treatment Group in Asia Pacific – Hong Kong Most Valuable Corporate Awards	MythFocus
2022	2022 Most Innovative Enterprise Award	Business Innovator
2022	01 Gold Medal Awards – Outstanding Pain Relief Health Centre	HK01
2023	01 Gold Medal Awards – Outstanding Pain Relief Health Group	HK01
2025	Outstanding Pain Relief Technology Award	Hong Kong Commercial Times
2026	International Pain Relief Group Excellence Award	EJ Health Awards of Excellence

CONTINUING CONNECTED TRANSACTION

OUR CONNECTED PERSON

Prior to the [REDACTED], our Group will enter into certain transaction with the following connected person, which will constitute our continuing connected transaction upon [REDACTED]:

Names of our connected person	Connected Relationship
Mr. Mo	Mr. Mo is the chairman of the Board and executive Director, and one of our Controlling Shareholders, and therefore a connected person of our Company
Ms. Cheung	Ms. Cheung is an executive Director and one of our Controlling Shareholders, and therefore a connected person of our Company
ACME HEALTHTECH	ACME HEALTHTECH is owned as to 70% and 30% by Mr. Mo and Ms. Cheung respectively. Therefore, ACME HEALTHTECH is an associate of Mr. Mo and Ms. Cheung, and hence a connected person of our Company

FULLY-EXEMPT CONTINUING CONNECTED TRANSACTION

Licensing Agreement

Background

On [•], VG Zenith, as licensee, entered into a licensing agreement (the “**Licensing Agreement**”) with Mr. Mo, Ms. Cheung and ACME HEALTHTECH, as licensors (collectively, the “**Licensors**”), pursuant to which (i) Mr. Mo and Ms. Cheung agreed to grant to VG Zenith a non-exclusive and worldwide license of the relevant registered patents, registered designs and patent and design applications as notified by Mr. Mo and Ms. Cheung to VG Zenith from time to time (the “**Licensed Patent and Design**”) in relation to the manufacture and use of certain treatment devices for pain management and function enhancement used by VG Zenith for its business and operations (the “**Licensed Products**”) on a royalty-free basis; and (ii) ACME HEALTHTECH agreed to grant to VG Zenith a non-exclusive and worldwide license of the relevant registered trademarks and trademark applications as notified by ACME HEALTHTECH to VG Zenith from time to time (the “**Licensed Trademark**”) in relation to the manufacture and use of the Licensed Products on a royalty-free basis. The term of the Licensing Agreement will be effective from the [REDACTED] and continue in force for a period of ten years from the [REDACTED], unless terminated in accordance with its terms.

CONTINUING CONNECTED TRANSACTION

Listing Rules implications

As the license of the Licensed Patent and Design and the Licensed Trademark (collectively, the “**Licensed IP**”) under the Licensing Agreement are granted to us on a royalty-free basis and on normal commercial terms or better, the transactions contemplated under the Licensing Agreement fall within the de minimis threshold under Rule 14A.76(1) of the Listing Rules, and the entering into of the Licensing Agreement will be fully exempt from the reporting, annual review, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1) of the Listing Rules.

As required by Rule 14A.52 of the Listing Rules, the period for the agreement for a continuing connected transaction must not exceed three years, except in cases where nature of the transaction requires the agreement to be of a duration longer than three years. VG Zenith has been using the Licensed IP for certain treatment devices in its ordinary course of business since FY2026. The Directors are of the view that the Licensing Agreement was entered into on normal commercial terms or better and a longer duration of the Licensing Agreement will avoid any unnecessary business interruption of VG Zenith as part of our Group and ensure the long-term stable business operations and development of VG Zenith, and it is normal business practice for the Licensing Agreement of similar type to be entered into for such duration. The Directors are of the view that the terms of the Licensing Agreement are fair and reasonable, and it is in the interests of our Company and the Shareholders as a whole to enter into the Licensing Agreement with a term longer than three years. The Sole Sponsor agrees with the Directors’ view and concurs that it is a normal business practice for similar Licensing Agreement to be of a term of longer than three years, and nothing has come to the attention of the Sole Sponsor that would cause them to doubt the Directors’ view.

Accordingly, we have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with Rule 14A.52 of the Listing Rules such that the term of the License Agreement can be of a fixed term which exceeds three years.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

OUR CONTROLLING SHAREHOLDERS

Immediately following completion of the [REDACTED] and the [REDACTED] (assuming the [REDACTED] is not exercised), AW Ocean will hold [REDACTED] of the issued Shares. AW Ocean is an investment holding company owned by Mr. Mo and Ms. Cheung as to 71% and 29%, respectively. As such, Mr. Mo, Ms. Cheung and AW Ocean are considered as our Controlling Shareholders and a group of controlling shareholders of the Company, and will continue to hold a controlling interest in our Company upon completion of the [REDACTED] and the [REDACTED]. Details of the background of Mr. Mo and Ms. Cheung are set out in the section headed "Directors and Senior Management" in this document.

During the Track Record Period, save as disclosed in this document, we did not have any business dealings with the other companies associated with or controlled by our Controlling Shareholders and there was no overlapping business between our Group and our Controlling Shareholders.

As at the Latest Practicable Date, save for their respective interests in the Excluded Company as disclosed below, our Controlling Shareholders confirmed that, apart from the business operated by us, they and their respective close associates and/or companies controlled by them do not hold or conduct any business which competes, or is likely to compete, either directly or indirectly, with our business, and would require disclosure pursuant to Rule 8.10 of the Listing Rules.

THE EXCLUDED BUSINESS

Excluded Company

As at the Latest Practicable Date, each of Mr. Mo and Ms. Cheung had a material interest in a company outside of our Group, being ACME HEALTHTECH COMPANY LIMITED (雅克邁痛症健康科技集團有限公司) (formerly known as ACME HEALTHTECH COMPANY LIMITED (奧科御醫健康科技有限公司) and ACME Healthtech Company Limited) ("ACME HEALTHTECH" or "Excluded Company"), details of which are set out below.

The Excluded Company is a company incorporated in Hong Kong on 16 October 2024 and is principally engaged in the sales of instrument and device. As at the Latest Practicable Date, the Excluded Company is in the establishment phase and has not generated any revenue. As at the Latest Practicable Date, each of Mr. Mo and Ms. Cheung is interested in the Excluded Company as to 70% and 30%, respectively.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Delineation of Business between our Group and the Excluded Company

Based on the following factors, our Directors are of the view that there will be a clear delineation between the business of the Excluded Company and the business of our Group, and accordingly, our Directors are of the view that there will not be any material direct or indirect competition between the Excluded Company and our Group after the [REDACTED]:

(a) Distinct business nature and service focus

Our Group's core business is the provision of non-surgical, non-invasive and non-pharmacological pain management and function enhancement services to members of the general public, as well as the retail sale of over-the-counter topical use products and dietary supplement products. The nature of our Group's business is service- and retail-oriented and is centred on the delivery of therapeutic treatments and the sale of the over-the-counter topical use products, including cream, moisturiser and ointment, as well as dietary supplement products.

The Excluded Company, on the other hand, is principally engaged in the sales of instrument and device. The Excluded Company is not engaged in any provision of pain management and function enhancement services and sale of over-the-counter topical use products and dietary supplement products to the end users. Accordingly, the business nature and service focus of our Group is fundamentally different from those of the Excluded Company. .

(b) Different customer nature

Our Group's customers are individual customers of general public seeking non-surgical, non-invasive and non-pharmacological pain management and function enhancement services as well as over-the-counter topical use products and dietary supplement products sold by our Group. Customers of the Excluded Company will be focused on corporate customers. Accordingly, there is no overlap between the nature of customers of our Group and those of the Excluded Company during the Track Record Period.

(c) Independent facilities and offices

Our Group operates its non-surgical, non-invasive and non-pharmacological pain management and function enhancement services through its Service Centres. The Excluded Company conducts its business from its own separate premises. There is no sharing of facilities, equipment or premises between our Group and the Excluded Company.

(d) Independence of business operations

Our Group does not rely on the Excluded Company for its business operations and the Excluded Company does not rely on our Group for its business operations in any material respect. Our Group and the Excluded Company source their respective service providers and suppliers independently of each other.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

(e) Financial independence

Our Group has its own independent financial and accounting systems and makes financial decisions based solely on our Group's own business needs. Our Group does not rely on the Excluded Company for any financing, and the Excluded Company does not rely on our Group for any financing. There are no outstanding financial arrangements, loans or guarantees between our Group and the Excluded Company.

Reason for the Exclusion of the Excluded Company from our Group

Our Directors are of the view that it would not be appropriate to include the Excluded Company in our Group, based on the following reasons:

- (a) As disclosed above, the Excluded Company is principally engaged in the sales of instrument and device, which is fundamentally different in nature from the principal business of our Group, being the provision of non-surgical, non-invasive and non-pharmacological pain management and function enhancement services and the sale of over-the-counter topical use products and dietary supplement products. Having taken into account the delineation of business between our principal business and the business of the Excluded Company, our Directors are of the view that the business of the Excluded Company does not form part of our principal business and will not, whether directly or indirectly, compete with the business of our Group after the [REDACTED];
- (b) The principal business of our Group and the Excluded Company have different business models, business strategies and risk profiles. Our Group's strategy is to focus on the provision and expansion of non-surgical, non-invasive and non-pharmacological pain management and function enhancement services and the sale of over-the-counter products to members of the general public. The Excluded Company's activities, being the sales of instrument and device, are not in line with our Group's overall business models, business strategy and development direction. Our Group does not rely on the Excluded Company for any of the products or equipment used in the provision of our non-surgical, non-invasive and non-pharmacological pain management services in any material respect; and
- (c) Our Directors are of the view that the exclusion of the Excluded Company from our Group will give clear focus to [REDACTED] on our Group's principal business.

Given the above, as at the Latest Practicable Date, there was no intention by the Controlling Shareholders to inject the Excluded Company into our Group in the future.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

DEED OF NON-COMPETITION

In preparation for the [REDACTED], each of our Controlling Shareholders has entered into the Deed of Non-competition in favour of our Company (for itself and as trustee for its subsidiaries), pursuant to which he/it has severally unconditionally and irrevocably undertaken to our Company (for itself and as trustee for its subsidiaries) that at any time during the term of the Deed of Non-competition, he/it:

- (a) shall not, and shall use his/its reasonable endeavours to procure his/its close associates, directly or indirectly, (except through any member of our Group) shall not:
 - (i) directly or indirectly, be interested, involved or engaged in or acquire or hold any right or interest (in each case whether as a shareholder, partner, agent or otherwise, and whether for profit, reward or otherwise) in any business which competes or likely to compete directly or indirectly with (1) the provision of non-surgical, non-invasive and non-pharmacological pain management and functional enhancement therapies; and (2) the sale of over-the-counter topical use and dietary supplement products (the “**Restricted Business**”);
 - (ii) directly or indirectly, solicit our Group’s customers or service providers or suppliers to compete directly or indirectly, with the Restricted Business or our Group’s employees for employment by him/it or his/its close associates (excluding our Group);
- (b) when he/it and/or any of his/its close associates (except through any member of our Group) is offered any new business opportunity directly or indirectly to engage or become interested in a Restricted Business (the “**Business Opportunity**”), he/it shall, and shall use his/its reasonable endeavours to procure that his/its close associates, whether directly or indirectly, shall, refer such Business Opportunity to our Company in the following manner:
 - (i) refer the Business Opportunity to our Company by giving written notice (“**Offer Notice**”) to our Company of such Business Opportunity within 14 days of identifying the target company (if relevant) and the nature of the Business Opportunity and all relevant information available to the relevant Controlling Shareholder which our Company reasonably requests for our Company to make an informed decision whether to pursue such Business Opportunity;
 - (ii) upon receiving the Offer Notice, our Company shall seek approval from the Board or a board committee (in each case comprising only independent non-executive Directors) which has no interest in the Business Opportunity (the “**Independent Board**”) as to whether to pursue or decline the Business Opportunity (any Director who has actual or potential interest in the Business Opportunity shall abstain from attending (unless their attendance is specifically requested by the Independent Board) and voting at, and shall not be counted in the quorum for, any meeting convened to consider such Business Opportunity);

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (iii) the Independent Board shall consider the financial impact of pursuing the Business Opportunity offered, whether the nature of the Business Opportunity is consistent with our Group's strategies and development plans and the general market conditions of our business. If appropriate, the Independent Board may appoint independent financial advisors and legal advisors to assist in the decision-making process in relation to such Business Opportunity;
 - (iv) the Independent Board shall, within 14 days of receipt of the written notice referred above, inform the relevant Controlling Shareholder in writing on behalf of our Company its decision whether to pursue or decline the Business Opportunity;
 - (v) the Controlling Shareholder and/or any of his/its close associates shall be entitled but not obliged to pursue such Business Opportunity if he/it has received a notice from the Independent Board declining such Business Opportunity or if the Independent Board failed to respond within such 14 days' period mentioned above; and
 - (vi) if there is any material change in the nature, terms or conditions of such Business Opportunity pursued by the Controlling Shareholder, he or it shall refer such revised Business Opportunity to our Company as if it were a new Business Opportunity;
- (c) keep the Board informed of any matter of potential conflicts of interests between each of the Controlling Shareholders (including his/its close associates (except through any member of our Group)) and our Group, in particular a transaction between any of the Controlling Shareholders (including his/its close associates (except through any member of our Group)) and our Group and (if applicable) abstain from voting at general meeting of our Company in case of any actual conflict of interests, provided that the relevant Controlling Shareholders and/or his/its close associates (except through any member of our Group) may vote at general meeting of our Company if the articles of association of our Company and the applicable laws and regulations otherwise permit the relevant Controlling Shareholders to vote after having disclosed such conflicts of interests to the Board.

Undertaking (a) as set out above shall not apply to the holding of or interests in shares or other securities by the relevant Controlling Shareholders and/or his/its respective close associates in any company which conducts or is engaged in any Restricted Business, provided that, in the case of such shares or securities, they are [REDACTED] on a [REDACTED] and either:

- (a) the relevant Restricted Business (and assets relating thereto) accounts for less than 5% of the relevant Controlling Shareholder and his/its respective close associates' consolidated turnover or consolidated assets, as shown in that relevant Controlling Shareholder and his/its respective close associates' latest audited accounts; or
- (b) the total number of the shares held by the relevant Controlling Shareholder and its or his close associates or in which they are together interested does not amount to more than 5% of the issued shares of that class of that company, provided that such Controlling Shareholder and its or his close associates, whether acting singly or jointly, are not entitled to appoint a majority of directors of that company.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Pursuant to the Deed of Non-competition, each of our Controlling Shareholders has severally undertaken that he/it shall and shall use his/its reasonable endeavours to procure his/its close associates to provide as soon as practicable upon our Company's request to our Directors:

- (a) a written declaration on an annual basis in respect of compliance by him/it and/or his/its close associates with the terms of the Deed of Non-competition, and if not, particulars of any non-compliance;
- (b) all information necessary for our independent non-executive Directors to conduct compliance review of the Deed of Non-competition and the enforcement of all undertaking, representations and warranties contained in the Deed of Non-competition; and
- (c) their respective consent to the inclusion of such confirmation or particulars of non-compliance (where applicable) in our Company's annual report or by way of an announcement, and all such other information as may be reasonably requested by our Company for review.

The Deed of Non-competition and the rights and obligations thereunder are subject to and conditional upon the [REDACTED] becoming unconditional.

A particular Controlling Shareholder shall cease to be bound by the Deed of Non-competition on:

- (a) the date on which such Controlling Shareholder and his/its close associates cease to be a controlling shareholder of our Company; or
- (b) the date on which the Shares cease to be [REDACTED] on the [REDACTED],

whichever is the earlier.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Our Directors do not expect that there will be any significant transactions between our Group and our Controlling Shareholders upon or shortly after the [REDACTED]. We are capable of carrying on our business independently from and do not place undue reliance on our Controlling Shareholders, taking into consideration the following factors:

Management independence

Our Board comprises two executive Directors and three independent non-executive Directors. Mr. Mo and Ms. Cheung are our executive Directors and each of them is a Controlling Shareholder. Having considered the following factors, our Directors consider that our management is capable of operating independently free from the Controlling Shareholders after the [REDACTED]:

- (a) each of our Directors is aware of his/her fiduciary duties as a Director which require, among other things, that he/she acts for the benefit and in the best interests of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interest;

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (b) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between us and our Directors or their respective close associates, the interested Director(s) shall abstain from voting at the relevant board meetings of our Company in respect of such transactions and shall not be counted in the quorum unless otherwise permitted by the Articles;
- (c) we have established internal control procedures independent from our Controlling Shareholders to facilitate the effective operation of our business activities;
- (d) all the certificates and qualifications which are material to the operation of our Group are held by our subsidiaries and our staff;
- (e) save as disclosed in the section headed "Directors and Senior Management" in this document, our senior management member (Mr. Yeung, our chief financial officer), together with our management team in different departments are independent from our Controlling Shareholders, and are responsible for daily operations in relation to finance, sales and marketing, operations, information technology and human resources functions; and
- (f) our independent non-executive Directors have sufficient knowledge, experience and competence, and will bring independent judgment to the decision-making process of our Board, taking into account the advice of our senior management.

Financial independence

As at 31 March 2026, Mr. Mo and Ms. Cheung provided personal guarantees (the "**Controlling Shareholders' Guarantees**") in respect of (i) a bank guarantee line limited to HK\$16 million and a business card programme with a credit limit of HK\$1 million and (ii) the due and punctual payment by VG Zenith of the rent and its observance of the terms of the tenancy agreement in respect of the lease of Sha Tin Service Centre (for details of the lease, see the section headed "Business - Properties" in this document). Our Directors confirm that the Controlling Shareholders' Guarantees are expected to be released or replaced by corporate guarantee of the Group subject to the [REDACTED].

As at 31 March 2026, our Group had an outstanding amount due from Mr. Mo and Ms. Cheung as the Controlling Shareholders in the amount of approximately HK\$43.2 million which is of a non-trade nature, details of which are set out in note 20(a) to the Accountants' Report in Appendix I to this document. Our Directors confirm that all the outstanding balance due from Mr. Mo and Ms. Cheung will be settled partially by cash and partially offset by dividend prior to or upon the [REDACTED].

Our Directors are of the view that we are able to maintain financial independence from our Controlling Shareholders and their close associates after the [REDACTED] for the following reasons:

- (1) Our Company has established its own finance department with a team of independent financial staff responsible for discharging treasury, accounting, reporting, group credit, and internal control functions independent from our Controlling Shareholders and their close associates, as well as a sound and independent financial system, and makes independent financial decisions according to our own business needs.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (2) Our Company maintains bank accounts independently and does not share any bank account with our Controlling Shareholders. Our Company makes tax registration and pays tax independently with its own funds. As such, our Company's financial functions, such as cash and accounting management, invoices and bills, operate independently of our Controlling Shareholders and their close associates.
- (3) In view of our Group's internal resources and the estimated [REDACTED] from the [REDACTED], our Directors believe that our Group will have sufficient capital for its financial needs without dependence on our Controlling Shareholders. Our Directors also believe that, after the [REDACTED], our Group is capable of obtaining financing from external sources independently without the support of our Controlling Shareholders.

Operational independence

We are capable of making business decisions independently. On the basis of the following factors, our Directors believe that we will continue to operate independently from our Controlling Shareholders and their close associates:

- (a) we do not rely on our Controlling shareholders and their close associates for our sales and marketing, human resources, operations, finance, information technology or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from our Controlling Shareholders and their close associates;
- (b) we have established a set of internal control measures to facilitate the effective operations of our business;
- (c) we have independent access to service providers, suppliers and customers and have an independent management team to handle our daily operations; and
- (d) we are in possession of all relevant certificates, facilities and intellectual property rights which are material to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.

Except for the Licensed IP for which we were granted license by the Licensors pursuant to the Licensing Agreement, we are registered owner of all other intellectual property rights which we believe are material to our Group's operations. Pursuant to the Licensing Agreement, we are authorised to use the Licensed IP on a royalty-free basis for a period of ten years from the [REDACTED]. For details of the Licensing Agreement, please refer to the section headed "Continuing Connected Transaction – Fully-exempt Continuing Connected Transaction". Our Directors believe that the risk of the Licensors terminating the Licensing Agreement is remote as (i) none of the Licensors have the right to terminate the Licensing Agreement unilaterally for convenience by serving prior written notice to VG Zenith; and (ii) the Licensors only have limited termination rights under the Licensing Agreement, for example, VG Zenith becomes insolvent or is under receivership (or any step or action taken in connection with the above analogous proceedings) or ceases to carry on all or substantial part of its business. In addition, our Directors consider that the Licensed IP granted to us under the Licensing Agreement are not material to the business and financial performance of the Group as at the Latest Practicable Date.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Each of the Licensors confirms that he/she/it did not have any intention to terminate the Licensing Agreement as at the Latest Practicable Date, and will not recklessly do so in the future.

Our Directors confirm that, save as disclosed above, there will not be any other continuing connected transactions with our Controlling Shareholders immediately after the [REDACTED].

Based on the above, our Directors are of the view that our Group can operate independently of our Controlling Shareholders and their close associates upon [REDACTED].

CORPORATE GOVERNANCE MEASURES

Our Company will comply with the provisions of the Corporate Governance Code set out in Appendix C1 to the Listing Rules (the “CG Code”), which sets out principles of good corporate governance. We recognise the importance of good corporate governance in the protection of our Shareholders’ interests. We have adopted or will adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and our Controlling Shareholders:

- (a) our independent non-executive Directors shall review, at least on an annual basis, the compliance with and enforcement of the terms of the Deed of Non-competition by our Controlling Shareholders;
- (b) we will disclose the review by our independent non-executive Directors on the compliance with, and the enforcement of, the Deed of Non-competition in our annual report or by way of announcement to the public in compliance with the requirements of the Listing Rules;
- (c) we will disclose the decisions on matters reviewed by the Independent Board (including the reasons for not taking up the Business Opportunity referred to our Company) either through our interim and annual reports or by way of announcements to the public;
- (d) in preparation for the [REDACTED], our Company has conditionally adopted our Articles of Association to comply with the Listing Rules. In particular, our Articles of Association provide that, except for certain exceptions permitted under the Articles, a Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which such Director or any of his/her close associates is materially interested;
- (e) we are committed that our Board should include a balanced composition of executive and independent non-executive Directors. We have appointed three independent non-executive Directors and we believe our independent non-executive Directors possess sufficient experience and they are free of any business and/or other relationship which could interfere in any material manner with the exercise of their independent judgment and will be able to provide an impartial and external opinion to protect the interests of our public Shareholders. For details of our independent non-executive Directors, please refer to the section headed “Directors and Senior Management – Board of Directors” in this document;

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (f) we have appointed VBG Capital Limited as our compliance advisor, which will provide advice and guidance to us with respect to compliance with the applicable laws and the Listing Rules, including but not limited to various requirements relating to Directors' duties and internal controls;
- (g) the management structure of our Group includes an audit committee, a remuneration committee and a nomination committee, the terms of reference of each of which will require them to be alert to prospective conflict of interest and to formulate their proposals accordingly; and
- (h) our Directors, including our independent non-executive Directors, will be able to seek independent professional advice from external parties in appropriate circumstances at our Company's costs.

Save as disclosed in this document, our Company is expected to comply with the provisions of the CG Code which sets out principles of good corporate governance in relation to, among others, Directors, chief executive, Board composition, the appointment, re-election and removal of Directors, their responsibilities and remuneration and communication with our Shareholders. Our Company will state in our interim and annual reports whether we have complied with such code, and will provide details of, and reasons for, any deviation from it in the corporate governance reports attached to our annual reports.

DIRECTORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

Our Board currently consists of five Directors, comprising two executive Directors and three independent non-executive Directors. The duties and powers conferred on our Board include, among other matters, performing corporate governance duties, convening Shareholders' meetings and reporting to Shareholders, implementing Shareholders' resolutions, formulating our Company's business plans and investment plans and formulating our Company's annual budget and final accounts.

Our Board is responsible for and has general powers for the management and conduct of our business.

The following table sets forth certain information regarding the members of our Board:

Name	Age	Position(s)	Date of Joining our Group	Date of Appointment as our Director	Roles and Responsibilities	Relationship with other Directors and Senior Management
Executive Directors						
Mr. MO Ka Wai Victor	52	Executive Director, chief executive officer and chairman of the Board	18 October 2007	25 January 2024	Responsible for the overall management, strategic planning and execution, business development, internal control and quality assurance, and continuous expansion and growth of our Group	Spouse of Ms. Cheung, our executive Director and chief operating officer
Ms. CHEUNG Sum Lok	46	Executive Director and chief operating officer	18 October 2007	25 January 2024	Responsible for overseeing the daily operation of our Group, managing customer services and sales operations, developing and implementing the sales, distribution and marketing strategies, and the implementation of corporate policies, quality control and operational procedures	Spouse of Mr. Mo, our executive Director, chief executive officer and chairman of the Board
Independent non-executive Directors						
Mr. YEUNG Chun Nin	41	Independent non-executive Director	[•]	[•]	Responsible for overseeing the management of our Group independently	None
Mr. KONG Wing Fai	44	Independent non-executive Director	[•]	[•]	Responsible for overseeing the management of our Group independently	None
Mr. TAM Kin Fong	55	Independent non-executive Director	[•]	[•]	Responsible for overseeing the management of our Group independently	None

DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. MO Ka Wai Victor (巫家偉), aged 52, is our executive Director, chief executive officer, and the chairman of the Board. He was appointed as an executive Director of the Company in January 2024. Mr. Mo, together with his wife, Ms. Cheung are the co-founders of our Group. Mr. Mo has been serving as the director and the chief executive officer of VG Zenith, our main operating entity, since 2007. He is responsible for the overall management, strategic planning and execution, business development, internal control and quality assurance, and continuous expansion and growth of our Group. As the chairman and the chief executive officer of the Group, Mr. Mo oversees and implements the company's vision and mission, sets the direction and goals, and continuously improves corporate strategies. He is also the director of VG Zenith and Victor Zenith. Mr. Mo completed the Artificial Intelligence: Implications for Business Strategy online program from Massachusetts Institute of Technology Sloan School of Management in November 2024. Mr. Mo obtained the Fellowship of Innovation and Technology and the Fellowship of Life Science from the Global Academy of Innovative Enterprises in November 2022. Mr. Mo received a Master of Business Administration degree from Strayer University in the United States in March 2022 through online learning, a diploma in Development and Planning: Economics of Urbanisation and Managing the City Economy in University College London in November 1999, and a Bachelor of Science (Economics) degree from Royal Holloway and Bedford New College of the University of London in August 1998.

Mr. Mo is the spouse of Ms. Cheung, our executive Director and chief operating officer.

Ms. CHEUNG Sum Lok (張心樂) (with former name as CHEUNG So Ching (張素貞)), aged 46, is our executive Director and chief operating officer. She was appointed as an executive Director of the Company in January 2024.

Ms. Cheung is the co-founder of our Group. She has been serving as the director and chief operating officer of VG Zenith, our main operating entity, since 2007. Ms. Cheung has been responsible for overseeing the daily operation of the Group, managing customer services and operations, developing and implementing distribution, marketing and sales strategies, and formulating corporate policies, quality control, and operational procedures. Ms. Cheung's role is primarily focused on customer service and quality assurance. She is also the director of Victor Zenith.

Ms. Cheung was a director of A&G INTERNATIONAL (ASIA) DEVELOPMENT COMPANY (基匯國際貿易發展有限公司), a limited company incorporated in Hong Kong engaged in trading business immediately prior to dissolution, which was dissolved on 16 December 2011 by way of Striking Off. Ms. Cheung confirmed that (i) the above company was solvent immediately prior to dissolution; (ii) she is not aware of any actual or potential claim which has been or could potentially be made against her as a result of the dissolution of the above company; and (iii) there was no wrongful act on her part leading to the dissolution of the above company for which she acted as director.

DIRECTORS AND SENIOR MANAGEMENT

Ms. Cheung is a certified health advisor and received various certifications internationally, including a certificate in Meridian Full Body Physiotherapy from Korea Beauty and Health License Association in October 2017, a China Certified Health Management Specialist (中國健康管理師) qualification from the Center for Assessment of Professional Capacities of Health Service and Management, China Medical Education Association in March 2019, a certificate in Health Care Strategy from Harvard Business School Online in October 2024 and a certificate in AI in Health Care: From Strategies to Implementation, an online course from Harvard Medical School Executive Education, in April 2025. Ms. Cheung has been one of the founding members of Hong Kong Red Cross EmpowerHer Network since March 2025.

Ms. Cheung is the spouse of Mr. Mo, our executive Director, chief executive officer, and the chairman of the Board.

Independent non-executive Directors

Mr. YEUNG Chun Nin (楊振年) ("Mr. Winston Yeung"), aged 41, was appointed as an independent non-executive Director on [•]. He is responsible for overseeing the management of our Group independently. He is the chairman of the Remuneration Committee and a member of the Nomination Committee and the Audit Committee.

Mr. Winston Yeung has over 15 years of experience in food and beverage operational management. He is currently an executive director of Fulum Group Holdings Limited (富臨集團控股有限公司), a company whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1443). Since 2016, Mr. Winston Yeung has been serving as the business director of Sportful Garden (陶源酒家) where he is primarily responsible for strategic development decisions and corporate management.

Mr. Winston Yeung has been a member of the Hong Kong Federation of Restaurants & Related Trades Limited (the "**Federation**") since August 2012. He is currently the chairman of the Federation.

Mr. Winston Yeung is also the executive committee member and vice president of the 6th Federation of Hong Kong Zhuhai Community since December 2024 and the vice chairman of the Youth Committee of the Federation of Hong Kong Zhuhai Community since December 2024. Mr. Winston Yeung is the vice treasurer of the 18th Committee of the Y.Elites Association since July 2025.

Mr. Winston Yeung was a director of CHINA ELEGANCE ENGINEERING LIMITED (中雅工程有限公司), a limited company incorporated in Hong Kong engaged in renovation business immediately prior to dissolution, which was dissolved on 19 June 2020 by way of Striking Off. Mr. Winston Yeung confirmed that (i) the above company was solvent immediately prior to dissolution; (ii) he is not aware of any actual or potential claim which has been or could potentially be made against him as a result of the dissolution of the above company; and (iii) there was no wrongful act on his part leading to the dissolution of the above company for which he acted as director.

Mr. Winston Yeung obtained a Bachelor of Science in Business Management from University of Nottingham in the United Kingdom in 2008.

DIRECTORS AND SENIOR MANAGEMENT

Mr. KONG Wing Fai (江永輝) (“Mr. Kong”), aged 44, was appointed as an independent non-executive Director on [•]. He is responsible for overseeing the management of our Group independently. He is the chairman of the Audit Committee and a member of the Nomination Committee and the Remuneration Committee.

Mr. Kong has over 20 years of experience in the security-related engineering services industry and financial management. Since April 2021, Mr. Kong has been serving as a director, chief financial officer and company secretary of SU Group Holdings Limited (“**SU Group**”), a corporation whose shares are listed on the Nasdaq Stock Market (NASDAQ: SUGP). In his capacity as director, chief financial officer and company secretary of SU Group, Mr. Kong is primarily responsible for the strategic operational management, financial management, and corporate governance of the company. Since April 2022, Mr. Kong has also been serving as a director of SU Group Investment Limited, a subsidiary of SU Group, where he oversees executive governance, portfolio alignment and long-term asset strategy.

Since October 2018, Mr. Kong has been serving as assistant general manager of Shine Union Limited, a subsidiary of SU Group, where he is responsible for all operational frameworks, fiscal management and corporate governance policies. He has further been serving as general manager of Fortune Jet Management & Training Co. Limited, a subsidiary of SU Group, since August 2019, where he oversees daily operations, resource allocation and workflow optimisation.

Prior to joining SU Group, Mr. Kong served as a senior manager in the electronic security division of Chubb Hong Kong Limited from September 2005 to September 2018, during which he was responsible for cross-functional general operations, regional financial planning and division-level audit compliance.

Mr. Kong obtained his Bachelor of Arts degree in Finance with Mathematics from the University of Stirling in the United Kingdom in June 2005. Mr. Kong is a fellow of the Association of Chartered Certified Accountants since February 2017, a fellow Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants since June 2026, and a Chartered Professional Accountant of British Columbia in Canada since June 2015. He is also a member of the Hong Kong Institute of Facility Management since December 2022 and an associate member of BEAM Society Limited since April 2018.

Mr. Kong is a professional member of the Hong Kong People Management Association since June 2022, a full member of the Association of Hong Kong Professionals since July 2022 and an International associate of the Association of International Certified Professional Accountants since December 2024.

Mr. TAM Kin Fong (譚建方) (“Mr. Tam”), aged 55, was appointed as an independent non-executive Director on [•]. He is responsible for overseeing the management of our Group independently. He is a member of the Audit Committee.

Mr. Tam was appointed as an independent non-executive director of BBMG Corporation (北京金隅集團股份有限公司), a company whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 2009).

DIRECTORS AND SENIOR MANAGEMENT

Mr. Tam has over 20 years of experience in investment banking and corporate finance. Since January 2016, Mr. Tam has been serving as the managing director of Dakin Capital Limited (德健融資有限公司), where he is responsible for the business of the licensed corporation carrying out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). Prior to joining Dakin Capital Limited, Mr. Tam served as the managing director of corporate finance department of Ping An of China Securities (Hong Kong) Company Limited (中國平安證券(香港)有限公司) from October 2012 to January 2016. From July 2009 to October 2012, he served as executive director of the investment banking department of Hong Kong Merchants Securities Co., Ltd. (香港招商證券有限公司). From February 2008 to July 2009, Mr. Tam served as vice president of the investment banking department of Daiwa Securities Co., Ltd. (大和證券有限公司). Earlier in his career, from October 1999 to March 2001, Mr. Tam served as a financial controller of New China Steam Laundry Company Limited, and from August 1994 to April 1999, he worked at PricewaterhouseCoopers where he began as an associate and was promoted to a senior associate.

Mr. Tam obtained his Bachelor of Arts (Hons) degree in Accounting from the City University of Hong Kong (香港城市大學) in December 1994. He has been a certified public accountant of the Hong Kong Institute of Certified Public Accountants since January 1998.

SENIOR MANAGEMENT

Name	Age	Position(s)	Date of Joining our Group	Roles and Responsibilities	Relationship with other Directors and Senior Management
Mr. YEUNG Chin Wan	46	Chief financial officer	27 September 2021	Responsible for our Group's overall management, accounting, financial and treasury management, and internal control function	None

Mr. YEUNG Chin Wan (楊展昀), aged 46, is our chief financial officer. He joined our Group in September 2021. Mr. Yeung has been serving as the chief financial officer of VG Zenith, our main operating entity, since September 2021. He is responsible for our Group's overall management, accounting, financial and treasury management, and internal control function.

Mr. Yeung has 24 years experience in accounting, financial reporting, and investment management services. Before joining our Group, from July 2014 to August 2018, Mr. Yeung served as the chief financial officer, executive director, and authorised representative of EC Healthcare (Stock Code: 2138), a Hong Kong's non-hospital medical service provider listed on the Main Board of the Stock Exchange. From April 2010 to June 2014, Mr. Yeung served as a director of We & V Accounting Services and Consultancy Limited, a boutique accounting and consultancy company in Hong Kong. From November 2004 to March 2010, Mr. Yeung held several positions at AXA Wealth Management (HK) Limited, a company engaged in wealth management and provision of consulting services in Hong Kong. From September 2001 to October 2004, Mr. Yeung worked at PricewaterhouseCoopers Limited in Hong Kong, where he began as an associate and became a senior associate in the financial services group, he was responsible for audit engagement in the investment banking and asset management industries.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Yeung graduated from Hong Kong Polytechnic University with a Bachelor of Arts in Accountancy in August 2001. He has been a member of the Hong Kong Institute of Certified Public Accountants since August 2003 and a Chartered Wealth Manager of the International Academy of Financial Management since January 2010.

OTHER INFORMATION

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on 26 August 2026, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Except as disclosed above, each of our Directors and member of senior management has not been a director of any public company whose securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this document.

Except as disclosed in the paragraph headed “C. Further Information about Our Directors and Substantial Shareholders – 1. Particulars of Directors’ Service Contracts and Appointment Letters” in Appendix IV in this document, he/she does not have any existing or proposed service contract with our Company other than contracts expiring or determinable by the relevant member of our Company within one year without payment of compensation (other than statutory compensation).

Except as disclosed in the paragraph headed “C. Further Information about Our Directors and Substantial Shareholders – 3. Disclosure of interests” in Appendix IV in this document and above, he/she has no interest in the Shares within the meaning of Part XV of the SFO.

None of our Directors has any interests in any business, which competes or is likely to compete, either directly or indirectly, with our business which would require disclosure under Rule 8.10 of the Listing Rules. Save as disclosed in this section, other than being a Director and member of the senior management, none of our Directors and members of the senior management is related to other Directors and member of the senior management.

Except as disclosed above, to the best knowledge, information and belief of our Directors having made all reasonable inquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention of the Shareholders, and there was no information relating to our Directors that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and no other matters are required to be brought to the attention of Shareholders as at the Latest Practicable Date.

Each of the independent non-executive Directors has confirmed (i) his independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as at the Latest Practicable Date, and (iii) that there are no other factors that may affect his independence at the time of his appointments.

DIRECTORS AND SENIOR MANAGEMENT

KINSHIP

Mr. Mo, our chairman, chief executive officer and executive Director, is the husband of Ms. Cheung, our executive Director and chief operating officer. Save as disclosed in this section, there is no family or blood relationship among any of our Directors and the senior management of our Company.

COMPANY SECRETARY

Mr. Yeung Chin Wan, was appointed as a company secretary of our Company on 18 June 2026, for whose biography please refer to the sub-section above headed “– Senior Management”.

BOARD COMMITTEES

Our Company has formed three Board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee.

Audit Committee

We have established the Audit Committee on [•] with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the Audit Committee are to review and approve our Group’s financial reporting process and internal control and risk management system.

The Audit Committee consists of three members, namely Mr. Kong, Mr. Tam and Mr. Winston Yeung, all of whom are independent non-executive Directors. Mr. Kong is the chairman of our Audit Committee.

Remuneration Committee

We have established the Remuneration Committee on [•] with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the CG Code. The primary duties of the Remuneration Committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to Directors and senior management of our Group.

The Remuneration Committee consists of three members, namely Mr. Winston Yeung, Mr. Mo and Mr. Kong, two of whom are independent non-executive Directors. Mr. Winston Yeung is the chairman of our Remuneration Committee.

Nomination Committee

We have established the Nomination Committee on [•] with written terms of reference in compliance with Rule 3.27A of the Listing Rules and the CG Code. The primary duties of the Nomination Committee are to make recommendations to our Board on the appointment of Directors and management of Board succession.

DIRECTORS AND SENIOR MANAGEMENT

The Nomination Committee consists of three members, namely Mr. Mo, Mr. Winston Yeung and Mr. Kong, two of whom are independent non-executive Directors. Mr. Mo is the chairman of our Nomination Committee.

CORPORATE GOVERNANCE CODE

Our Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group so as to achieve effective accountability.

Pursuant to code provision C.2.1 of the CG Code, the responsibilities between the chairperson and the chief executive officer should be segregated and should not be performed by the same individual. We do not have a separate chairperson of the Board and chief executive officer and Mr. Mo currently performs these two roles. In view of Mr. Mo's substantial contribution to and stewardship of our Group since our establishment, his market acumen and over 18 years of experience in the provision of healthcare services in Hong Kong, our Board believes that vesting the roles of both chairperson and chief executive officer in Mr. Mo has the benefit of ensuring strong, stable and consistent leadership within our Group and enables prompt and effective overall strategic planning and decision-making, as well as facilitates the execution of our Group's business operations. We consider it is appropriate and beneficial to our business development and prospects that Mr. Mo continues to act as both the chairperson and the chief executive officer of the Company after the [REDACTED], and therefore do not currently propose to separate the functions of Chairman and the chief executive officer.

To ensure sound corporate governance and maintain appropriate balance of power given the overlapping roles of Mr. Mo, we will (i) ensure there are sufficient checks and balances in the Board, as a decision to be made by our Board requires approval by at least a majority of our Directors, and our Board comprises three independent non-executive Directors with diverse expertise in areas such as finance and legal compliance, which offers independent input and judgment from their respective field of expertise and is in compliance with the requirement under the Hong Kong Listing Rules; (ii) maintain oversight through our Board committees, including the Audit Committee, Remuneration Committee, and Nomination Committee, which are chaired by independent non-executive Directors; (iii) continue to ensure that the overall strategic and other key business, financial, and operational policies of our Group are made collectively after thorough discussion at both Board and senior management levels, and (iv) permit our independent non-executive Directors, where they consider necessary, to convene meetings without the presence of executive Directors, to discuss any concerns regarding the management and governance of our Group. Our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively given that (i) Mr. Mo and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that he/she acts for the benefit and in the best interests of our Company and will make decisions of our Group accordingly; and (ii) the balance of power and authority is ensured by the operations of our Board which comprises experienced and high calibre individuals who meet regularly to discuss issues affecting the operations of our Group. Our Board will continue to review and consider splitting the roles of chairperson of our Board and chief executive officer of our Company at a time when it is appropriate and suitable by taking into account the circumstances of our Group as a whole.

DIRECTORS AND SENIOR MANAGEMENT

Save as disclosed above, our Company expects to comply with the CG Code. Our Directors will review our corporate governance policies and compliance with the Corporate Governance Code each financial year and comply with the “comply or explain” principle in our corporate governance report which will be included in our annual reports upon the [REDACTED].

BOARD DIVERSITY

Our Company has adopted a board diversity policy which sets out the approach to achieve diversity of the Board. Our Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining our Company’s competitive advantage and enhancing its ability to attract, retain and motivate employees from the widest possible pool of available talent. Pursuant to the board diversity policy, in reviewing and assessing suitable candidates to serve as a Director, the Nomination Committee will consider a number of factors, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, and industry experience. The Nomination Committee will discuss periodically and when necessary, agree on the measurable objectives for achieving diversity, including gender diversity, on the Board and recommend them to the Board for formal adoption.

We recognise the particular importance of gender diversity. Our Board currently comprises five Directors, including one female Director. We have taken and will continue to take steps to promote and enhance gender diversity at all levels of our Company, including but without limitation at our Board and senior management levels. Our board diversity policy provides that our Board shall take opportunities when selecting and making recommendations on suitable candidates for Board appointments with the aim to maintain the proportion of female members after [REDACTED]. We will also ensure that there is gender diversity when recruiting staff at mid to senior level, as well as engage more resources in training more female staff with the aim of providing a pipeline of female senior management and potential successors to our Board going forward. It is our objective to maintain an appropriate balance of gender diversity with reference to the shareholders’ expectation and international and local recommended best practices.

REMUNERATION AND COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Each of the executive Directors [has entered] into a service agreement with our Company and each of the independent non-executive Directors [has signed] a letter of appointment for a term of three years with effect from the [REDACTED]. Please refer to the paragraph headed “Statutory and General Information – C. Further information about our Directors and Substantial Shareholders” in Appendix IV to this document for details of their service agreements and remuneration.

Our Directors and senior management receive compensation in the form of salaries, allowances, bonuses and other benefits-in-kind, including our contribution to the pension scheme. Our Remuneration Committee determines the salaries of our Directors based on each Director’s qualification, position and seniority. The remuneration packages will be reviewed and recommended by our Remuneration Committee.

The aggregate amount of remuneration (including salaries, contributions to pension schemes, other allowances and benefits in kind and discretionary bonuses) paid by our Group to our Directors for FY2024, FY2025 and FY2026 was approximately HK\$6.3 million, HK\$24.4 million and HK\$16.4 million, respectively.

DIRECTORS AND SENIOR MANAGEMENT

Of the five individuals with the highest emoluments of our Group for FY2024, FY2025 and FY2026, two of them are our Directors respectively. The aggregate amount of remuneration (including salaries, contributions to pension schemes, other allowances and benefits in kind and discretionary bonuses) paid by our Group to the remaining three individuals for FY2024, FY2025 and FY2026 was approximately HK\$10.1 million, HK\$9.6 million and HK\$9.2 million, respectively.

Under the arrangements currently in force, the aggregate remuneration (excluding discretionary bonuses) payable to and the benefits in kind receivable by our Directors for FY2026 is estimated to be approximately HK\$16.4 million.

No remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining, our Group. No compensation was paid to, or receivable by, our Directors or past Directors during the Track Record Period for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the same period.

Our policy concerning the remuneration of our Directors is that the amount of remuneration is determined on the basis of the relevant Director's experience, responsibility, performance and the time devoted to our business.

Except as disclosed in this document, no Director has been paid in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for service rendered by him/her in connection with the promotion or formation of us.

We have appointed VBG Capital Limited as our compliance advisor (the "**Compliance Advisor**") upon the [REDACTED] in compliance with Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will provide advice to us when consulted by us in the following circumstances:

- the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- where we propose to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this document or where our business activities, developments or results deviate from any forecast, estimate, or other information in this document; and
- where the Stock Exchange makes an inquiry of our Company regarding unusual movements in the price or trading volume of the Shares of our Company or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of the appointment shall commence on the [REDACTED] and end on the date on which our Company distributes its annual report in respect of its financial results for the first full financial year commencing after the [REDACTED], and this appointment may be subject to extension by mutual agreement.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the [REDACTED] and the [REDACTED] and without taking into account any Shares which may be issued pursuant to the exercise of the [REDACTED], the following persons will have an interest or a short position in Shares or underlying Shares which will be required to be disclosed to our Company and the Stock Exchange pursuant to the provisions of Division 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Group:

Name of shareholder	Nature of interest	Shares held as at the date of this document		Immediately after the [REDACTED] and the [REDACTED] (assuming the [REDACTED] is not exercised)	
		Number of Shares ⁽¹⁾	Approximate percentage of interest in our Company	Number of Shares ⁽¹⁾	Approximate percentage of interest in our Company
AW Ocean ⁽²⁾	Beneficial owner	50,000,000 (L)	100%	[REDACTED](L)	[REDACTED]
Mr. Mo ⁽³⁾	Interest in controlled corporation and interest jointly held with other persons	50,000,000 (L)	100%	[REDACTED](L)	[REDACTED]
Ms. Cheung ⁽³⁾	Interest in controlled corporation and interest jointly held with other persons	50,000,000 (L)	100%	[REDACTED](L)	[REDACTED]

Notes:

- (1) The letter "L" denotes a person's long position in our Shares.
- (2) AW Ocean is owned by Mr. Mo and Ms. Cheung as to 71% and 29%, respectively
- (3) Mr. Mo is the spouse of Ms. Cheung. Therefore, pursuant to the SFO, they are deemed to be interested in any Shares in which one another is interested through the corporation which they jointly control, AW Ocean.

For further details of the relationship among our substantial shareholders, please refer to section headed "History, Reorganisation and Corporate Structure" and "Relationship with our Controlling Shareholders".

Save as disclosed above and in "Appendix IV – Statutory and General Information – C. Further Information about Our Directors and Substantial Shareholders", our Directors are not aware of any person who will, immediately following the completion of the [REDACTED] and assuming that the [REDACTED] is not exercised, have an interest or a short position in the Shares or underlying Shares which will be required to be disclosed to our Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

SHARE CAPITAL

SHARE CAPITAL

The following is a description of the authorised and issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid upon the completion of the [REDACTED] and the [REDACTED]:

Authorised share capital:		Nominal value (US\$)
2,500,000,000,000	Shares of US\$0.00000002 each	50,000

Assuming the [REDACTED] is not exercised at all, the issued share capital of our Company immediately following the completion of the [REDACTED] and the [REDACTED] will be as follows:

Issued and to be issued share capital:		Nominal value (US\$)
50,000,000	Shares in issue as at the date of this document	1
[REDACTED]	Shares to be issued under the [REDACTED]	[REDACTED]
[REDACTED]	Shares to be issued under the [REDACTED]	[REDACTED]
[REDACTED]	Shares in total	[REDACTED]

Assuming the [REDACTED] is exercised in full, the issued share capital of our Company immediately following the completion of the [REDACTED] and the [REDACTED] will be as follows:

Issued and to be issued share capital:		Nominal value (US\$)
50,000,000	Shares in issue as at the date of this document	1
[REDACTED]	Shares to be issued under the [REDACTED]	[REDACTED]
[REDACTED]	Shares to be issued under the [REDACTED]	[REDACTED]
[REDACTED]	Shares in total	[REDACTED]

SHARE CAPITAL

ASSUMPTIONS

The above tables assume that the [REDACTED] becomes unconditional.

The above tables take no account of any Shares which may be allotted and issued or repurchased by our Company pursuant to the General Mandate and the Repurchase Mandate as described below.

RANKING

The [REDACTED] and our Shares that may be issued pursuant to exercise of the [REDACTED] will rank pari passu in all respects with all other existing Shares in issue as mentioned in this document, and, in particular, will be entitled to all dividends and other distributions hereafter declared, paid or made on our Shares after the date of this document save for entitlements under the [REDACTED].

GENERAL MANDATE

Our Directors have been granted a general unconditional mandate (the “General Mandate”) to allot, issue and deal with, otherwise than by way of rights issue, scrip dividend schemes or similar arrangements providing for allotment of Shares in lieu of the whole or in part of any dividend in accordance with the Articles, or under the [REDACTED] or the [REDACTED] or upon the exercise of the [REDACTED], an aggregate number of Shares not exceeding the sum of (a) 20% of the aggregate number of issued Shares immediately following the completion of the [REDACTED] and the [REDACTED] (but excluding any Shares which may be issued upon exercise of the [REDACTED]); and (b) the aggregate number of Shares which may be repurchased by our Company under the Repurchase Mandate.

This General Mandate will expire:

- (i) at the conclusion of our Company’s next annual general meeting; or
- (ii) upon the expiry of the period within which our Company is required by any applicable law or the Memorandum and Articles of Association to hold its next annual general meeting; or
- (iii) when varied, revoked or renewed by an ordinary resolution of our Shareholders in general meeting;

whichever occurs first.

For further details of the General Mandate, please refer to section headed “Appendix IV – Statutory and General Information – A. Further Information about our Group – 3. Resolutions in writing of our sole Shareholder passed on [•]”.

SHARE CAPITAL

REPURCHASE MANDATE

Our Directors have been granted a general unconditional mandate (the “**Repurchase Mandate**”) to exercise all of the powers of our Company to repurchase Shares with an aggregate nominal value of not more than 10% of the aggregate number of the Shares of our Company in issue, as enlarged by the [REDACTED] and the [REDACTED] (but excluding any Shares which may be allotted, issued or sold upon exercise of the [REDACTED]).

This Repurchase Mandate relates only to repurchases made on the Stock Exchange or on any other stock exchange on which our Shares are listed (and which is recognised by the SFC and the Stock Exchange for this purpose), and which are made in accordance with all applicable laws and the requirements of the Listing Rules. Further information required by the Stock Exchange to be included in this document regarding the repurchase of Shares is set out in “Appendix IV – Statutory and General Information – A. Further Information about our Group – 6. Repurchases of our own securities”.

This Repurchase Mandate will expire:

- (i) at the conclusion of our Company’s next annual general meeting; or
- (ii) upon the expiry of the period within which our Company is required by any applicable law or the Memorandum and Articles of Association to hold its next annual general meeting; or
- (iii) when varied, revoked or renewed by an ordinary resolution of our Shareholders in general meeting;

whichever occurs first.

For further information about this Repurchase Mandate, please refer to section headed “Appendix IV – Statutory and General Information – A. Further Information about our Group – 6. Repurchases of our own securities”.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS AND CLASS MEETINGS ARE REQUIRED

Our Company currently only has one class of shares in issue, namely ordinary shares, each of which ranks pari passu with the other shares.

Pursuant to the Cayman Islands Companies Act and the terms of the Memorandum and the Articles, our Company may from time to time by ordinary resolution of Shareholders: (i) increase its capital; (ii) consolidate and divide its capital into Shares of larger amount; (iii) sub-divide its Shares into Shares of smaller amount; and (iv) cancel any Shares which have not been taken. In addition, our Company may, subject to the provisions of the Cayman Islands Companies Act, reduce its share capital or any capital redemption reserve by special resolution. For further details, please refer to section headed “Appendix III – Summary of the Constitution of the Company and Cayman Companies Act – 2. Articles of Association – 2.1. Shares – (c) Alteration of capital”.

SHARE CAPITAL

Pursuant to the Cayman Islands Companies Act and the terms of the Memorandum and the Articles, the rights attached to any class of our Shares may (unless otherwise provided for by the terms of issue of that class) be varied with the consent in writing of the holders of not less than three-fourths of the issued Shares of that class (excluding treasury shares) or with the approval of a resolution passed by at least three-fourths of the votes cast by the holders of the Shares of that class (excluding treasury shares) present and voting in person or by proxy at a separate meeting of such holders. For further details, please refer to section headed “Appendix III – Summary of the Constitution of the Company and Cayman Companies Act – 2. Articles of Association – 2.1. Shares – (b) Variation of rights of existing shares or classes of shares”.

FINANCIAL INFORMATION

You should read this section in conjunction with our combined financial information, including the notes thereto, as set out in "Appendix I – Accountants' Report" to this document. The combined financial information has been prepared in accordance with HKFRS Accounting Standards.

The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include those discussed in the section headed "Risk Factors" in this document.

OVERVIEW

We are a Hong Kong-based pain management and function enhancement services provider in pain management and functional enhancement, under our "ANKH" brand. ANKH, stands for "A New Key to Health".

We offer a range of non-surgical, non-invasive and non-pharmacological pain management therapies, functional enhancement therapies, as well as topical use and dietary supplement health products to our customers. Our services aim to eliminate pain points, invigorate blood circulation, enhance the body's detoxification function, strengthen muscles and joints and improve overall functionality. We provide our pain management and function enhancement services through service centres located in commercial buildings in Tsim Sha Tsui, Causeway Bay and Sha Tin. In addition to our pain management treatment services, we offer various types of over-the-counter topical use products, including creams, moisturisers and ointments, as well as dietary supplement products at our service centres and through the online shop on our website.

For each of FY2024, FY2025 and FY2026, our total revenue was approximately HK\$319.2 million, HK\$311.9 million and HK\$367.5 million, respectively, representing a CAGR of approximately 7.3% from FY2024 to FY2026. We recorded profits of approximately HK\$79.8 million, HK\$33.9 million and HK\$37.8 million for FY2024, FY2025 and FY2026 respectively, representing a decrease of approximately 57.5% in FY2025 and an increase of approximately 11.5% in FY2026.

BASIS OF PRESENTATION

The financial information has been prepared by our Directors based on accounting policies which conform with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants, on the basis of preparation and presentation as set out in note 2 to the historical financial information in the Accountants' Report contained in Appendix I to this document, and no adjustments have been made in preparing the financial information.

FINANCIAL INFORMATION

As at 30 June 2026, our Group had net current liabilities of approximately HK\$34.0 million. Our Directors have prepared a cash flow forecast covering a period of not less than twelve months from the date of this document. Based on this forecast, which takes into account the expected operating cash inflows and available banking facilities, our Directors are of the opinion that our Group will have sufficient working capital to meet its financial obligations as and when they fall due and to sustain our operations for the next twelve months from the date of this document. Accordingly, our Directors consider it appropriate to prepare the financial information on a going concern basis.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been and will continue to be affected by a number of factors, among which, the primary factors include:

Revenue from prepaid packages and treatment procedures

Our revenue from pain management treatment services is primarily driven by the number of prepaid packages purchased and redeemed and average spending per customer. The redemption volume is influenced by a range of factors, including market demand, the scale of our service centre network and the effectiveness of our promotional activities. With an ageing population more susceptible to chronic pain conditions, we expect sustained demand growth for our services. At the same time, by delivering reliable and tailored care through our trained therapists, we strive to raise customer awareness around preventive health and early intervention for pain-related issues. Average spending per customer is shaped primarily by our service mix, customer spending behavior and pricing approach. During the Track Record Period, we planned to broaden our treatment offerings and invested in advanced therapeutic technology, and we believe that staying at the forefront of technological developments in pain management and functional enhancement will support further upside in average spending per customer.

Prepaid packages, which are pre-purchased bundles of treatment procedures, play an important role in driving both the redemption volume and customer spending. Customers who commit to prepaid packages tend to undergo a series of treatments over time, which in turn boosts both procedure counts and overall service income. During the Track Record Period, cash received from prepaid packages sold amounted to approximately HK\$259.6 million, HK\$307.6 million and HK\$415.3 million for FY2024, FY2025 and FY2026, respectively. The numbers of customers who used at least 12 treatments during FY2024, FY2025 and FY2026 were 1,615, 1,799 and 2,001, which we consider an approximate indicator of once-per-month average usage.

Expansion of service centres

Our expanding service centre network is important in supporting our business growth and enhancing our service capacity. During the Track Record Period, our centre in Causeway Bay relocated in 2025, expanding from an area of approximately 7,156 sq. ft. to approximately 17,130 sq. ft. with total treatment rooms increasing from 30 to 60. Our Tsim Sha Tsui service centre was also in the process of relocating to new premises during the Track Record Period, and the move was completed in February 2026, increasing its gross floor area from approximately 7,614 sq. ft. to approximately 18,579 sq. ft. with total treatment rooms increasing from 17 to 48. At the operational level, we actively manage resource utilisation by allocating manpower and equipment across our service centres based on factors such as centre size, location, customer base, prepaid package sales volume and historical booking patterns, ensuring that we can effectively scale our capacity in line with customer demand.

FINANCIAL INFORMATION

Consumer spending on pain management services in Hong Kong

Our ability to expand and grow revenue is closely tied to the increasing consumer expenditure on pain management services in Hong Kong. Our target customers are generally mid to high income individuals. According to the Ipsos Report, Hong Kong has experienced continued population ageing, with the population aged 40 and above increased from approximately 4.40 million in 2020 to approximately 4.78 million in 2025, representing a CAGR of approximately 1.65%. In particular, the number of persons with chronic musculoskeletal pain in Hong Kong also increased steadily from approximately 2.35 million in 2020 to 2.87 million in 2025. Moreover, healthcare spending per person in Hong Kong continued to rise steadily from approximately HK\$11,178.6 to HK\$16,249.1 over the same period, reflecting the ongoing growth in healthcare utilisation and demand for healthcare services.

The population is expected to increase from approximately 7.54 million in 2026 to approximately 7.69 million in 2030. Consequently, the population aged 40 and above is also expected to increase during this period, growing from approximately 4.47 million in 2026 to approximately 4.97 million in 2030F, or a CAGR of approximately 1.16% according to the Ipsos Report. The number of persons with chronic musculoskeletal pain is also projected to reach around 3.35 million by 2030, representing a CAGR of 3.3% from 2026 to 2030. The growth is consistent on a year-on-year basis, with annual increases of roughly 70,000 to 120,000 individuals. In the meantime, healthcare spending per person is projected to increase further to approximately HK\$19,728.7 by 2030, representing a CAGR of approximately 4.0% between 2026 and 2030. Please refer to the section headed "Industry Overview – Overview of Hong Kong Macro-Economic Environment" of this document for further details.

These favourable demographic and spending trends are expected to drive continued demand for pain management services in Hong Kong. With over 18 years of established presence and large service centres strategically located in prime districts such as Causeway Bay and Tsim Sha Tsui, we are well-positioned to capture this growing market opportunity. In particular, our non-invasive, non-surgical and drug-free approach offers customers a more pleasant treatment experience with minimal discomfort and no downtime, which we believe will further enhance our competitiveness and support our revenue growth in the coming years.

Our reputation and marketing strategies

We believe that service providers in Hong Kong's non-pharmacological pain management industry significantly rely on reputation, and thus any dissatisfaction from the customers in connection with the results of services provided may result in potential lawsuits or negative publicity against the service providers.

Our business depends on customers trusting the safety and effectiveness of our energy-based treatments, which we deliver using our "RDS+" (Restore, Detox and Strengthen) approach based on meridian system of Traditional Chinese Medicine. Unfavourable scientific findings, media reports, regulatory attention or litigation concerning energy-based treatment, alternative medicine, Traditional Chinese Medicine or our specific devices and products, whether or not directed at us, can quickly change how the public views our services.

FINANCIAL INFORMATION

In order to enhance public recognition of our brands and services and to attract new customers, we advertise through various marketing channels, among others, social media platforms, online search engines, billboards and traditional media. We also leverage reputable spokespersons to strengthen our brand image and credibility. We continuously evaluate and optimise our marketing channel mix to improve the cost-effectiveness of our customer acquisition efforts.

Development in therapeutic technology

We operate in a field where technology is constantly evolving; this is why we continue to refine our treatment methodology. Our pain management and function enhancement services are delivered using a range of energy-based treatment devices sourced from manufacturers in Germany, the Republic of Korea and Japan. As at the Latest Practicable Date, we had approximately 300 treatment devices duly certified under internationally recognised standards. In late March 2026, we have introduced a new energy-based treatment device. This device is intended to assist in the recovery of soft tissues (including muscles, ligaments, tendons, and fascia); soothe stiff muscles; unclog meridians to promote the flow of Qi and blood; boost the body's detoxification process; ease tense joints; and increase the elasticity of tissues. This device is equipped with a centralised control system linked to our booking system and allows treatment parameters to be pre-configured and assigned centrally. This reduces manual input and minimises variations in treatment delivery, thereby contributing to greater consistency in our treatment delivery. We believe this integrated model, which combines TCM principles with advanced energy-based devices, represents a key competitive advantage, as it requires deep expertise in both medical traditions as well as substantial experience in applying such devices.

The pain management sector in Hong Kong is highly competitive and technology driven. We face competition from a wide range of providers, including hospitals, physiotherapy and Chinese medicine clinics, and other wellness centres. Some of our competitors have greater financial and marketing resources, and advancements in technology could enable them to offer comparable or superior treatments. As a result, we remain focused on continuously improve our service offerings. Please refer to the section headed "Industry Overview" and "Business – Competition" for further details.

MATERIAL ACCOUNTING POLICIES AND CRITICAL ESTIMATES AND JUDGEMENT

We have identified certain accounting policies that are material to the preparation of our Group's financial statements. Some of our accounting policies involve subjective assumptions and estimates, as well as complex judgments relating to accounting items. In each case, the determination of these items requires management judgments based on information and financial data that may change in future periods. When reviewing our financial statements, you should consider (i) our selection of critical accounting policies; (ii) the judgments and other uncertainties affecting the application of such policies; and (iii) the sensitivity of reported results to changes in conditions and assumptions. Our material accounting policies, estimates and judgements, are set out in the note 3 in "Appendix I – Accountants' Report" for details.

FINANCIAL INFORMATION

RESULTS OF OPERATIONS

The following table summarises the combined statements of profit or loss and other comprehensive income during the Track Record Period, details of which are set out in the Accountants' Report in Appendix I to this document.

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Revenue	319,217	100.0	311,892	100.0	367,543	100.0
Cost of consumables and inventories	(3,176)	(1.0)	(2,909)	(0.9)	(3,598)	(1.0)
Other income	483	0.2	831	0.3	823	0.2
Advertising and marketing expenses	(33,693)	(10.6)	(35,846)	(11.5)	(48,371)	(13.2)
Staff costs	(133,089)	(41.7)	(171,159)	(54.9)	(200,386)	(54.5)
Depreciation	(24,731)	(7.7)	(26,319)	(8.4)	(39,601)	(10.8)
Finance costs	(2,540)	(0.8)	(2,536)	(0.8)	(3,823)	(1.0)
Other operating expenses	(18,146)	(5.7)	(22,521)	(7.2)	(25,681)	(7.0)
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Profit before taxes	97,370	30.5	42,262	13.7	45,252	12.2
Income tax expenses	(17,610)	(5.5)	(8,323)	(2.7)	(7,477)	(2.0)
Profit and total comprehensive income for the year	79,760	25.0	33,939	11.0	37,775	10.2

FINANCIAL INFORMATION

DESCRIPTION OF SELECTED ITEMS IN COMBINED STATEMENTS OF PROFIT OR LOSS

Revenue

By service

During the Track Record Period, we generated revenue from provision of various services and sales of products, which can be categorised as (i) pain management and function enhancement services income, including pain management treatments, wellness services and weight management; (ii) healthcare product sales income; and (iii) forfeiture income. The following table summarises the breakdown of our revenue by categories of services and products for the years indicated:

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Pain management and function enhancement services income						
– Pain management	102,394	32.1	101,036	32.4	118,913	32.3
– Wellness services	124,139	38.9	101,599	32.6	124,889	34.0
– Weight management	46,961	14.7	60,755	19.5	65,429	17.8
Sub total	273,494	85.7	263,390	84.5	309,231	84.1
Healthcare product sales income	408	0.1	364	0.1	394	0.1
Forfeiture income	45,315	14.2	48,138	15.4	57,918	15.8
Total	319,217	100.0	311,892	100.0	367,543	100.0

During the Track Record Period, approximately 85% of our revenue was generated from the provision of pain management and function enhancement services, which include pain management treatments, treatments for wellness and weight management treatments. These service categories are classified by the types of treatments offered, among which, pain management represents treatments in relation to RDS+, such as to relieve inflammation and soreness, wellness services are used to strengthen the body and unblock the body's meridians, and weight management represents services to support healthy weight maintenance. Please refer to the section headed "BUSINESS – OUR SERVICES AND PRODUCTS – Our Key Treatments" of this document for further details.

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Revenue from pain management treatments remained relatively stable at approximately HK\$102.4 million, HK\$101.0 million and HK\$118.9 million for FY2024, FY2025 and FY2026, respectively. Revenue from wellness services decreased from approximately HK\$124.1 million for FY2024 to HK\$101.6 million for FY2025, and then increased to HK\$124.9 million for FY2026. Revenue from weight management increased from approximately HK\$47.0 million for FY2024 to HK\$60.8 million for FY2025, and further increased to HK\$65.4 million for FY2026. In aggregate, this segment accounted for approximately 85.7%, 84.5% and 84.1% of our total revenue for FY2024, FY2025 and FY2026, respectively. Revenue from this segment decreased slightly from approximately HK\$273.5 million for FY2024 to approximately HK\$263.4 million for FY2025, and improved to HK\$309.2 million for FY2026. Healthcare product sales contributed approximately 0.1% of our total revenue in each of the three years, remaining relatively stable at approximately HK\$0.4 million annually. Forfeiture income, which arose from expired prepaid packages, accounted for 14.2%, 15.4% and 15.8% of our total revenue for FY2024, FY2025 and FY2026, respectively.

Our services are offered on a prepaid basis that revenue is recognised either when the pre-purchased services are actually rendered to the customer, or upon the expiry of the prepaid package's service period, which generally one to two years depending on the customer's purchase plan. In certain circumstances, such as the COVID-19 pandemic, we have the discretion to extend the validity period of the prepaid packages. Further details on the operation of our prepaid packages are set out in the section headed "Business – CUSTOMERS – Prepaid packages". Forfeiture income increased from approximately HK\$45.3 million for FY2024 to HK\$57.9 million for FY2026, which was in line with the growing trend of sales of prepaid packages from approximately HK\$259.6 million for FY2024 to approximately HK\$415.3 million for FY2026.

By geographical locations

During the Track Record Period, we generated revenue from our service centres located in Tsim Sha Tsui, Causeway Bay and Sha Tin. The following table sets forth the breakdown of our revenue by location for the years indicated:

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Tsim Sha Tsui	173,179	54.3	151,948	48.7	155,904	42.4
Causeway Bay	89,154	27.9	93,092	29.9	112,381	30.6
Sha Tin	56,884	17.8	66,852	21.4	99,258	27.0
Total	319,217	100.0	311,892	100.0	367,543	100.0

Our revenue was primarily generated from our centres in Tsim Sha Tsui, which accounted for approximately 54.3%, 48.7% and 42.4% of our total revenue for FY2024, FY2025 and FY2026, respectively. Revenue from centres in Tsim Sha Tsui decreased from approximately HK\$173.2 million in FY2024 to HK\$151.9 million for FY2025, and further to HK\$155.9 million for FY2026.

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Our centres in Causeway Bay contributed approximately 27.9%, 29.9% and 30.6% of our total revenue for FY2024, FY2025 and FY2026 respectively, with revenue increasing from approximately HK\$89.2 million for FY2024 to HK\$93.1 million for FY2025, and further to HK\$112.4 million for FY2026. The growth in Causeway Bay was mainly attributable to the opening of our Causeway Bay Service Centre II in the area in early 2025, which is approximately 17,130 sq. ft. in size and is larger than Causeway Bay Service Centre I.

Our centres in Sha Tin contributed approximately 17.8%, 21.4% and 27.0% of our total revenue in FY2024, FY2025 and FY2026, respectively, with revenue increasing from approximately HK\$56.9 million for FY2024 to HK\$66.9 million for FY2025, and further to HK\$99.3 million for FY2026.

Cost of consumables and inventories

During the Track Record Period, our purchase comprised (i) consumables and others; and (ii) purchase of products. The following table sets forth the breakdown of purchase by category for the years indicated:

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Purchase of consumables	2,600	81.9	2,085	71.7	2,908	80.8
Purchase of inventories	576	18.1	824	28.3	690	19.2
Total	3,176	100.0	2,909	100.0	3,598	100.0

Our purchase amounted to approximately HK\$3.2 million, HK\$2.9 million and HK\$3.6 million for FY2024, FY2025 and FY2026 respectively, representing approximately 1.0%, 0.9% and 1.0% of our revenue during the respective years. Between the two categories, purchase of consumables, which were used for provision of treatments accounted for the majority of the purchase, representing approximately 81.9%, 71.7% and 80.8% of our total cost of services for FY2024, FY2025 and FY2026 respectively, and this is in line with the revenue segments that healthcare products sales income only accounted for approximately 0.1% of our revenue during the Track Record Period.

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Other income

During the Track Record Period, our other income mainly comprised (i) bank interest income; (ii) government grants; and (iii) others. The following table sets forth the breakdown of our other income by category for the years indicated:

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Bank interest income	233	48.2	725	87.3	807	98.1
Government grants	126	26.1	104	12.5	15	1.8
Others	124	25.7	2	0.2	1	0.1
Total	483	100.0	831	100.0	823	100.0

Our other income increased from approximately HK\$0.5 million for FY2024 to approximately HK\$0.8 million for FY2025, and remained relatively stable at approximately HK\$0.8 million for FY2026. The increase from FY2024 to FY2025 was primarily attributable to higher interest income, which accounted for approximately 48.2%, 87.3% and 98.1% of our other income for FY2024, FY2025 and FY2026, respectively. Government grants, which were the reimbursement received under the Maternity Leave Pay Scheme, decreased from approximately HK\$0.1 million for FY2024 to approximately HK\$15,000 for FY2026.

Staff costs

During the Track Record Period, our staff costs mainly related to (i) internal staff costs; and (ii) manpower service expenses in relation to external health advisors under consultancy services arrangement. The following table sets forth the breakdown of our staff costs by category for the years indicated:

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Internal staff costs						
Salaries, allowances, discretionary bonus and other benefits in kind (including long service payment provision)	110,045	82.7	144,251	84.3	162,174	80.9
Contribution to defined contribution plans	3,054	2.3	3,444	2.0	4,172	2.1
Subtotal	113,099	85.0	147,695	86.3	166,346	83.0
Manpower service expenses	19,990	15.0	23,464	13.7	34,040	17.0
Total	133,089	100.0	171,159	100.0	200,386	100.0

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Internal staff costs increased from approximately HK\$113.1 million for FY2024 to approximately HK\$147.7 million for FY2025, and further to HK\$166.3 million for FY2026, representing a CAGR of approximately 21.4% during the Track Record Period. Internal staff costs accounted for the largest portion of our staff costs, representing approximately 85.0%, 86.3% and 83.0% of our total staff costs for FY2024, FY2025 and FY2026, respectively. This is primarily because our operations are service-oriented, requiring a substantial workforce and our workforce, including trained therapists, customer service personnel, internal sales staff and professional practitioners, plays a critical role in our service delivery. Manpower service expenses accounted for approximately 15.0%, 13.7% and 17.0% during the respective years, with the increase in FY2026 primarily attributable to the growing use of external health advisors under consultancy services arrangements to support our business expansion.

Manpower service expenses increased from approximately HK\$20.0 million for FY2024 to HK\$23.5 million for FY2025, and further to HK\$34.0 million for FY2026, representing a CAGR of approximately 30.5% during the Track Record Period. These fees primarily comprised commissions fees paid to external health advisors under consultancy services arrangements. As a percentage of our total revenue, manpower service expenses accounted for approximately 6.3%, 7.5% and 9.3% for FY2024, FY2025 and FY2026, respectively. The increasing trend in both absolute amount and revenue share reflected the growing contribution of our external health advisors in driving sales growth during the Track Record Period.

Advertising cost

During the Track Record Period, our advertising costs primarily comprised (i) online channels; and (ii) offline channels. The following table sets forth the breakdown of our advertising costs by category for the years indicated:

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Online channels	28,019	83.2	28,078	78.3	42,899	88.7
Offline channels	5,674	16.8	7,768	21.7	5,472	11.3
Total	33,693	100.0	35,846	100.0	48,371	100.0

Our advertising costs increased from approximately HK\$33.7 million for FY2024 to approximately HK\$35.8 million for FY2025, and further to HK\$48.4 million for FY2026, representing a CAGR of approximately 19.8% during the Track Record Period. As for online channels, they increased from approximately HK\$28.0 million for FY2024 to HK\$28.1 million for FY2025, and further to HK\$42.9 million for FY2026, primarily attributable to increased digital marketing activities, as the Group considered online channels to be effective in reaching its target customers. As for offline channels, they fluctuated at approximately HK\$5.7 million, HK\$7.8 million and HK\$5.5 million for FY2024, FY2025 and FY2026, respectively, with a slight increase in FY2025, as the Group continued to explore and test different offline advertising locations, including newspapers, billboards in MTR stations, cross-harbour tunnels and bus stops.

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Finance costs

During the Track Record Period, our finance costs primarily comprised interest on lease liabilities and interest-bearing borrowings. The following table sets forth the breakdown of our finance costs for the years indicated:

	FY2024		FY2025		FY2026	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Interest on interest-bearing borrowings	4	0.2	–	–	–	–
Interest on lease liabilities	<u>2,536</u>	<u>99.8</u>	<u>2,536</u>	<u>100.0</u>	<u>3,823</u>	<u>100.0</u>
Total	<u>2,540</u>	<u>100.0</u>	<u>2,536</u>	<u>100.0</u>	<u>3,823</u>	<u>100.0</u>

Our finance costs remained relatively stable at approximately HK\$2.5 million for FY2024 and FY2025, and increased to approximately HK\$3.8 million for FY2026. The increase in FY2026 was primarily attributable to the new lease arrangements for Causeway Bay Service Centre II and Tsim Sha Tsui Service Centre II, which were entered into in February 2025 and October 2025, respectively, resulting in higher interest expenses during the initial years of the lease terms.

Income tax expenses

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability and, as such, is exempted from income tax in the Cayman Islands. However, our Company is subject to Hong Kong profits tax on its assessable income derived from or arising in Hong Kong. The following table sets forth a reconciliation of our income tax expenses calculated at the applicable statutory tax rates to our actual income tax expenses for the years indicated:

	FY2024	FY2025	FY2026
	HK\$'000	HK\$'000	HK\$'000
Current tax			
Hong Kong profits tax			
– Current year	5,671	7,936	6,934
– Under-provision in prior year	<u>545</u>	<u>–</u>	<u>–</u>
Sub-total	<u>6,216</u>	<u>7,936</u>	<u>6,934</u>
Deferred taxation			
Changes in temporary differences	<u>11,394</u>	<u>387</u>	<u>543</u>
Total	<u>17,610</u>	<u>8,323</u>	<u>7,477</u>

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Pursuant to the rules and regulations of the Cayman Islands and the BVI, the group entities incorporated in the Cayman Islands and the BVI are not subject to any income tax.

The Hong Kong Profits Tax of other Group's entities which established in Hong Kong is subject to the two tiered profits tax rates regime that the first HK\$2 million of assessable profits will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The Hong Kong profits tax of other Group's entities which established in Hong Kong is calculated at the standard tax rate of 16.5% of their respective estimated assessable profits for FY2024, FY2025 and FY2026. During the Track Record Period and up to the Latest Practicable Date, we fulfilled all our income tax obligations. Our income tax expenses amounted to approximately HK\$17.6 million, HK\$8.3 million and HK\$7.5 million for FY2024, FY2025 and FY2026, respectively, and our effective tax rate was approximately 16.9%, 16.2%, and 15.9% for FY2024, FY2025 and FY2026.

REVIEW OF HISTORICAL RESULTS OF OPERATIONS

FY2026 compared to FY2025

Revenue

Our revenue increased by approximately 17.8%, from approximately HK\$311.9 million for FY2025 to approximately HK\$367.5 million for FY2026. This increase was primarily attributable to an increase in number of customers we served from 10,000 in FY2025 to 11,200 in FY2026, and a growth in number of invoices related to redemption and forfeiture income from 58,518 in FY2025 to 68,172 in FY2026. Our average spending per customer also increased from approximately HK\$50,500 for FY2025 to approximately HK\$60,000 for FY2026. This performance was primarily driven by the effectiveness of our marketing strategy and our continued focus on enhancing the customer experience, as well as the opening of our Causeway Bay Service Centre II in early 2025, which is approximately 17,310 sq. ft. in size and contributed to the revenue growth in the region.

To better understand our customers' experience, we also regularly conduct customer satisfaction surveys. Internal customer satisfaction surveys conducted since FY2025, with approximately 1,900 respondents each year, showed that overall customer satisfaction remained consistently high at approximately 90%, while over 70% of respondents reported pain relief or symptom reduction after the therapy.

Cost of consumables and inventories

Our costs of consumables and inventories increased by approximately 24.1%, from approximately HK\$2.9 million for FY2025 to approximately HK\$3.6 million for FY2026, primarily attributable to an increase in consumables and others of approximately HK\$0.8 million, which was in line with the growth in revenue from sales of healthcare products during the year, partially offset by the decrease in purchase of inventories from approximately HK\$0.8 million in FY2025 to approximately HK\$0.7 million in FY2026.

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Other income

Our other income remained relatively stable at approximately HK\$0.8 million for both FY2025 and FY2026, primarily consisting of interest income generated from pledged bank deposits and bank balances.

Staff costs

Our staff costs increased by approximately 17.1%, from approximately HK\$171.2 million for FY2025 to approximately HK\$200.4 million for FY2026, primarily attributable to (i) an increase in internal staff costs from approximately HK\$147.7 million to approximately HK\$166.3 million, which was in line with the expansion of our service operations and additional headcount hired to support the increased service volume; and (ii) an increase in manpower service expenses from approximately HK\$23.5 million for FY2025 to approximately HK\$34.0 million for FY2026, which was mainly due to more prepaid packages being sold through external health advisors during the year, contributing to a higher portion of sales generated by them as a result of the expansion of our external health advisor team, with headcount rising from 10 for FY2025 to 12 for FY2026.

Advertising cost

Our advertising costs increased by approximately 35.2%, from approximately HK\$35.8 million for FY2025 to approximately HK\$48.4 million for FY2026. In particular, the Group allocated more resources to online advertising channels, which represented approximately 88.7% of total advertising costs in FY2026, compared with approximately 78.3% in FY2025. As online channels are our major source of customer leads, we believe that investing in online advertising activities is crucial to strengthen our brand presence, promote real customer experience, boost customer engagement, and ultimately increase revenue through higher treatment volumes.

Finance costs

Our finance costs increased by approximately 52.0%, from approximately HK\$2.5 million for FY2025 to approximately HK\$3.8 million for FY2026, primarily due to an increase in interest on lease liabilities resulting from the expansion of service centres, namely the new finance lease arrangements for Causeway Bay Service Centre II and Tsim Sha Tsui Service Centre II, which were entered into in February 2025 and October 2025, respectively.

Other operating expenses

Our other operating expenses increased by approximately 14.2%, from approximately HK\$22.5 million for FY2025 to approximately HK\$25.7 million for FY2026, primarily due to (i) an increase of approximately HK\$3.0 million in handling charges as a result of the increase in sales of prepaid packages and a higher proportion of customers paying by credit card; (ii) a compensation of approximately HK\$1.8 million for a lease termination due to late notification; and (iii) an increase of approximately HK\$1.6 million in utilities and telecommunication costs, which are in line with the expansion of business.

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Income tax expenses

Our income tax expense decreased by approximately 9.6% from HK\$8.3 million for FY2025 to HK\$7.5 million for FY2026, primarily attributable to a decrease of approximately HK\$1.3 million in tax effect on non-deductible expenses, partially offset by an increase of approximately HK\$0.5 million in income tax at statutory tax rate applicable in respective tax jurisdictions from approximately HK\$7.0 million for FY2025 to HK\$7.5 million for FY2026.

Profit and profit margin for the year

As a result of the foregoing, our profit for the year increased by approximately 11.5% from HK\$33.9 million for FY2025 to HK\$37.8 million for FY2026. Our net profit margin remained relatively stable at approximately 10.9% for FY2025 and 10.3% for FY2026.

FY2025 compared to FY2024

Revenue

Our revenue remained relatively stable with a slight decrease of approximately 2.3%, from approximately HK\$319.2 million for FY2024 to approximately HK\$311.9 million for FY2025, as the number of invoices related to redemption and forfeiture income slightly decreased from 58,983 in FY2024 to 58,518 in FY2025.

Cost of consumables and inventories

Our costs of consumables and inventories decreased by approximately 9.4%, from approximately HK\$3.2 million for FY2024 to approximately HK\$2.9 million for FY2025, primarily attributable to the decrease in purchase in relation to the consumables and others, which is broadly in line with the decrease in revenue from sales of healthcare products as discussed above.

Other income

Our other income increased by approximately 60.0%, from approximately HK\$0.5 million for FY2024 to approximately HK\$0.8 million for FY2025. This increase was primarily attributable to higher interest income from approximately HK\$0.2 million for FY2024 to approximately HK\$0.7 million for FY2025, generated from bank deposits, particularly a bank deposit of HK\$17 million placed during FY2025.

Staff costs

Our staff costs increased by approximately 28.6%, from approximately HK\$133.1million for FY2024 to approximately HK\$171.2 million for FY2025, primarily attributable to (i) an increase in internal staff costs from approximately HK\$113.1 million to approximately HK\$147.7 million, and an increase in manpower service expenses from approximately HK\$20.0 million to approximately HK\$23.5 million. Both increases were driven by the expansion of our workforce, with internal headcount rising from 201 as at 31 March 2024 to 245 as at 31 March 2025, and external health advisor headcount rising from 9 for FY2024 to 10 for FY2025.

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Advertising cost

Our advertising costs increased by approximately 6.2%, from approximately HK\$33.7 million for FY2024 to approximately HK\$35.8 million for FY2025. Spending on online channels remained relatively stable at approximately HK\$28.0 million for both years, while spending on offline channels increased from approximately HK\$5.7 million to approximately HK\$7.8 million, as the Group diversified its marketing channels and explored different advertising methods, such as billboards in MTR stations and bus stops, beyond its major online platforms.

Finance costs

Our finance costs remained relatively stable at approximately HK\$2.5 million for both FY2024 and FY2025.

Other operating expenses

Our other operating expenses increased by approximately 24.3%, from approximately HK\$18.1 million for FY2024 to approximately HK\$22.5 million for FY2025, primarily due to (i) an increase in professional service fees of approximately HK\$2.7 million in relation to consultancy services for previous [REDACTED]; and (ii) an increase in handling charges for merchant acquiring services of approximately HK\$1.2 million, as a result of the increase in sales of prepaid packages and a higher proportion of customers paying by credit card.

Income tax expenses

Our income tax expense decreased by approximately 52.8% from HK\$17.6 million FY2024 to HK\$8.3 million for FY2025, primarily attributable to a decrease of approximately HK\$55.1 million in profit before tax.

Profit for the year and net profit margin

As a result of the foregoing, our profit for the year decreased by approximately 57.5%, from approximately HK\$79.8 million for FY2024 to approximately HK\$33.9 million for FY2025. The net profit margin decreased from approximately 25.0% for FY2024 to approximately 10.9% for FY2025.

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NET CURRENT LIABILITIES

As at 31 March 2024, we had net current assets of approximately HK\$36.5 million, and turned into net current liabilities of approximately HK\$17.4 million and HK\$45.1 million, respectively. The following table sets forth the breakdown of current assets and current liabilities as at the dates indicated:

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Current assets			
Trade and other receivables	27,059	52,029	14,166
Contract cost	15,902	16,525	23,457
Amount due from the Controlling Shareholders	92,459	–	43,248
Income tax receivables	2,526	–	–
Pledged bank deposits	–	17,000	17,000
Bank balances and cash	67,408	78,340	96,588
	205,354	163,894	194,459
Current liabilities			
Accrued expenses and other payables	20,137	26,554	30,880
Contract liabilities	129,128	125,237	173,356
Amount due to the Controlling Shareholders	–	1,089	–
Lease liabilities	19,592	24,390	34,926
Income tax payables	–	4,005	370
	168,857	181,275	239,532
Net current assets (liabilities)	36,497	(17,381)	(45,073)

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Our Group recorded net current assets of approximately HK\$36.5 million as at 31 March 2024, which turned into net current liabilities of approximately HK\$17.4 million and HK\$45.1 million as at 31 March 2025 and 2026, respectively. Such net current liabilities were primarily attributable to significant contract liabilities arising from the sale of prepaid packages, while the corresponding cash received was deployed in the ordinary course of business. Our Directors consider that the net current liabilities position did not have any material adverse effect on our working capital position, as (i) the Group is able to generate operating profits and cash inflows to meet its financial obligation as they fall due; and (ii) the Group maintains sufficient bank balances and cash resources to fund its daily operations.

As at 31 March 2026, we had net current liabilities of approximately HK\$45.1 million, compared to approximately HK\$17.4 million as at 31 March 2025. This deterioration was mainly attributable to (i) an increase in contract liabilities of approximately HK\$48.1 million as a result of the increased sales of prepaid packages; and (ii) the increase in the current portion of lease liabilities of approximately HK\$10.5 million due to the expansion of service centres, partially offset by the increase of amount due from the Controlling Shareholders of approximately HK\$43.2 million. Our Directors confirm that all the outstanding balance due from the Controlling Shareholders will be settled partially by cash and partially offset by dividend prior to or upon the [REDACTED].

As at 31 March 2025, we had net current liabilities of approximately HK\$17.4 million, compared to net current assets of approximately HK\$36.5 million as at 31 March 2024. The deterioration was primarily attributable to the settlement of amount due from the Controlling Shareholders of approximately HK\$92.5 million, partially offset by (i) pledged bank deposits of approximately HK\$17.0 million placed with a bank as security for the performance guarantee regarding our payment solution provider and corporate credit card; and (ii) an increase in bank balances and cash of approximately HK\$10.9 million.

As at 31 March 2024, we had net current assets of approximately HK\$36.5 million. This was mainly due to (i) bank balance and cash of approximately HK\$67.4 million; and (ii) trade and other receivables of approximately HK\$27.1 million in relation to payments from banks and merchant acquiring companies, partially offset by (i) contract liabilities of approximately HK\$129.1 million in relation to the sale of prepaid packages to our customers; and (ii) current portion of lease liabilities of approximately HK\$19.6 million.

FINANCIAL INFORMATION

DESCRIPTION OF CERTAIN ITEMS OF COMBINED STATEMENTS OF FINANCIAL POSITION

Trade and other receivables

Trade receivables

During the Track Record Period, our trade receivables mainly consisted of trade amounts due from banks and merchant acquiring companies. Certain receivables are guaranteed by a bank, and the Group has pledged bank deposits to the bank as security for its obligations under the credit card arrangements. Management regularly reviews the adequacy of the allowance for expected credit losses and provides for such allowance when necessary. The following table sets forth the breakdown of our trade receivables, net as at the dates indicated:

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Trade receivables	24,387	6,574	9,438
Less: loss allowances	(272)	(54)	(82)
Total	24,115	6,520	9,356

Our trade receivables decreased from approximately HK\$24.1 million as at 31 March 2024 to approximately HK\$6.5 million as at 31 March 2025, primarily due to the release of charge of a payment solution provider amounted to HK\$16 million. It then increased to approximately HK\$9.4 million as at 31 March 2026, primarily attributable to the increase in sales and a higher proportion of customers paying by credit card.

Ageing analysis of trade receivables

The table below sets forth the ageing analysis of our trade receivables based on invoice date as at the dates indicated:

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Within 30 days	7,056	6,394	8,854
31-60 days	27	23	–
60-90 days	–	7	–
Over 90 days	17,032	96	502
Total	24,115	6,520	9,356

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Our average turnover days of trade receivables were 28.7 days, 17.9 days and 7.9 days for FY2024, FY2025 and FY2026, respectively. The relatively higher average turnover days in FY2024 was primarily due to the release of a charge of HK\$16 million during the year by a payment solution provider. The decrease in average turnover days in FY2025 was primarily due to the significant reduction in trade receivables balance as at 31 March 2025, reflecting lower credit card receivables which were in line with the decrease in revenue during FY2025. The ageing profile also improved as the majority of trade receivables were concentrated within 30 days as at 31 March 2025, compared to a significant portion overdue over 90 days as at 31 March 2024. In FY2026, the average turnover days increased to approximately 7.9 days, primarily attributable to the increase in trade receivables balance as at 31 March 2026, which was in line with the sales of prepaid packages during the year. The ageing profile remained healthy with substantially all trade receivables concentrated within 30 days throughout the Track Record Period.

Other receivables

During the Track Record Period, our other receivables mainly comprised prepayments, deposits and other miscellaneous receivables. The following table sets forth the breakdown of our current portion of other receivables as at the dates indicated:

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Deposits for acquisition of property, plant and equipment	250	4,488	545
Prepayment for enterprise resource planning (ERP) system development	19,500	19,500	19,500
Refundable deposits paid for acquisition of a property	–	38,700	–
Rental and other deposits	6,533	9,655	12,593
Other prepayments	1,884	2,702	1,220
Others	848	333	440
	<u>29,015</u>	<u>75,378</u>	<u>34,298</u>
Less: Loss allowances	<u>(74)</u>	<u>(497)</u>	<u>(137)</u>
Total	<u>28,941</u>	<u>74,881</u>	<u>34,161</u>

FINANCIAL INFORMATION

Our other receivables increased from approximately HK\$28.9 million as at 31 March 2024 to approximately HK\$74.9 million as at 31 March 2025, primarily due to (i) a deposit for property acquisition of approximately HK\$38.7 million to secure an exclusive option to purchase a property in Hong Kong, which was leased by the Company for a term of 24 months from 1 November 2025 to 31 October 2027, with an option exercisable after the expiration of three months from the lease commencement date up to the termination of the lease; and (ii) rental deposits of approximately HK\$3.1 million mainly for Causeway Bay Service Centre II, which was leased in February 2025.

As at 31 March 2026, the balance decreased to approximately HK\$34.2 million, primarily attributable to (i) the refund of the deposit for property acquisition of approximately HK\$38.7 million during FY2026, as the Group did not exercise the exclusive option and such arrangement was terminated on 15 October 2025; and (ii) a decrease in deposits for acquisition of property, plant and equipment of approximately HK\$3.9 million in relation to the capitalisation of the property, plant and equipment, partially offset by an increase in rental and other deposits of approximately HK\$2.9 million.

The prepayment for ERP system development remained unchanged at HK\$19.5 million over the Track Record Period, as the ERP system had not yet been developed. The Group has entered into a termination agreement on 31 July 2026 with the service provider after the Track Record Period and expects to receive a refund in the coming financial year.

Right-of-use assets

During the Track Record Period, our right-of-use assets mainly consisted of operating leases for office and shop spaces. The following table sets forth the breakdown of our right-of-use assets as at the dates indicated:

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Office	12,472	5,820	18,880
Shop	26,440	37,972	51,031
Training centre	—	—	4,855
Total	38,912	43,792	74,766

FINANCIAL INFORMATION

Our right-of-use assets increased from approximately HK\$38.9 million as at 31 March 2024 to approximately HK\$43.8 million as at 31 March 2025, and further to approximately HK\$74.8 million as at 31 March 2026. This growth was primarily attributable to the expansion of our service centre operations and office space, as we entered into new lease agreements for Causeway Bay Service Centre II in February 2025 and Tsim Sha Tsui Service Centre II in October 2025, which resulted in additional right-of-use assets recognised for shop spaces. In addition, we renewed the office lease in Tsim Sha Tsui in October 2025 to accommodate our growing administrative and operational support teams. Causeway Bay Service Centre I and Tsim Sha Tsui Service Centre I were closed and converted into training centres for staff training and development immediately upon the opening of the new centres, resulting in right-of-use assets of approximately HK\$4.9 million being reclassified to training centres as at 31 March 2026.

Property, plant and equipment

During the Track Record Period, our property, plant and equipment mainly comprised leasehold improvements, fixtures, fittings and office equipment, machinery and equipment and motor vehicles for use in our operations. The following table sets forth the breakdown of our property, plant and equipment as at the dates indicated:

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Furniture, fixtures and office equipment	1,873	1,849	2,238
Machinery and equipment	5,125	4,444	4,790
Motor vehicle	–	651	421
Leasehold improvement	8,829	5,583	22,550
Total	15,827	12,527	29,999

Our property, plant and equipment decreased from approximately HK\$15.8 million as at 31 March 2024 to approximately HK\$12.5 million as at 31 March 2025, as there were no significant additions during FY2025 and the balance was reduced by ongoing depreciation. It then increased to approximately HK\$30.0 million as at 31 March 2026, mainly attributable to addition of property, plant and equipment of approximately HK\$21.8 million, net of depreciation of approximately HK\$7.8 million, reflecting the leasehold improvements in relation to expansion of our service centres in Causeway Bay and Tsim Sha Tsui during FY2026.

FINANCIAL INFORMATION

Accrued expenses and other payables

During the Track Record Period, our accrued expenses and other payables mainly consisted of salaries payables, accrued expenses, accrued [REDACTED], payables for acquisition of property, plant and equipment, other payables and provision for annual leave. The following table sets forth the breakdown of our accrued expenses and other payables as at the dates indicated:

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Salaries payables	8,790	11,557	13,956
Accrued expenses	4,684	6,504	9,818
Accrued [REDACTED]	[REDACTED]	[REDACTED]	–
Payables for acquisition of property, plant and equipment	–	–	898
Other payables	581	447	895
Provision for annual leave	2,812	3,680	5,313
Total	[REDACTED]	[REDACTED]	[REDACTED]

Our accrued expenses and other payables had a rising trend throughout the Track Record Period, increasing slightly from approximately HK\$20.1 million as at 31 March 2024 to approximately HK\$26.6 million as at 31 March 2025, and further to approximately HK\$30.9 million as at 31 March 2026.

For the increase between 31 March 2024 and 2025, it was primarily driven by (i) the increase in salaries payables and provision for annual leave of approximately HK\$2.8 million and HK\$0.9 million due to expanded headcount; (ii) the increase in accrued expenses of approximately HK\$1.8 million in relation to general operating expenses and business expansion; and (iii) the increase in accrued [REDACTED] of approximately HK\$1.1 million resulting from the previous [REDACTED], partially offset by a decrease in other payables of approximately HK\$0.1 million.

On the other hand, the further increase between 31 March 2025 and 2026 was primarily attributable to (i) the increase in salaries payables of approximately HK\$2.4 million and provision for annual leave of approximately HK\$1.6 million, which were consistent with the increase in headcount; and (ii) the increase in accrued expenses of approximately HK\$3.3 million, partially offset by a decrease in accrued [REDACTED] of approximately HK\$4.4 million, as the professional service fees in relation to [REDACTED] were settled in the prior year.

FINANCIAL INFORMATION

Contract liabilities

During the Track Record Period, our contract liabilities mainly arose from prepaid pain management and function enhancement services packages sold to customers. The following table sets forth the movements of our contract liabilities during the Track Record Period:

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
At the beginning of the reporting period	188,352	129,128	125,237
Additions	259,585	307,637	415,268
Recognised to revenue from the beginning balance	(132,894)	(101,389)	(85,846)
Recognised to revenue during the year	<u>(185,915)</u>	<u>(210,139)</u>	<u>(281,303)</u>
At the end of the reporting period	<u>129,128</u>	<u>125,237</u>	<u>173,356</u>

Our contract liabilities decreased from approximately HK\$188.4 million as at 1 April 2023 to HK\$129.1 million as at 31 March 2024, and further to HK\$125.2 million as at 31 March 2025, and then increased to HK\$173.4 million as at 31 March 2026. While additions have shown a consistent upward trend during the Track Record Period, total revenue recognised remained at relatively stable levels.

In FY2024, additions amounted to approximately HK\$259.6 million, while total revenue recognised amounted to approximately HK\$318.8 million, resulting in a decrease in contract liabilities from approximately HK\$188.4 million at the beginning of FY2024 to approximately HK\$129.1 million at the end of the FY2024. In FY2025, additions increased to approximately HK\$307.6 million, broadly in line with total revenue recognised of approximately HK\$311.5 million, and thus the contract liabilities slightly decreased to approximately HK\$125.2 million at the end of FY2025. However, a significant surge in new additions of approximately HK\$415.3 million in FY2026 outpaced the total revenue recognised of approximately HK\$367.1 million, leading to an increase in contract liabilities to approximately HK\$173.4 million at the end of FY2026.

FINANCIAL INFORMATION

LIQUIDITY AND CAPITAL RESOURCES

Capital resources

We have financed our operations and capital expenditure needs primarily through cash generated from our operating activities. Going forward, we believe that our liquidity requirements will be satisfied by using a combination of cash flow generated from our operating activities, other funds raised from the capital markets from time to time and the [REDACTED] from the [REDACTED]. For details of our future plans regarding our use of [REDACTED] from the [REDACTED], please refer to the section headed “Futures Plans and Use of [REDACTED]” in this document.

Cash flow analysis

The following table sets out selected data from our combined statements of cash flows for the years indicated:

	FY2024 <i>HK\$'000</i>	FY2025 <i>HK\$'000</i>	FY2026 <i>HK\$'000</i>
Net cash from operating activities	74,138	85,803	117,156
Net cash used in investing activities	(1,254)	(23,430)	(19,582)
Net cash used in financing activities	<u>(47,119)</u>	<u>(51,441)</u>	<u>(79,326)</u>
Net increase in cash and cash equivalents	25,765	10,932	18,248
Cash and cash equivalents at beginning of the year	<u>41,643</u>	<u>67,408</u>	<u>78,340</u>
Cash and cash equivalents at the end of the year	<u><u>67,408</u></u>	<u><u>78,340</u></u>	<u><u>96,588</u></u>

FINANCIAL INFORMATION

Net cash from operating activities

For FY2026, our net cash from operating activities was approximately HK\$117.2 million, which was primarily attributable to (i) an increase in contract liabilities of approximately HK\$48.1 million; (ii) our profit before tax of approximately HK\$45.3 million; and (iii) depreciation of right-of-use assets of approximately HK\$31.8 million; and (iv) depreciation of property, plant and equipment of approximately HK\$7.8 million, partially offset by the income tax paid of approximately HK\$10.6 million.

For FY2025, our net cash from operating activities was approximately HK\$85.8 million, which was primarily attributable to (i) our profit before tax of approximately HK\$42.3 million; (ii) depreciation of right-of-use assets of approximately HK\$20.1 million; and (iii) depreciation of property, plant and equipment of approximately HK\$6.2 million; and (iv) an increase in trade and other receivables of approximately HK\$14.7 million, partially offset by a decrease in contract liabilities of approximately HK\$3.9 million.

For FY2024, our net cash from operating activities was approximately HK\$74.1 million, which was primarily attributable to (i) our profit before tax of approximately HK\$97.4 million; (ii) depreciation of right-of-use assets of approximately HK\$18.7 million; and (iii) depreciation of property, plant and equipment of approximately HK\$6.1 million, partially offset by a decrease in contract liabilities of approximately HK\$59.2 million.

Net cash used in investing activities

For FY2026, our net cash used in investing activities was approximately HK\$19.6 million, which was attributable to the purchase of property, plant and equipment of approximately HK\$19.8 million in relation to decoration of new centres in Tsim Sha Tsui and Causeway Bay, partially offset by the interest income of approximately HK\$0.8 million.

For FY2025, our net cash used in investing activities was approximately HK\$23.4 million, which was attributable to (i) an increase in pledged bank deposits of HK\$17 million; (ii) deposits for acquisition of property, plant and equipment of HK\$4.5 million and (iii) the purchase of property, plant and equipment of approximately HK\$2.7 million, mainly comprising approximately HK\$1.4 million for treatment devices and approximately HK\$0.7 million for motor vehicles, partially offset by the interest income of approximately HK\$0.7 million.

For FY2024, our net cash used in investing activities was approximately HK\$1.3 million, which was attributable to the purchase of property, plant and equipment of approximately HK\$1.2 million in relation to the addition of treatment devices, partially offset by the interest income of approximately HK\$0.2 million.

FINANCIAL INFORMATION

Net cash used in financing activities

For FY2026, our net cash used in financing activities was approximately HK\$79.3 million, which was attributable to (i) an advance to the Controlling Shareholders of HK\$45.6 million; (ii) repayment of lease liabilities of approximately HK\$29.9 million; and (iii) interest expense of approximately HK\$3.8 million.

For FY2025, our net cash used in financing activities was approximately HK\$51.4 million, which was attributable to (i) an advance to the Controlling Shareholders of approximately HK\$29.5 million; (ii) repayment of lease liabilities of approximately HK\$19.5 million; and (iii) interest expense of approximately HK\$2.5 million.

For FY2024, our net cash used in financing activities was approximately HK\$47.1 million, which was attributable to (i) repayment of lease liabilities of approximately HK\$18.5 million; (ii) advance to the Controlling Shareholders of approximately HK\$25.2 million; (iii) interest expense of approximately HK\$2.5 million; and (iv) repayment of interest-bearing borrowings of approximately HK\$0.9 million.

Sufficiency of working capital

We finance our working capital needs primarily through cash flow from operating activities. Taking into account the financial resources available to our Group, including the cash and cash equivalents, the cash flow from operating activities and the estimated [REDACTED] from the [REDACTED], our Directors, after due and careful inquiry, are satisfied that our Group has available sufficient working capital for our present requirements, that is for at least the next 12 months from the date of this document.

INDEBTEDNESS

Lease liabilities

The following table sets forth a breakdown of our lease liabilities as at the dates indicated:

	As at 31 March		As at 30 June	
	2024	2025	2026	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Current portion	19,592	24,390	34,926	33,194
Non-current portion	21,879	22,630	45,045	37,323
Total	41,471	47,020	79,971	70,517

FINANCIAL INFORMATION

Our lease liabilities increased from approximately HK\$41.5 million as at 31 March 2024 to approximately HK\$47.0 million as at 31 March 2025 and further to approximately HK\$80.0 million as at 31 March 2026, due to the business expansion that the Group has entered new lease for Causeway Bay Service Centre II in February 2025 and Tsim Sha Tsui Service Centre II in October 2025 to increase service capacity.

The current portion of our lease liabilities increased from approximately HK\$19.6 million as at 31 March 2024 to approximately HK\$24.4 million as at 31 March 2025, and further to approximately HK\$34.9 million as at 31 March 2026. The non-current portion increased slightly from approximately HK\$21.9 million as at 31 March 2024 to approximately HK\$22.6 million as at 31 March 2025, and then increased significantly to approximately HK\$45.0 million as at 31 March 2026, primarily due to the new 3-year lease agreements entered into during FY2025 and FY2026, with the majority of the lease liabilities classified as non-current.

As at 30 June 2026, our lease liabilities decreased to approximately HK\$70.5 million, of which the current and non-current portions decreased to approximately HK\$33.2 million and HK\$37.3 million, respectively. The decrease was primarily due to repayment of lease liabilities during the period from 1 April 2026 to 30 June 2026.

The table below sets forth the ageing analysis of our lease liabilities as at the dates indicated:

	As at 31 March			As at 30 June
	2024	2025	2026	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within 1 year	19,592	24,390	34,926	33,194
More than 1 year but within 2 years	16,474	13,853	31,212	29,408
More than 2 years but within 5 years	5,405	8,777	13,833	7,915
Total	41,471	47,020	79,971	70,517

The ageing analysis shows that while our lease liabilities remained predominantly short to medium-term in nature, the portion due after one year has grown significantly throughout the Track Record Period, increasing from approximately HK\$21.9 million as at 31 March 2024 to approximately HK\$45.0 million as at 31 March 2026, reflecting the overall expansion of our lease portfolio, including new lease commitments entered into during FY2026. As at 30 June 2026, the portion due after one year decreased to approximately HK\$37.3 million resulting from the repayment of lease liabilities during the period from 1 April 2026 to 30 June 2026.

FINANCIAL INFORMATION

Amounts (due to) due from the Controlling Shareholders

The following table sets forth the movement in the amounts (due to) due from the Controlling Shareholders as at the dates indicated:

	As at 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Opening balance	86,720	92,459	(1,089)
Movements:			
Expenses paid on behalf of our Group	(6,373)	(625)	(156)
Prepayments paid for ERP system development on behalf of our Group	(19,500)	–	–
Refundable deposits (paid to) refunded from a landlord for acquisition of a property on behalf of our Group	–	(39,000)	38,700
Withdrawal of funds	31,612	30,077	45,793
Declaration of dividends	–	(84,000)	(40,000)
Closing amounts due from (due to) the Controlling Shareholders	92,459	(1,089)	43,248

As at 31 March 2024, the amount due from the Controlling Shareholders increased from approximately HK\$86.7 million at the beginning of the year to approximately HK\$92.5 million, primarily attributable to the withdrawal of funds of approximately HK\$31.6 million, partially offset by the prepayments paid for ERP system development on behalf of our Group of approximately HK\$19.5 million.

As at 31 March 2025, the balance turned to an amount due to the Controlling Shareholders of approximately HK\$1.1 million, primarily attributable to (i) the declaration of dividends of HK\$84.0 million; (ii) refundable deposits of approximately HK\$39 million paid to a landlord for acquisition of a property on behalf of our Group and (iii) partially offset by withdrawal of funds of approximately HK\$30.1 million.

As at 31 March 2026, the balance reversed to an amount due from the Controlling Shareholders of approximately HK\$43.2 million, primarily attributable to (i) withdrawal of funds of approximately HK\$45.8 million; and (ii) refundable deposits of approximately HK\$38.7 million refunded from a landlord to Controlling Shareholders for acquisition of a property on behalf of our Group, partially offset by the declaration of dividends of HK\$40 million.

Our Directors confirm that all the outstanding balance due from the Controlling Shareholders will be settled partially by cash and partially offset by dividend prior to or upon [REDACTED].

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Contingent liabilities or guarantees

As at 31 March 2024, 2025 and 2026, we did not have any material contingent liabilities.

As at the Latest Practicable Date, the rental guarantee for Sha Tin Service Centre and a corporate credit card guarantee were provided by a Controlling Shareholder by way of personal guarantee. Upon [REDACTED], it is expected that these personal guarantees will be replaced by either a corporate guarantee of the Group or a deposit arrangement.

TRANSACTIONS WITH RELATED PARTIES

With respect to the related party transactions set forth in the note 24 to the Accountants' Report in Appendix I to this document, our Directors confirm that these transactions were conducted on normal commercial terms or such terms that were no less favourable to our Group than those available to Independent Third Parties and were fair and reasonable and in the interest of our Shareholders as a whole.

CAPITAL EXPENDITURES

Our capital expenditures principally consisted of expenditures on additions of property, plant and equipment for use in our operations. For FY2024, FY2025 and FY2026, our Group incurred capital expenditures of approximately HK\$1.2 million, HK\$2.7 million and HK\$19.8 million, respectively.

Our projected capital expenditures are subject to revision based upon any future changes in our business plan, market conditions, and economic and regulatory environment. Please refer to the section headed "Future Plans and Use of [REDACTED]" of this document for further information.

CAPITAL COMMITMENTS

As at 31 March 2024, 2025 and 2026, our Group had capital commitments of approximately HK\$0.2 million, HK\$4.5 million and HK\$2.3 million for acquisition of property, plant and equipment.

FINANCIAL INFORMATION

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for/as at the years/dates indicated:

	For the financial year ended/As at 31 March		
	2024	2025	2026
Return on equity (%)	83.69	75.01	87.81
Return on assets (%)	27.88	13.60	11.50
Interest coverage (times)	39.33	17.66	12.84
Current ratio (times)	1.22	0.90	0.81
Quick ratio (times)	1.22	0.90	0.81
Gearing ratio (%)	Nil	Nil	Nil

Notes:

- (1) Return on equity is calculated based on profit for the year divided by total equity at the end of the respective year and multiplied by 100%.
- (2) Return on assets is calculated based on profit for the year divided by total assets at the end of the respective year and multiplied by 100%.
- (3) Interest coverage is calculated based on profit before interest and tax for the year divided by interest expenses for the respective year.
- (4) Current ratio is calculated based on total current assets divided by total current liabilities at the end of the respective year.
- (5) Quick ratio is calculated based on total current assets minus inventory divided by total current liabilities at the end of the respective year.
- (6) Gearing ratio is calculated based on total interest-bearing borrowings (including bank borrowings and bank overdrafts) divided by total equity at the end of the respective year and multiplied by 100%.

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Return on equity

Our return on equity decreased from approximately 83.69% in FY2024 to approximately 75.01% in FY2025, and then increased to approximately 87.81% in FY2026. The decrease from FY2025 was primarily attributable to the decline in net profit from approximately HK\$79.8 million to HK\$33.9 million, coupled with a decrease in total equity from approximately HK\$95.3 million to HK\$45.2 million. The increase in FY2026 was primarily attributable to the improvement in net profit to approximately HK\$37.8 million, while total equity remained relatively stable at approximately HK\$43.0 million. Please refer to the sections headed "REVIEW OF HISTORICAL RESULTS OF OPERATIONS" and "DESCRIPTION OF CERTAIN ITEMS OF COMBINED STATEMENTS OF FINANCIAL POSITION" in this section for details.

Return on assets

Our return on assets decreased from approximately 27.88% in FY2024 to approximately 13.60% in FY2025, and further to approximately 11.50% in FY2026. This decreasing trend was primarily attributable to the decrease in assets, from approximately HK\$286.1 million as at 31 March 2024 to approximately HK\$249.6 million as at 31 March 2025, and further to approximately HK\$328.6 million as at 31 March 2026. Please refer to the section headed "DESCRIPTION OF CERTAIN ITEMS OF COMBINED STATEMENTS OF FINANCIAL POSITION" in this section for details.

Interest coverage

Our interest coverage decreased from approximately 39.33 times for FY2024 to approximately 17.66 times for FY2025, and further to approximately 12.84 times for FY2026. This decrease was primarily attributable to the decline in profit before tax and interest during FY2025, and the increase in finance costs at a proportionally higher rate than net profit during FY2026. Please refer to the section headed "REVIEW OF HISTORICAL RESULTS OF OPERATIONS" in this section for details.

Current ratio and quick ratio

Our current ratio and quick ratio decreased from approximately 1.22 times as at 31 March 2024 to approximately 0.90 times as at 31 March 2025, and further to approximately 0.81 times as at 31 March 2026. The decrease from FY2024 to FY2025 was primarily attributable to the increase in (i) accrued expenses and other payables of approximately HK\$6.4 million due to the increased staff related payables and provision as a result of the expansion of the personnel; and (ii) the current portion of lease liabilities of approximately HK\$4.8 million.

On the other hand, the further decrease from FY2025 to FY2026 was primarily attributable to increase in (i) the contract liabilities of approximately HK\$48.1 million, which is in line with the increased prepaid packages from approximately HK\$307.6 million for FY2025 to approximately HK\$415.3 million for FY2026; and (ii) the increase in lease liabilities of approximately HK\$10.5 million due to the expansion of business centres new finance lease arrangements for Causeway Bay Service Centre II and Tsim Sha Tsui Service Centre II, which were entered into in February 2025 and October 2025.

FINANCIAL INFORMATION

As the Group did not hold any inventories throughout the Track Record Period, our quick ratio was the same as our current ratio.

Gearing ratio

Save for borrowing costs which were capitalised as part of the cost of qualifying assets in accordance with our accounting policy, we did not have any interest-bearing borrowings during the Track Record Period. Accordingly, our gearing ratio was nil as at each of 31 March 2024, 2025 and 2026.

PLEDGE OF ASSETS

The Group's pledged bank deposits of HK\$16 million were placed to a bank who provides a performance guarantee to a subsidiary of the Group in relation to the Group's performance of services to customers who paid for the services by credit cards, in accordance with the merchant card services agreement entered into between the Group and a merchant acquiring services company. In addition, the Group also participates in a business card programme with the same bank with a credit card limit of HK\$1 million.

OFF-BALANCE SHEET ARRANGEMENT

During the Track Record Period and up to the Latest Practicable Date, we had not entered into any off-balance sheet transaction.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

We are exposed to a variety of financial risks, such as credit risk.

Details of the risks to which we are exposed are set out in note 3 to the Accountants' Report, the text of which is set out in Appendix I to this document.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that as at the Latest Practicable Date, there were no circumstances that would give rise to the disclosure requirements under Rules 13.13 to 13.19 of the Listing Rules.

FINANCIAL INFORMATION

[REDACTED]

[REDACTED]

DIVIDENDS AND DIVIDEND POLICY

During the Track Record Period, the Company declared dividend of approximately HK\$124 million to AW Ocean, the Controlling Shareholder, for setting off partially of the amounts due from Mr. Mo and Mrs. Cheung. Please refer to Note 12 to the Accountants' Report in Appendix I for details.

DISTRIBUTABLE RESERVES

Our Company was incorporated on 17 January 2024, and had reserves of approximately HK\$43.0 million as at 31 March 2026.

UNAUDITED [REDACTED] ADJUSTED COMBINED NET TANGIBLE ASSETS

Please refer the section headed "Unaudited [REDACTED] Financial Information" in Appendix II for our unaudited [REDACTED] adjusted net tangible assets and unaudited [REDACTED] estimated [REDACTED].

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Please refer the section headed "SUMMARY – RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE" of this document for details.

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

See “Business – Our Strategies” for a detailed discussion of our future plans.

USE OF [REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-point of the [REDACTED], we estimate that we will receive [REDACTED] of approximately HK\$[REDACTED] million from the [REDACTED] after deducting the [REDACTED] and other estimated expenses paid and payable by us in connection with the [REDACTED] and assuming that the [REDACTED] is not exercised. In line with our strategies, we intend to use our [REDACTED] from the [REDACTED] for the purposes and in the amounts set forth below:

1. Approximately [REDACTED] of the [REDACTED], or approximately HK\$[REDACTED] million to HK\$[REDACTED] million, will be used for establishing a pain management tower in Hong Kong, in particular:
 - Approximately HK\$[REDACTED] million to HK\$[REDACTED] million for the acquisition cost; and
 - Approximately HK\$[REDACTED] million to HK\$[REDACTED] million for refurbishment, and the purchase of treatment devices, software and insurance.

We plan to acquire a commercial building in a commercial district in Hong Kong with 3 to 5 floors and gross floor area of 4,000 to 6,000 sq. ft. We intend to use the building as our headquarters and to provide pain management treatments. We intend to set up 60 to 70 treatment rooms in the tower. We consider that the proposed acquisition will (i) reduce our rental expenses; (ii) reduce the sensitivity of the Group to market rent fluctuation; and (iii) reduce recurring refurbishment cost upon lease termination. The expected breakeven period is 5 to 7 years. As at the Latest Practicable Date, we had not identified any specific building and had not entered into any binding letter of intent or sale and purchase agreement. If required, we intend to finance the balance of the purchase price by our internal resources and a mortgage loan.

If the Group cannot identify any suitable target property immediately, the [REDACTED] will be re-allocated to other uses of [REDACTED] or invested in short-term demand deposits with licensed banks and money market instruments.

FUTURE PLANS AND USE OF [REDACTED]

2. Approximately [REDACTED]% to [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED] million to HK\$[REDACTED] million, will be used for establishing one service centre in Hong Kong, in particular:

- Approximately HK\$[REDACTED] million for three years' rent
- Approximately HK\$[REDACTED] million to HK\$[REDACTED] million for refurbishment, including software, treatment devices and insurance

According to Ipsos, Hong Kong's population aged 40 or above and per capita healthcare expenditure are expected to increase from 2026 to 2030. Individuals aged 40 and above constitute the primary user group of pain management service in Hong Kong. For details, please refer to the section headed "Industry Overview" in this document. Therefore we expect an increase in the market for pain management treatment in Hong Kong. Moreover, customers generally prefer to receive treatments at centres located close to their residence or workplace. Accordingly, spare capacity in one district may not be readily transferable to meet customer demand in another district. The establishment of a new centre is therefore intended to improve the geographical coverage and accessibility of our network and to attract customers who may not otherwise be willing to travel to our existing centres.

We plan to rent premises with a gross floor area of approximately 18,000 sq. ft. and set up approximately 60 treatment rooms, similar to our existing service centres. Our criteria for selecting the location include average age and income of the population in that area, the number of competitors in the area, distance from our other service centres, rent, quality of premises, and accessibility. Based on the performance of our other service centres, we expect the breakeven period to be approximately [3] years.

3. Approximately [REDACTED]% to [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED] million to HK\$[REDACTED] million, will be used for marketing, in particular:

- Approximately HK\$[REDACTED] million to HK\$[REDACTED] million for online marketing campaign
- Approximately HK\$[REDACTED] million to HK\$[REDACTED] million for offline marketing campaign

The use of [REDACTED] will be in line with our current marketing campaigns. For details, please refer to the section headed "Business – Marketing and Promotion".

4. Approximately [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED] million, will be used to enhance treatment quality and customer experience.

We plan to deploy a scheduling system and customer relationship management (CRM) backbone in the first phase, which is expected to take approximately 3 months. We will then launch a centralised digital health platform for various treatment devices within 4 to 6 months, and integrate these systems within 6 months after the launch.

FUTURE PLANS AND USE OF [REDACTED]

5. Approximately [REDACTED]% of the [REDACTED], or approximately HK\$[REDACTED] million, will be used as general working capital of our Group.

In the event that the [REDACTED] is set at the maximum [REDACTED] or the minimum [REDACTED] of the indicative [REDACTED] range and the [REDACTED] is not exercised, the [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED] million, respectively. To the extent that the [REDACTED] from the [REDACTED] are either more or less than expected, we will adjust our allocation of the [REDACTED] for the above purposes on a pro rata basis.

The [REDACTED] that we would receive if the [REDACTED] were exercised in full would be (i) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the maximum [REDACTED]), (ii) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the [REDACTED] range) and (iii) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the minimum [REDACTED]).

To the extent that the [REDACTED] from the [REDACTED] (including the [REDACTED] from the exercise of the [REDACTED]) are either more or less than expected, we may adjust our allocation of the [REDACTED] for the above purposes on a pro rata basis.

If any part of our plan does not proceed as planned for reasons such as changes in government policies that would render the development of any of our projects not viable, or the occurrence of force majeure events, we will carefully evaluate the situation and may reallocate the [REDACTED] from the [REDACTED].

To the extent that the [REDACTED] of the [REDACTED] are not immediately used for the above purposes, we will only deposit those [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

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[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

STRUCTURE OF THE [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

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HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

HOW TO APPLY FOR [REDACTED]

[REDACTED]

APPENDIX I

ACCOUNTANTS' REPORT

The following is the text of a report, received from the Company's independent reporting accountants, Forvis Mazars CPA Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.



Forvis Mazars CPA Limited
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INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION OF ANEW HEALTH LIMITED

The Directors
ANEW HEALTH LIMITED
VBG Capital Limited

Introduction

We report on the historical financial information of ANEW HEALTH LIMITED (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages I-[•] to I-[•], which comprises the combined statements of financial position of the Group at 31 March 2024, 2025 and 2026, the statements of financial position of the Company at 31 March 2024, 2025 and 2026, and the combined statements of profit or loss and other comprehensive income, the combined statements of changes in equity and the combined statements of cash flows of the Group for each of the years ended 31 March 2024, 2025 and 2026 (the "Track Record Period") and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-[•] to I-[•] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [•] (the "Document") issued in connection with the initial [REDACTED] of shares of the Company (the "Initial [REDACTED]") on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

APPENDIX I

ACCOUNTANTS' REPORT

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "*Accountants' Reports on Historical Financial Information in Investment Circulars*" as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, we considered internal control relevant to the Group's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the combined financial position of the Group at 31 March 2024, 2025 and 2026, the financial position of the Company at 31 March 2024, 2025 and 2026, and of the Group's combined financial performance and combined cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information.

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ACCOUNTANTS' REPORT

REPORT ON MATTERS UNDER THE RULES GOVERNING THE LISTING OF SECURITIES ON THE MAIN BOARD OF THE STOCK EXCHANGE AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-[4] have been made.

Dividends

We refer to Note 12 to the Historical Financial Information which contains information about the dividends declared by entities now comprising the Group in respect of the Track Record Period.

Preparation or audit of financial statements

At the date of this report, no statutory audited financial statements have been prepared for the Company since its date of incorporation.

Note 1 to the Historical Financial Information contains information about whether the financial statements of the members of the Group for the Track Record Period have been audited and, if applicable, the name of the auditors.

Forvis Mazars CPA Limited

Certified Public Accountants

Hong Kong

[Date]

APPENDIX I

ACCOUNTANTS' REPORT

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of the Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The combined financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were prepared by the directors of the Company in accordance with the accounting policies that conform with HKFRS Accounting Standards as issued by the HKICPA and were audited by Forvis Mazars CPA Limited, *Certified Public Accountants, Hong Kong*, in accordance with Hong Kong Standards on Auditing as issued by the HKICPA (the "Underlying Financial Statements").

The Historical Financial Information is presented in Hong Kong dollars ("HK\$"), and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

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ACCOUNTANTS' REPORT

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 March		
		2024	2025	2026
	Note	HK\$'000	HK\$'000	HK\$'000
Revenue	5	319,217	311,892	367,543
Cost of consumables and inventories		(3,176)	(2,909)	(3,598)
Other income	6	483	831	823
Advertising and marketing expenses		(33,693)	(35,846)	(48,371)
Staff costs	7	(133,089)	(171,159)	(200,386)
Depreciation	7	(24,731)	(26,319)	(39,601)
Finance costs	7	(2,540)	(2,536)	(3,823)
Other operating expenses		(18,146)	(22,521)	(25,681)
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]
Profit before tax	7	97,370	42,262	45,252
Income tax expenses	10	(17,610)	(8,323)	(7,477)
Profit and total comprehensive income for the year		79,760	33,939	37,775

APPENDIX I

ACCOUNTANTS' REPORT

COMBINED STATEMENTS OF FINANCIAL POSITION

		At 31 March		
		2024	2025	2026
	Note	HK\$'000	HK\$'000	HK\$'000
Non-current assets				
Property, plant and equipment	13	15,827	12,527	29,999
Right-of-use assets	14	38,912	43,792	74,766
Deposits and prepayments	15	25,997	29,372	29,351
		<u>80,736</u>	<u>85,691</u>	<u>134,116</u>
Current assets				
Trade and other receivables	15	27,059	52,029	14,166
Contract costs	16	15,902	16,525	23,457
Amount due from the Controlling Shareholders	20	92,459	–	43,248
Income tax recoverable		2,526	–	–
Pledged bank deposits	17	–	17,000	17,000
Bank balances and cash		67,408	78,340	96,588
		<u>205,354</u>	<u>163,894</u>	<u>194,459</u>
Current liabilities				
Accrued expenses and other payables	18	20,137	26,554	30,880
Contract liabilities	19	129,128	125,237	173,356
Amount due to the Controlling Shareholders	20	–	1,089	–
Lease liabilities	21	19,592	24,390	34,926
Income tax payables		–	4,005	370
		<u>168,857</u>	<u>181,275</u>	<u>239,532</u>
Net current assets (liabilities)		<u>36,497</u>	<u>(17,381)</u>	<u>(45,073)</u>
Total assets less current liabilities		<u>117,233</u>	<u>68,310</u>	<u>89,043</u>
Non-current liabilities				
Lease liabilities	21	21,879	22,630	45,045
Deferred tax liabilities	22	49	436	979
		<u>21,928</u>	<u>23,066</u>	<u>46,024</u>
NET ASSETS		<u>95,305</u>	<u>45,244</u>	<u>43,019</u>
Capital and reserves				
Share capital	23(a)	–*	–*	–*
Reserves		<u>95,305</u>	<u>45,244</u>	<u>43,019</u>
TOTAL EQUITY		<u>95,305</u>	<u>45,244</u>	<u>43,019</u>

* Represent amount less than HK\$1,000.

APPENDIX I

ACCOUNTANTS' REPORT

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		At 31 March		
		2024	2025	2026
	Note	HK\$'000	HK\$'000	HK\$'000
Non-current asset				
Investment in a subsidiary	23(c)	<u>78</u>	<u>78</u>	<u>78</u>
Current asset				
Amount due from the ultimate holding company	23(d)	<u>—*</u>	<u>—*</u>	<u>—*</u>
Current liability				
Amount due to a subsidiary	23(d)	<u>78</u>	<u>78</u>	<u>78</u>
Net current liabilities		<u>(78)</u>	<u>(78)</u>	<u>(78)</u>
NET ASSETS		<u>—*</u>	<u>—*</u>	<u>—*</u>
Capital and reserves				
Share capital	23(a)	<u>—*</u>	<u>—*</u>	<u>—*</u>
Reserves	23(e)	<u>—</u>	<u>—</u>	<u>—</u>
TOTAL EQUITY		<u>—*</u>	<u>—*</u>	<u>—*</u>

* Represent amount less than HK\$1,000.

APPENDIX I

ACCOUNTANTS' REPORT

COMBINED STATEMENTS OF CHANGES IN EQUITY

	Share capital HK\$'000 (Note 23(a))	Capital reserve HK\$'000 (Note 23(b))	Accumulated profits HK\$'000	Total HK\$'000
At 1 April 2023	—	9	15,536	15,545
Profit and total comprehensive income for the year	—	—	79,760	79,760
Transactions with owners				
<i>Contributions and distributions</i>				
Issue of shares (Note 23(a)(i) and (ii))	—*	—	—	—*
Total transactions with owners	—*	—	—	—*
At 31 March 2024	—*	9	95,296	95,305
At 1 April 2024	—*	9	95,296	95,305
Profit and total comprehensive income for the year	—	—	33,939	33,939
Transactions with owners				
<i>Contributions and distributions</i>				
Dividends declared (Note 12)	—	—	(84,000)	(84,000)
Total transactions with owners	—	—	(84,000)	(84,000)
At 31 March 2025	—*	9	45,235	45,244
At 1 April 2025	—*	9	45,235	45,244
Profit and total comprehensive income for the year	—	—	37,775	37,775
Transactions with owners				
<i>Contributions and distributions</i>				
Dividends declared (Note 12)	—	—	(40,000)	(40,000)
Total transactions with owners	—	—	(40,000)	(40,000)
At 31 March 2026	—*	9	43,010	43,019

* Represent amount less than HK\$1,000.

APPENDIX I

ACCOUNTANTS' REPORT

COMBINED STATEMENTS OF CASH FLOWS

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
OPERATING ACTIVITIES			
Profit before tax	97,370	42,262	45,252
Adjustments for:			
Bank interest income	(233)	(725)	(807)
Finance costs	2,540	2,536	3,823
Depreciation of property, plant and equipment	6,072	6,197	7,758
Depreciation of right-of-use assets	18,659	20,122	31,843
Written-off of property, plant and equipment	202	20	–
(Reversal of) Provision for loss allowance for expected credit loss ("ECL") on trade receivables	(2)	(218)	28
(Reversal of) Provision for loss allowance for ECL on other receivables	(13)	423	(360)
Operating cash inflows before working capital changes	<u>124,595</u>	<u>70,617</u>	<u>87,537</u>
Change in working capital:			
Trade and other receivables	2,141	14,688	(4,427)
Contract costs	7,559	(623)	(6,932)
Accrued expenses and other payables	6,997	6,417	3,428
Contract liabilities	<u>(59,224)</u>	<u>(3,891)</u>	<u>48,119</u>
Cash generated from operations	82,068	87,208	127,725
Income tax paid	<u>(7,930)</u>	<u>(1,405)</u>	<u>(10,569)</u>
Net cash from operating activities	<u>74,138</u>	<u>85,803</u>	<u>117,156</u>

APPENDIX I

ACCOUNTANTS' REPORT

	<i>Note</i>	Year ended 31 March		
		2024	2025	2026
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
INVESTING ACTIVITIES				
Placement of pledged bank deposits		–	(17,000)	–
Deposits for acquisition of property, plant and equipment		(250)	(4,488)	(545)
Purchase of property, plant and equipment		(1,237)	(2,667)	(19,844)
Interest received		233	725	807
		<u> </u>	<u> </u>	<u> </u>
Net cash used in investing activities		<u>(1,254)</u>	<u>(23,430)</u>	<u>(19,582)</u>
FINANCING ACTIVITIES				
Repayment of interest-bearing borrowings	25(b)	(884)	–	–
Repayment of lease liabilities	25(b)	(18,456)	(19,453)	(29,866)
Advance to the Controlling Shareholders	25(b)	(25,239)	(29,452)	(45,637)
Interest paid		(2,540)	(2,536)	(3,823)
		<u> </u>	<u> </u>	<u> </u>
Net cash used in financing activities		<u>(47,119)</u>	<u>(51,441)</u>	<u>(79,326)</u>
Net increase in cash and cash equivalents		25,765	10,932	18,248
Cash and cash equivalents at beginning of the reporting period		<u>41,643</u>	<u>67,408</u>	<u>78,340</u>
Cash and cash equivalents at end of the reporting period, represented by bank balances and cash		<u>67,408</u>	<u>78,340</u>	<u>96,588</u>

APPENDIX I

ACCOUNTANTS' REPORT

NOTES TO THE HISTORICAL FINANCIAL INFORMATION OF THE GROUP

1. GENERAL INFORMATION AND REORGANISATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 17 January 2024. The address of the Company's registered office is 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, George Town, Grand Cayman KY1-1002, Cayman Islands. The Company's principal place of business is situated at Unit 2301-05, 23/F, Tower 5, The Gateway Harbour City, 15 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company is an investment holding company and the principal activities of its subsidiaries (the Company and its subsidiaries are collectively referred to as the "Group") are provision of pain management and function enhancement services and the sales of healthcare products.

At the date of this report, the immediate and ultimate holding company of the Company is AW Ocean Limited ("AW Ocean"), which is incorporated in the British Virgin Islands (the "BVI"). In the opinion of the directors of the Company, the Controlling Shareholders are Mr. MO Ka Wai Victor and Ms. CHEUNG Sum Lok (the "Controlling Shareholders").

Pursuant to a group reorganisation (the "Reorganisation"), which was completed on 28 March 2024, as detailed in the paragraph headed "Reorganisation" of the section headed "History, Reorganisation and Corporate Structure" of the document issued in connection with the [REDACTED] [REDACTED] of shares of the Company on the Main Board of The Stock Exchange, the Company became the holding company of the entities now comprising the Group.

At the date of this report, the particulars of the Company's subsidiaries, which are private limited liability companies, of which the Company has direct or indirect interests, are as follows:

Name of subsidiary	Place of incorporation	Date of incorporation	Issued and paid-up capital	Attributable equity interests held by the Company	Principal activities/place of operation
<i>Directly held</i>					
AW Global Limited ("AW Global") (Note (i))	The BVI	15 January 2024	United States dollars ("US\$")10,000	100%	Investment holding/ The BVI
<i>Indirectly held</i>					
VG Zenith International Company Limited ("VG Zenith")	Hong Kong	18 October 2007	HK\$300,000	100%	Provision of pain management and function enhancement services/ Hong Kong
Victor Zenith Company Limited ("Victor Zenith")	Hong Kong	19 March 2010	HK\$8,000	100%	Sales of healthcare products/ Hong Kong

APPENDIX I

ACCOUNTANTS' REPORT

Set forth below is the information of the financial statements, as prepared in accordance with respective local financial reporting standards, of the Company's major subsidiaries that have been audited and fall into the Track Record Period.

Subsidiary	Financial period	Auditors
VG Zenith	Years ended 31 March 2024 and 2025 (<i>Note ii</i>)	Shine Wise & Co. CPA, <i>Certified Public</i> <i>Accountants, Hong Kong</i>
Victor Zenith	Years ended 31 March 2024 and 2025 (<i>Note ii</i>)	Shine Wise & Co. CPA, <i>Certified Public</i> <i>Accountants, Hong Kong</i>

Note:

- (i) No statutory audited financial statements have been prepared by AW Global for the period from the date of incorporation to the date of this report as it is not required to issue audited financial statements under relevant statutory requirements at the place of incorporation.
- (ii) At the date of this report, the statutory audited financial statements for the year ended 31 March 2026 of VG Zenith and Victor Zenith have not yet been prepared as they are not yet due for issuance.

2. BASIS OF PREPARATION AND PRESENTATION OF THE HISTORICAL FINANCIAL INFORMATION

Pursuant to the Reorganisation, as more fully explained in the paragraph headed "Reorganisation" of the section headed "History, Reorganisation and Corporate Structure" of the document, the Company became the holding company of the entities now comprising the Group on 28 March 2024. Immediately prior to and after the Reorganisation, the Group's business is mainly conducted through VG Zenith and Victor Zenith while the Company and AW Global are investment holding companies prior to the Reorganisation. As the Reorganisation did not result in any change in the ultimate control of and the resources employed by the Group's business, the Group is regarded as a continuity entity and, therefore, the Reorganisation is considered to be a restructuring of entities and business under common control unless otherwise stated.

Accordingly, for the purpose of this report, the Historical Financial Information has been prepared on a combined basis under merger accounting principles, as further explained in the paragraph headed "Merger accounting under common control" in Note 3 to the Historical Financial Information, which presents the combined financial position, combined financial performance, combined changes in equity and combined cash flows of the entities now comprising the Group as if the current group structure, had always been in existence throughout the Track Record Period or since their respective date of incorporation, where applicable.

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Statement of compliance

The Historical Financial Information has been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations as issued by the HKICPA. The Historical Financial Information also complies with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The HKICPA has issued a number of new/revised HKFRS Accounting Standards during the Track Record Period. For the purpose of the preparation of the Historical Financial Information, the Group has consistently adopted all those new/revised HKFRS Accounting Standards that are relevant to its operations and are effective throughout the Track Record Period. The adoption of those new/revised HKFRS Accounting Standards does not have any significant impact on the Historical Financial Information.

A summary of material accounting policies adopted by the Group in preparing the Historical Financial Information is set out in Note 3 to the Historical Financial Information.

Going concern

At 31 March 2026, the Group recorded net current liabilities of approximately HK\$45,073,000. Based on the estimated future cash flows of the Group, after taking into account that (i) the Group is able to generate operating profits and cash inflows to meet its financial obligation as they fall due; and (ii) the Group maintains sufficient bank balances and cash resources to fund its daily operations, the directors of the Company are of the opinion that the Group will have sufficient working capital to finance its normal operation and meet the obligation for its liabilities in the next twelve months from the end of the reporting period. Accordingly, the Historical Financial Information has been prepared on a going concern basis.

3. MATERIAL ACCOUNTING POLICIES

Basis of measurement

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis.

Basis of combinations

The Historical Financial Information comprises the financial statements of the Company and all its subsidiaries for the Track Record Period. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company using consistent accounting policies.

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All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are combined from the date on which the Group obtains control and continue to be combined until the date that such control ceases.

Changes in ownership interest

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the holding company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

Merger accounting under common control

The Historical Financial Information incorporates the financial statements of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the Controlling Shareholders.

The net assets of the combining entities or businesses are combined using the existing carrying values from the Controlling Shareholders' perspective. No amount is recognised as consideration for goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the Controlling Shareholders' interest. All differences between the cost of acquisition (fair value of consideration paid) and the amounts at which the assets and liabilities, arising from the Reorganisation, are recognised directly in equity as part of the capital reserve. The combined statements of profit or loss and other comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

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Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting are recognised as an expense in the period in which they are incurred.

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statements of financial position, investment in a subsidiary is stated at cost less impairment loss (if any). The carrying amount of the investment is reduced to its recoverable amounts on an individual basis, if it is higher than the recoverable amount. The result of the subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprise its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to the profit or loss during the period in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives or annual rates as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately:

Leasehold improvements	Over the shorter of the lease terms
Furniture, fixtures and office equipment	20%
Machinery and equipment	20%
Motor vehicles	30%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

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Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

Financial assets (except for trade and other receivables without a significant financing component which are initially measured at their transaction price) are initially recognised at their fair value plus, in the case of financial assets not carried at financial assets at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial assets. Such trade and other receivables are initially measured at their transaction price.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income ("FVOCI"); (iii) equity investment measured at FVOCI; or (iv) measured at FVPL.

The classification of financial assets at initial recognition depends on the Group's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first interim reporting period following the change in the business model.

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Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Group's financial assets at amortised cost include trade and other receivables, amount due from the Controlling Shareholders, pledged bank deposits and bank balances and cash.

Financial liabilities

Recognition and derecognition

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are direct attributable to the issue of the financial liabilities.

The Group's financial liabilities include accrued expenses and other payables and amount due to the Controlling Shareholders. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

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Impairment of financial assets

The Group recognises loss allowances for ECL on financial assets that are measured at amortised cost. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

- (i) past due information;
- (ii) nature of financial instruments;
- (iii) nature of collateral (if any);
- (iv) nature, size and industry of debtors;
- (v) geographical location of debtors; and
- (vi) external credit risk ratings (if available).

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument.

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Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial asset that meets any of the following criteria:

- (i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or
- (ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. In particular, the following information is taken into account in the assessment:

- the debtor's failure to make payments of principal or interest on the due dates;
- an actual or expected significant deterioration in the financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and/or
- actual or expected changes in the technological, market, economic or legal environment that have or may have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Notwithstanding the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

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Low credit risk

A financial instrument is determined to have low credit risk if:

- (i) it has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group's pledged bank deposits and bank balances and cash are determined to have low credit risk.

Simplified approach of ECL

For trade receivables without significant financing components or otherwise for which the Group applies the practical expedient not to account for the significant financing components, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Credit-impaired financial asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (e) the disappearance of an active market for that financial asset because of financial difficulties; or
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

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Write-off

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice, if appropriate. Any subsequent recovery is recognised in profit or loss.

Cash equivalents

For the purpose of the combined statements of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Revenue recognition

Revenue from contracts with customers within HKFRS 15

Nature of goods or services

The nature of the goods or services provided by the Group is as follows:

- (i) pain management and function enhancement services; and
- (ii) sales of healthcare products.

Identification of performance obligations

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and

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- (b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) the Group's performance does not create an asset with an alternative use to the Group, and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

- (i) Provision of pain management and function enhancement services

Revenue from provision of pain management and function enhancement services is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services.

Pain management and function enhancement services are usually sold on a prepaid basis. Payment received for the pain management and function enhancement services are recorded as contract liabilities at the time of receipt. Contract liabilities are non-refundable and customers may not utilise all of their contracted rights within the service period. Such unutilised pain management and function enhancement services are referred to as breakage. An expected breakage amount in contract liabilities is estimated by the management of the Group based on the historical data of customers' utilisation and expected future utilisation pattern of the Group's prepaid packages and is recognised as revenue in proportion to the pattern of prepaid pain management and function

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enhancement services utilised by the customers. Any contract liabilities outstanding at the expiry of the service period is fully recognised in profit or loss.

Pain management and function enhancement services which are not sold on a prepaid basis are recognised in full when the services have been rendered to customers.

(ii) Sales of healthcare products

Revenue from sales of healthcare products is recognised at a point in time when control of the goods has been transferred, being when the goods have been delivered to the customers or at the point of purchase by customers.

Transaction price: significant financing components

When the contract contains a significant financing component (i.e. the customer or the Group is provided with a significant benefit of financing the transfer of goods or services to the customer), in determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money. The effect of the significant financing component is recognised as an interest income or interest expense separately from revenue from contracts with customers in profit or loss.

The Group determines the interest rate that is commensurate with the rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception by reference to, where appropriate, the interest rate implicit in the contract (i.e. the interest rate that discounts the cash selling price of the goods or services to the amount paid in advance or arrears), the prevailing market interest rates, the Group's borrowing rates and other relevant creditworthiness information of the customers of the Group.

The Group has applied the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for the effect of the significant financing component if the period of financing is one year or less.

Revenue from other sources

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Contract liabilities

If a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Group's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

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Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the first in first out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Contract costs

Contract costs are incremental costs of obtaining a contract that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses.

The costs to obtain contracts (representing by sales commissions) are capitalised if they are incremental and recoverable. The capitalised contract costs are amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the services to which the cost relate.

An impairment loss is recognised in profit or loss to the extent that the carrying amount of the asset exceeds (a) the remaining amount of consideration that the Group expects to receive in exchange for the services to which the asset relates; less (b) the costs that relate directly to providing those services and that have not been recognised as expenses. A reversal of impairment loss is recognised in profit or loss when the impairment conditions no longer exist or have improved provided the increased carrying amount of the asset shall not exceed the amount that would have been determined if no impairment loss had been recognised previously.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company and its subsidiaries have HK\$ as their functional currency. The Historical Financial Information is presented in HK\$ and rounded to the nearest thousands unless otherwise indicated, which is the Group's presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

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Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that the Group's property, plant and equipment, right-of-use assets, prepayments for enterprise resources planning ("ERP") system development and the Company's investment in a subsidiary may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense in profit or loss immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior periods. Reversal of impairment loss is recognised as income in profit or loss immediately.

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

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Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Government grants relating to compensation of expenses are deducted from the related expenses. Where the grant relates to an asset, the fair value is recognised as a deduction from the carrying amount of the relevant asset and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Leases

The Group assesses whether a contract is, or contains, a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as lessee

The Group applies the recognition exemption to short-term leases and low-value asset leases. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group has elected not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

The Group accounts for each lease component within a lease contract as a lease separately. The Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and, where applicable, the aggregate stand-alone price of the non-lease components.

Amounts payable by the Group that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease.

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The right-of-use asset is initially measured at cost, which comprises:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the Group; and
- (d) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the unexpired term of lease of the right-of-use asset (unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option (if any) – in which case depreciation is provided over the estimated useful life of the underlying asset) as follows:

Leased properties	Over the unexpired term of lease
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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate;
- (c) amounts expected to be payable under residual value guarantees;
- (d) exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- (e) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

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The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from a change in the lease term or the reassessment of whether the Group will be reasonably certain to exercise a purchase option.

The lease liability is remeasured by using the original discount rate when there is a change in the residual value guarantee, the in-substance fixed lease payments or the future lease payments resulting from a change in an index or a rate (other than floating interest rate). In case of a change in future lease payments resulting from a change in floating interest rates, the Group remeasures the lease liability using a revised discount rate.

The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

A lease modification is accounted for as a separate lease if:

- (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

When a lease modification is not accounted for as a separate lease, at the effective date of the lease modification,

- (a) the Group allocates the consideration in the modified contract on the basis of relative stand-alone price as described above;
- (b) the Group determines the lease term of the modified contract;
- (c) the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate over the revised lease term;

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- (d) for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognising any gain or loss relating to the partial or full termination of the lease in profit or loss; and
- (e) for all other lease modifications, the Group accounts for the remeasurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

Employee benefits

Short term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Defined contribution plans

The Group operates a defined contribution retirement benefit scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance ("MPF Ordinance") for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries, subject to a cap in accordance with the MPF Ordinance. Contributions are recognised as an expense in profit or loss as employees render services during the reporting period. The Group's obligations under the MPF Scheme are limited to the fixed percentage contributions payable.

Long service payments

The Group's net obligation in respect of long service payments ("LSP") under the Hong Kong Employment Ordinance is the amounts of future benefit that employees have earned in return for their services in the current and prior periods. The obligation of LSP is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including those retirement scheme benefits, if any.

Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

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Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary difference is not recognised.

The deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Related parties

A related party is a person or entity that is related to the Group, that is defined as:

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a holding company of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) the entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;

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- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to a holding company of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Segment reporting

Operating segments, and the amounts of each segment item reported in the Historical Financial Information, are identified from the financial information provided regularly to Group's most senior executive management for the purpose of allocating resources to, and assessing the performance of, the Group's various lines of business.

Individual material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

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Critical accounting estimates and judgements

Estimates and assumptions concerning the future and judgements are made by the management of the Group in the preparation of the Historical Financial Information. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

Key sources of estimation uncertainty:

(i) Useful lives of property, plant and equipment and right-of-use assets

The management of the Group determines the estimated useful lives of the Group's property, plant and equipment and right-of-use assets based on the historical experience of the actual useful lives of the relevant assets of similar nature and functions. The estimated useful lives could be different as a result of technical innovations which could affect the related depreciation charges included in profit or loss.

(ii) Utilisation pattern of pain management and function enhancement services

Customers may not exercise all of their contractual rights of the prepaid services before expiry of the service period, and such unexercised rights are referred to as breakage. The Group determines the expected breakage amount with reference to the Group's historical experience on the utilisation of prepaid services and the expected utilisation pattern, as appropriate. Estimates of the expected breakage amount are sensitive to changes in circumstances and the Group's past experience may not be representative of the actual outcome in the future.

(iii) Discount rates for calculating lease liabilities – as lessee

The Group uses the lessee's incremental borrowing rates to discount future lease payments since interest rates implicit in the leases are not readily determinable. In determining the discounts rates for its leases, the Group refers to a rate that is readily observable as the starting point and then applies judgement and adjusts such observable rate to determine the incremental borrowing rate.

(iv) Loss allowance for ECL

The management of the Group estimates the loss allowances for trade and other receivables by using various inputs and assumptions including risk of a default and expected loss rates. The estimation involves high degree of uncertainty, which is based on the Group's historical information, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and other receivables.

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Future changes in HKFRS Accounting Standards

At the date of this report, the HKICPA has issued the following new/revised HKFRS Accounting Standards that are not yet effective for the Track Record Period, which the Group has not early adopted.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ⁽¹⁾
Annual Improvements to HKFRS Accounting Standards	Volume 11 ⁽¹⁾
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ⁽¹⁾
HKFRS 18	Presentation and Disclosure in Financial Statements ⁽²⁾
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ⁽²⁾
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ⁽²⁾
HKFRS 20	Regulatory Assets and Regulatory Liabilities ⁽³⁾
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁽⁴⁾

⁽¹⁾ Effective for annual periods beginning on or after 1 January 2026

⁽²⁾ Effective for annual periods beginning on or after 1 January 2027

⁽³⁾ Effective for annual periods beginning on or after 1 January 2029

⁽⁴⁾ The effective date to be determined

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18 limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards.

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HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The adoption of HKFRS 18 is unlikely to have a significant impact on the Group's combined financial position and combined financial performance, but has impact on the presentation and disclosure of the Group's combined financial statements.

Except for the above, the management of the Group does not anticipate that the adoption of the new/revised HKFRS Accounting Standards in future periods will have any material impact on the Group's combined financial information.

4. SEGMENT INFORMATION

The directors of the Company have determined that the Group has only one operating and reportable segment throughout the Track Record Period, as the Group manages its business as a whole as the provision of pain management and function enhancement services and sales of healthcare products and the executive directors of the Company, being the chief operating decision-makers of the Group, regularly review the internal financial reports on the same basis for the purposes of allocating resources and assessing performance of the Group.

Geographical information

(a) Revenue from external customers

The Company is an investment holding company and the Group is principally engaged in the provision of pain management and function enhancement services and sales of healthcare products in Hong Kong during the Track Record Period. The Group earns substantially all of its revenue from external customers attributed to its sales/services in Hong Kong.

(b) Specified non-current assets

The Group's non-current assets are all located in Hong Kong.

Information about major customers

The Group's revenue from any single external customers did not contribute 10% or more of the total revenue of the Group for the years ended 31 March 2024, 2025 and 2026.

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5. REVENUE

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Revenue from contracts with customers within HKFRS 15			
<i>Over time</i>			
– Provision of pain management and function enhancement services	318,809	311,528	367,149
<i>At a point in time</i>			
– Sales of healthcare products	408	364	394
	<u>319,217</u>	<u>311,892</u>	<u>367,543</u>

6. OTHER INCOME

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Bank interest income	233	725	807
Government grants (<i>Note</i>)	126	104	15
Others	124	2	1
	<u>483</u>	<u>831</u>	<u>823</u>

Note:

The Group recognised government grants of approximately HK\$126,000, HK\$104,000 and HK\$15,000 for the years ended 31 March 2024, 2025 and 2026, respectively, in relation to reimbursements received under the Maternity Leave Pay Scheme provided by Hong Kong Special Administrative Region Government.

There were no unfulfilled conditions or contingencies relating to the government grants during the Track Record Period.

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7. PROFIT BEFORE TAX

This is stated after charging (crediting):

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
(a) Staff costs (including directors' emoluments)			
Salaries, allowances, discretionary bonus and other benefits in kind (including LSP provision)	110,045	144,251	162,174
Contributions to defined contribution plans	3,054	3,444	4,172
	<u>113,099</u>	<u>147,695</u>	<u>166,346</u>
Manpower service expenses (Note)	<u>19,990</u>	<u>23,464</u>	<u>34,040</u>
	<u>133,089</u>	<u>171,159</u>	<u>200,386</u>

Note:

During the years ended 31 March 2024, 2025 and 2026, the Group engaged certain external health advisors under consultancy service arrangements to provide services directly to the Group as health consultants, but not employee, to support the Group's customer acquisition and marketing efforts.

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
(b) Depreciation			
Property, plant and equipment (Note 13)	6,072	6,197	7,758
Right-of-use assets (Note 14)	18,659	20,122	31,843
	<u>24,731</u>	<u>26,319</u>	<u>39,601</u>

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
(c) Finance costs			
Interest on interest-bearing borrowings	4	–	–
Interest on lease liabilities	2,536	2,536	3,823
	<u>2,540</u>	<u>2,536</u>	<u>3,823</u>

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		Year ended 31 March		
		2024	2025	2026
		HK\$'000	HK\$'000	HK\$'000
(d)	<i>Other items*</i>			
	Auditors' remuneration	57	57	57
	Handling charges for merchant acquiring services	8,082	9,317	12,307
	Donations	26	75	1,087
	Professional service fees (<i>Note (i)</i>)	2,134	3,431	228
	Utilities and telecommunications costs	2,018	2,203	3,841
	Written-off of property, plant and equipment	202	20	–
	Settlement on termination of lease arrangement (<i>Note 15(c)</i>)	–	–	1,800
	(Reversal of) Provision for loss allowance for ECL on trade receivables	(2)	(218)	28
	(Reversal of) Provision for loss allowance for ECL on other receivables	(13)	423	(360)
		<u> </u>	<u> </u>	<u> </u>

* recorded as "Other operating expenses"

Note:

- (i) The amounts mainly represent professional fees paid/payable in relation to the Group's business operations and expansion consultancy services, general legal advisory services, outsourced professional services, and other related professional support services.

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8. DIRECTORS' REMUNERATION

The Company was incorporated in the Cayman Islands on 17 January 2024 and Mr. MO Ka Wai Victor, and Ms. CHEUNG Sum Lok were appointed as executive directors of the Company on 25 January 2024. The directors of the Company received remuneration from entities now comprising the Group during the Track Record Period for their appointment as employee of those entities. The aggregate amounts of remuneration received and receivable by the directors of the Company during the Track Record Period are set out below.

Year ended 31 March 2024

	Salaries, allowances and other benefits in kind (including LSP provision)	Discretionary bonus	Contributions to defined contribution plans	Total	
Directors' fees HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Executive directors					
Mr. MO Ka Wai Victor	–	4,395	–	18	4,413
Ms. CHEUNG Sum Lok	–	1,843	–	18	1,861
	–	6,238	–	36	6,274

Year ended 31 March 2025

	Salaries, allowances and other benefits in kind (including LSP provision)	Discretionary bonus	Contributions to defined contribution plans	Total	
Directors' fees HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Executive directors					
Mr. MO Ka Wai Victor	–	9,676	10,000	18	19,694
Ms. CHEUNG Sum Lok	–	4,685	–	18	4,703
	–	14,361	10,000	36	24,397

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Year ended 31 March 2026

	Salaries, allowances and other benefits in kind (including LSP provision)	Discretionary bonus	Contributions to defined contribution plans	Total	
Directors' fees HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Executive directors					
Mr. MO Ka Wai Victor	–	10,792	–	18	10,810
Ms. CHEUNG Sum Lok	–	5,602	–	18	5,620
	–	16,394	–	36	16,430

During the Track Record Period, no remuneration was paid by the Group to any of the directors as an inducement to join or upon joining the Group, or as a compensation for loss of office. There was no arrangement under which a director waived or agreed to waive any emoluments during the Track Record Period.

9. FIVE HIGHEST PAID INDIVIDUALS

An analysis of the five highest paid individuals during the Track Record Period is as follows:

	Number of individuals Year ended 31 March		
	2024	2025	2026
Director	1	2	2
Non-director	4	3	3
	5	5	5

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Details of the remuneration of the above highest paid non-director individuals are as follows:

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Salaries, discretionary bonus, allowances and other benefits in kind (including LSP provision)	9,982	9,524	9,114
Contributions to defined contribution plans	72	54	54
	<u>10,054</u>	<u>9,578</u>	<u>9,168</u>

The number of these non-director individuals whose emoluments fell within the following emoluments band is as follows:

	Year ended 31 March		
	2024	2025	2026
Nil to HK\$1,000,000	–	–	–
HK\$1,000,001 to HK\$1,500,000	–	–	–
HK\$1,500,001 to HK\$2,000,000	–	–	–
HK\$2,000,001 to HK\$2,500,000	2	–	–
HK\$2,500,001 to HK\$3,000,000	2	1	2
HK\$3,000,001 to HK\$3,500,000	–	2	–
HK\$3,500,001 to HK\$4,000,000	–	–	1
	<u>4</u>	<u>3</u>	<u>3</u>

During the Track Record Period, no remuneration was paid by the Group to any of these highest paid non-director individuals as an inducement to join or upon joining the Group, or as a compensation for loss of office. There was no arrangement under which any of these highest paid non-director individuals waived or has agreed to waive any emoluments during the Track Record Period.

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10. TAXATION

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
<i>Current tax</i>			
Hong Kong Profits Tax			
Current year	5,671	7,936	6,934
Under – provision in prior year	545	–	–
	6,216	7,936	6,934
<i>Deferred taxation (Note 22)</i>			
Changes in temporary differences	11,394	387	543
Total income tax expenses	17,610	8,323	7,477

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the group entities incorporated in the Cayman Islands and the BVI are not subject to any income tax.

For the years ended 31 March 2024, 2025 and 2026, the assessable profits of a Hong Kong incorporated subsidiary of the Group (as elected by the management of the Group) is subject to the two-tiered profits tax rates regime that the first HK\$2 million of assessable profits will be taxed at 8.25% (the “Graduated Tax Rate”), and assessable profits above HK\$2 million will be taxed at 16.5% (the “Standard Tax Rate”). The Hong Kong Profits Tax of other Group’s entities which established in Hong Kong is calculated at the Standard Tax Rate of 16.5% of their respective estimated assessable profits for the years ended 31 March 2024, 2025 and 2026.

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Reconciliation of income tax expenses

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Profit before tax	97,370	42,262	45,252
Income tax at statutory tax rate applicable in respective tax jurisdictions	16,066	6,973	7,467
Tax effect on Graduated Tax Rate	(165)	(165)	(165)
Tax effect on non-deductible expenses	1,179	1,587	287
Tax effect on tax exempt revenue	(52)	(156)	(193)
Tax effect on tax concession	(3)	(2)	(3)
Tax effect on unrecognised tax losses	40	86	84
Under-provision in prior year	545	–	–
Income tax expenses	17,610	8,323	7,477

11. EARNINGS PER SHARE

No earnings per share information is presented as its inclusion, for the purpose of the Historical Financial Information, is not considered meaningful.

12. DIVIDENDS

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Dividends declared	–	84,000	40,000

No dividends per share information is presented as its inclusion, for the purpose of the Historical Financial Information, is not considered meaningful.

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13. PROPERTY, PLANT AND EQUIPMENT

	Machinery and equipment <i>HK\$'000</i>	Furniture, fixtures and office equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Total <i>HK\$'000</i>
Reconciliation of carrying amount – year ended 31 March 2024					
At 1 April 2023	6,438	1,898	–	12,310	20,646
Additions	832	608	–	15	1,455
Written-off	(202)	–	–	–	(202)
Depreciation	<u>(1,943)</u>	<u>(633)</u>	<u>–</u>	<u>(3,496)</u>	<u>(6,072)</u>
At 31 March 2024	<u>5,125</u>	<u>1,873</u>	<u>–</u>	<u>8,829</u>	<u>15,827</u>
Reconciliation of carrying amount – year ended 31 March 2025					
At 1 April 2024	5,125	1,873	–	8,829	15,827
Additions	1,439	674	766	38	2,917
Written-off	(20)	–	–	–	(20)
Depreciation	<u>(2,100)</u>	<u>(698)</u>	<u>(115)</u>	<u>(3,284)</u>	<u>(6,197)</u>
At 31 March 2025	<u>4,444</u>	<u>1,849</u>	<u>651</u>	<u>5,583</u>	<u>12,527</u>
Reconciliation of carrying amount – year ended 31 March 2026					
At 1 April 2025	4,444	1,849	651	5,583	12,527
Additions	2,251	1,181	–	21,798	25,230
Depreciation	<u>(1,905)</u>	<u>(792)</u>	<u>(230)</u>	<u>(4,831)</u>	<u>(7,758)</u>
At 31 March 2026	<u>4,790</u>	<u>2,238</u>	<u>421</u>	<u>22,550</u>	<u>29,999</u>

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	Machinery and equipment <i>HK\$'000</i>	Furniture, fixtures and office equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 31 March 2024					
Cost	9,960	5,159	1,642	20,068	36,829
Accumulated depreciation	<u>(4,835)</u>	<u>(3,286)</u>	<u>(1,642)</u>	<u>(11,239)</u>	<u>(21,002)</u>
Net carrying amount	<u>5,125</u>	<u>1,873</u>	<u>–</u>	<u>8,829</u>	<u>15,827</u>
At 31 March 2025					
Cost	11,368	5,833	2,408	20,106	39,715
Accumulated depreciation	<u>(6,924)</u>	<u>(3,984)</u>	<u>(1,757)</u>	<u>(14,523)</u>	<u>(27,188)</u>
Net carrying amount	<u>4,444</u>	<u>1,849</u>	<u>651</u>	<u>5,583</u>	<u>12,527</u>
At 31 March 2026					
Cost	13,619	7,014	2,408	41,904	64,945
Accumulated depreciation	<u>(8,829)</u>	<u>(4,776)</u>	<u>(1,987)</u>	<u>(19,354)</u>	<u>(34,946)</u>
Net carrying amount	<u>4,790</u>	<u>2,238</u>	<u>421</u>	<u>22,550</u>	<u>29,999</u>

14. RIGHT-OF-USE ASSETS

	Leased properties <i>HK\$'000</i>
Reconciliation of carrying amount – year ended 31 March 2024	
At 1 April 2023	33,770
Additions	23,801
Depreciation	<u>(18,659)</u>
At 31 March 2024	<u>38,912</u>
Reconciliation of carrying amount – year ended 31 March 2025	
At 1 April 2024	38,912
Additions	25,002
Depreciation	<u>(20,122)</u>
At 31 March 2025	<u>43,792</u>

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	Leased properties HK\$'000
Reconciliation of carrying amount – year ended 31 March 2026	
At 1 April 2025	43,792
Additions	62,817
Depreciation	(31,843)
At 31 March 2026	74,766
At 31 March 2024	
Cost	80,930
Accumulated depreciation	(42,018)
Net carrying amount	38,912
At 31 March 2025	
Cost	105,932
Accumulated depreciation	(62,140)
Net carrying amount	43,792
At 31 March 2026	
Cost	168,749
Accumulated depreciation	(93,983)
Net carrying amount	74,766

The Group leases various properties for its daily operations with the initial lease terms ranging from 2 to 3 years during the Track Record Period.

Extension and termination options

The certain lease contracts of leased properties contain extension or termination options. These options aim to provide flexibility to the Group in managing the leased assets. The extension option of the leased properties are normally exercised after the contracts terms and conditions are renegotiated and agreed between the Group and the lessor because the Group does not want to incur additional costs, such as leasehold improvements, while exercising the termination option is normally unusual unless the Group could replace the leased properties without significant costs or acquisition of new properties. The Group seldom exercises termination options that are included in the leases.

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The total lease payments amounted to approximately HK\$20,992,000, HK\$21,989,000 and HK\$33,689,000, respectively, representing the total cash outflows in relation to leases for the years ended 31 March 2024, 2025 and 2026.

Restriction or covenants

Most of the leases impose a restriction that, unless approval is obtained from the lessors, the right-of-use assets can only be used by the Group and the Group is prohibited from selling or pledging the underlying assets. The Group is also required to keep those leased assets in a good state of repair and return the leased assets in their original condition at the end of the lease.

15. TRADE AND OTHER RECEIVABLES

		At 31 March		
		2024	2025	2026
	Note	HK\$'000	HK\$'000	HK\$'000
Trade receivables				
From third parties		24,387	6,574	9,438
Less: Loss allowances		(272)	(54)	(82)
	15(a)	24,115	6,520	9,356
Other receivables				
Deposits for acquisition of property, plant and equipment		250	4,488	545
Prepayments for ERP system development	15(b)	19,500	19,500	19,500
Refundable deposits paid for acquisition of a property	15(c)	–	38,700	–
Rental and other deposits		6,533	9,655	12,593
Other prepayments		1,884	2,702	1,220
Others		848	333	440
		29,015	75,378	34,298
Less: Loss allowances		(74)	(497)	(137)
		28,941	74,881	34,161
		53,056	81,401	43,517

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	At 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
<i>Analysed by:</i>			
Non-current portion	25,997	29,372	29,351
Current portion	27,059	52,029	14,166
	<u>53,056</u>	<u>81,401</u>	<u>43,517</u>

15(a). Trade receivables

The ageing analysis of trade receivables, net of loss allowances, based on invoice date at the end of each reporting period is as follows:

	At 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Within 30 days	7,056	6,394	8,854
31 to 60 days	27	23	–
61 to 90 days	–	7	–
Over 90 days	17,032	96	502
	<u>24,115</u>	<u>6,520</u>	<u>9,356</u>

At the end of each reporting period, the ageing analysis of the trade receivables, net of loss allowances, by due date is as follows:

	At 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Not yet due	<u>6,341</u>	<u>6,392</u>	<u>8,526</u>
Past due:			
Within 30 days	742	25	328
31 to 60 days	–	7	–
61 to 90 days	138	36	502
Over 90 days	16,894	60	–
	<u>17,774</u>	<u>128</u>	<u>830</u>
	<u>24,115</u>	<u>6,520</u>	<u>9,356</u>

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The Group normally grants credit terms up to 30 days from the date of issuance of invoices.

15(b). Prepayment of ERP system development

The amount represents advance payments made to a vendor in connection with the acquisition, implementation, and customisation of a proposed ERP system. At the end of each reporting period, the corresponding development services had not yet been completed.

Subsequent to the year ended 31 March 2026 and up to the date of this report, the Group and the vendor mutually agreed to terminate the ERP system development project, and the prepayments will be fully refunded by the vendor.

15(c). Refundable deposits paid for acquisition of a property

The amount represents refundable deposits paid to a property owner to secure an exclusive option to purchase a property located in Hong Kong, which was leased by the Company for a lease term of 24 months from 1 November 2025 to 31 October 2027, with an exclusive option exercisable after the expiration of three months from the lease commencement date up to the termination of the lease. The Group negotiated with the property owner and confirmed that the exclusive option arrangement was not exercised and was terminated on 15 October 2025. The deposit was fully refunded during the year ended 31 March 2026.

In connection with the early termination of the related lease arrangement, a settlement of approximately HK\$1,800,000 to a property owner during the year ended 31 March 2026.

15(d). Information about the Group's exposures to credit risks and loss allowances for trade and other receivables are included in Note 26 to the Historical Financial Information.

16. CONTRACT COSTS

	At 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Incremental costs to obtain contracts	15,902	16,525	23,457

Contract costs recognised at 31 March 2024, 2025 and 2026 relate to the incremental sales commissions paid to staff and external health advisors whose selling activities resulted in customers entering into contracts for the pain management and function enhancement services which the services have not been rendered by the Group at the end of the reporting period.

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Contract costs are recognised as part of staff costs in the profit or loss during the Track Record Period in which revenue from the related services are recognised. The amount of capitalised costs recognised in profit or loss during the Track Record Period was approximately HK\$33,023,000, HK\$41,526,000 and HK\$57,032,000, respectively. The amount of amortisation recognised during the Track Record Period was approximately HK\$40,582,000, HK\$40,903,000 and HK\$50,100,000, respectively. There was no significant impairment loss made in relation to the contract costs during the Track Record Period.

17. PLEDGED BANK DEPOSITS

The Group's pledged bank deposits were placed to a bank who provides a performance guarantee to a subsidiary of the Group in relation to the Group's performance of services to customers who paid for the services by credit cards, in accordance with the merchant card services agreement entered into between the Group and a merchant acquiring services company. In addition, personal guarantees provided by the Controlling Shareholders in favour of the bank was in place to support the Group's obligations under these arrangements.

[The personal guarantees provided by Controlling Shareholders are expected to be released upon the [REDACTED][REDACTED] and the bank has provided its consent in this regard.]

18. ACCRUED EXPENSES AND OTHER PAYABLES

	<i>Note</i>	At 31 March		
		2024 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2026 <i>HK\$'000</i>
Salaries payables		8,790	11,557	13,956
Accrued expenses		4,684	6,504	9,818
Accrued [REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]
Payables for acquisition of property, plant and equipment		–	–	898
Other payables		581	447	895
Provision for annual leave	18(a)	2,812	3,680	5,313
		<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>

18(a). Provision for annual leave

	Year ended 31 March		
	2024 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2026 <i>HK\$'000</i>
At the beginning of the reporting period	1,886	2,812	3,680
Provision for the reporting period, net	<u>926</u>	<u>868</u>	<u>1,633</u>
At the end of the reporting period	<u>2,812</u>	<u>3,680</u>	<u>5,313</u>

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19. CONTRACT LIABILITIES

The movements (excluding those arising from increases and decreases both occurred within the same reporting period) of contract liabilities from contracts with customers within HKFRS 15 during the Track Record Period are as follows:

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
At the beginning of the reporting period	188,352	129,128	125,237
Additions	259,585	307,637	415,268
Recognised to revenue from the beginning balance	(132,894)	(101,389)	(85,846)
Recognised to revenue during the reporting period	<u>(185,915)</u>	<u>(210,139)</u>	<u>(281,303)</u>
At the end of the reporting period	<u>129,128</u>	<u>125,237</u>	<u>173,356</u>

The contract liabilities of approximately HK\$129,128,000, HK\$125,237,000 and HK\$173,356,000 at 31 March 2024, 2025 and 2026, respectively, represented the aggregate amount of the transaction price allocated to the remaining performance obligations in respect of prepaid of pain management and function enhancement services packages that are unsatisfied at the end of each reporting period. Revenue is recognised when the relevant services are provided to customers.

As customers may utilise the services at their own discretion within the validity period of the service packages, the timing of satisfaction of the remaining performance obligations is dependent on customers' utilisation patterns. Accordingly, the Group is unable to reliably estimate when such remaining performance obligations will be satisfied and recognised as revenue.

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20. AMOUNT DUE FROM/(TO) THE CONTROLLING SHAREHOLDERS

20(a). Amount due from the Controlling Shareholders

The amounts due were non-trade in nature, unsecured, interest-free and repayable on demand.

Year ended 31 March 2024			
	Greatest amount outstanding during the year <i>HK\$'000</i>	Balance at 31 March 2024 <i>HK\$'000</i>	Balance at 1 April 2023 <i>HK\$'000</i>
The Controlling Shareholders	92,459	92,459	86,720

Year ended 31 March 2025			
	Greatest amount outstanding during the year <i>HK\$'000</i>	Balance at 31 March 2025 <i>HK\$'000</i>	Balance at 1 April 2024 <i>HK\$'000</i>
The Controlling Shareholders	92,459	–	92,459

Year ended 31 March 2026			
	Greatest amount outstanding during the year <i>HK\$'000</i>	Balance at 31 March 2026 <i>HK\$'000</i>	Balance at 1 April 2025 <i>HK\$'000</i>
The Controlling Shareholders	83,248	43,248	–

[The amount due from the Controlling Shareholders has been fully settled prior to the [REDACTED].]

20(b). Amount due to the Controlling Shareholders

The amount due was non-trade in nature, unsecured, interest-free and repayable on demand.

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21. LEASE LIABILITIES

	At 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Current portion	19,592	24,390	34,926
Non-current portion	21,879	22,630	45,045
	<u>41,471</u>	<u>47,020</u>	<u>79,971</u>

Commitments and present value of lease liabilities:

	Lease payments At 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Amounts payable:			
Within 1 year	21,857	26,720	38,488
More than 1 year but within 2 years	17,420	14,851	32,900
More than 2 years but within 5 years	5,550	9,065	14,111
	<u>44,827</u>	<u>50,636</u>	<u>85,499</u>
Less: future finance charges	<u>(3,356)</u>	<u>(3,616)</u>	<u>(5,528)</u>
Total lease liabilities	<u>41,471</u>	<u>47,020</u>	<u>79,971</u>

	Present value of lease payments At 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Amounts payable:			
Within 1 year	19,592	24,390	34,926
More than 1 year but within 2 years	16,474	13,853	31,212
More than 2 years but within 5 years	5,405	8,777	13,833
	<u>41,471</u>	<u>47,020</u>	<u>79,971</u>
Total lease liabilities	<u>41,471</u>	<u>47,020</u>	<u>79,971</u>

At 31 March 2024, 2025 and 2026, the weighted average effective interest rates of the lease liabilities of the Group were approximately 6.89%, 7.05% and 6.35% per annum, respectively.

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At 31 March 2024, 2025 and 2026, the lease liabilities of the Group's leased property of approximately HK\$6,303,000, HK\$1,555,000 and HK\$11,916,000 were secured by personal guarantee provided by Mr. MO Ka Wai Victor. [The personal guarantee is expected to be released and replaced by a corporate guarantee to be provided by the Company upon the [REDACTED][REDACTED] and the landlord has provided its consent in this regard.]

22. DEFERRED TAXATION

The movements in the Group's deferred tax assets (liabilities) for the Track Record Period were as follows:

	Property, plant and equipment <i>HK\$'000</i>	Right-of-use assets <i>HK\$'000</i>	Contract costs <i>HK\$'000</i>	Contract liabilities <i>HK\$'000</i>	Accrued expenses and others <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2023	24	160	(3,871)	14,669	363	11,345
Income tax credit (expenses)	<u>690</u>	<u>113</u>	<u>1,247</u>	<u>(13,602)</u>	<u>158</u>	<u>(11,394)</u>
At 31 March 2024 and 1 April 2024	714	273	(2,624)	1,067	521	(49)
Income tax credit (expenses)	<u>427</u>	<u>210</u>	<u>(104)</u>	<u>(1,067)</u>	<u>147</u>	<u>(387)</u>
At 31 March 2025 and 1 April 2025	1,141	483	(2,728)	–	668	(436)
Income tax (expenses) credit	<u>(78)</u>	<u>396</u>	<u>(1,143)</u>	<u>–</u>	<u>282</u>	<u>(543)</u>
At 31 March 2026	<u>1,063</u>	<u>879</u>	<u>(3,871)</u>	<u>–</u>	<u>950</u>	<u>(979)</u>

At 31 March 2024, 2025 and 2026, the Group had unused Hong Kong tax losses of approximately HK\$3,724,000, HK\$4,244,000 and HK\$4,753,000, respectively, available for offset against future taxable profits. These tax losses have no expiry date under the current tax legislation. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

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23. SHARE CAPITAL AND THE FINANCIAL INFORMATION OF THE COMPANY

23(a). Share capital

	Number of shares '000	Amount US\$'000
Authorised:		
At the date of incorporation (<i>Note (i)</i>)	500,000	50
At 31 March 2024 and 1 April 2024	500,000	50
Share Split (<i>Note (iv)</i>)	2,499,500,000	—
At 31 March 2025 and 2026	2,500,000,000	50
	Number of shares in issue	Share capital HK\$'000
Issued and fully paid:		
Issue of share on incorporation (<i>Note (ii)</i>)	1	—*
Issue of shares (<i>Note (iii)</i>)	9,999	—*
At 31 March 2024 and 1 April 2024	10,000	—*
Share Split (<i>Note (iv)</i>)	49,990,000	—
At 31 March 2025 and 2026	50,000,000	—*

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Note:

- (i) On 17 January 2024, the Company was incorporated as an exempted company with limited liability under the laws of the Cayman Islands, with an authorised share capital of US\$50,000 divided into 500,000,000 ordinary shares with a par value of US\$0.0001 each.
- (ii) On the date of incorporation, 1 share of US\$0.0001 was allotted and issued to an independent subscriber, and such share was subsequently transferred to AW Ocean on 25 January 2024.
- (iii) On 25 January 2024, 9,999 shares were allotted and issued at par of US\$0.0001 each to AW Ocean.
- (iv) On 28 February 2025, the Company effectuated a share split of its issued and outstanding shares at a ratio of five thousand (5,000) for one (1) (the "Share Split"). Subsequent to the Share Split, the authorised share capital of the Company became US\$50,000 divided into 2,500,000,000,000 ordinary shares with a par value of US\$0.00000002 each.

Save as disclosed above, the Company has not commenced any significant business or operation since its incorporation.

** Represent amount less than HK\$1,000.*

23(b). Capital reserve

The capital reserve arose from Reorganisation involving entities under common control and represents the difference between the aggregate share capital of the combined entities and the consideration exchanged as part of the Reorganisation.

23(c). Investment in a subsidiary

Investment in a subsidiary represents 100% of the issued share capital of AW Global.

23(d). Amounts due from/(to) the ultimate holding company/a subsidiary

The amounts due were non-trade in nature, unsecured, interest-free and repayable on demand.

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23(e). Reserves of the Company

	Accumulated profits HK\$'000
At 17 January 2024 (Date of incorporation), 31 March 2024 and 1 April 2024	—
Profit and total comprehensive income for the year	84,000
Transaction with owners	
<i>Contributions and distributions</i>	
Dividends declared (<i>Note 12</i>)	(84,000)
At 31 March 2025 and 1 April 2025	—
Profit and total comprehensive income for the year	40,000
Transaction with owners	
<i>Contributions and distributions</i>	
Dividends declared (<i>Note 12</i>)	(40,000)
At 31 March 2026	—

During the Track Record Period, corporate administrative expenses and the expenses for the [REDACTED][REDACTED] of the Company were borne by a subsidiary of the Company without recharge.

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24. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the Historical Financial Information during the Track Record Period, information of the related party transactions is set out below.

Remuneration for key management personnel (including the Company's directors) of the Group:

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Salaries, allowance, discretionary bonus and other			
benefits in kind (including LSP provision)	7,946	26,776	18,983
Contributions to defined contribution plans	54	54	54
	<u>8,000</u>	<u>26,830</u>	<u>19,037</u>

Further details of the remuneration of the Company's directors are set out in Note 8 to the Historical Financial Information.

25. ADDITIONAL INFORMATION ON THE COMBINED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

The Group had the following major non-cash transactions:

- (i) During the years ended 31 March 2024 and 2025, the Controlling Shareholders paid prepayments for ERP system development of approximately HK\$19,500,000 to the vendor and refundable deposits for acquisition of a property and rental deposit totaling approximately HK\$39,000,000 on behalf of the Group, respectively.
- (ii) During the years ended 31 March 2024, 2025 and 2026, lease arrangements in respect of leased properties were entered into with a total capital value at the inception of leases of approximately HK\$23,801,000, HK\$25,002,000 and HK\$62,817,000, respectively.
- (iii) During the years ended 31 March 2025 and 2026, dividends of approximately HK\$84,000,000 and HK\$40,000,000, respectively, payable to the Controlling Shareholders were used to set off against the current account with the Controlling Shareholders.
- (iv) During the years ended 31 March 2024, 2025 and 2026, the Group utilised deposits of approximately HK\$218,000, HK\$250,000 and HK\$4,488,000, respectively, in respect of additions of property, plant and equipment.

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- (v) During the year ended 31 March 2026, the Group incurred payables of approximately HK\$898,000 to the vendor for the additions of property, plant and equipment.
- (vi) During the year ended 31 March 2026, the Controlling Shareholders received refundable deposits for acquisition of a property of approximately HK\$38,700,000 on behalf of the Group.

(b) Reconciliation of liabilities arising from financing activities

The movements during the Track Record Period in the Group's liabilities arising from financing activities are as follows:

	At 1 April 2023 HK\$'000	Net cash flows HK\$'000	Non-cash changes		At 31 March 2024 HK\$'000
			Prepayment paid HK\$'000	Addition of right-of-use assets HK\$'000	
Year ended 31 March 2024					
Interest-bearing borrowings	884	(884)	–	–	–
Amount from the Controlling Shareholders	(86,720)	(25,239)	19,500	–	(92,459)
Lease liabilities	36,126	(18,456)	–	23,801	41,471
	<u>(49,710)</u>	<u>(44,579)</u>	<u>19,500</u>	<u>23,801</u>	<u>(50,988)</u>

	At 1 April 2024 HK\$'000	Net cash flows HK\$'000	Non-cash changes		At 31 March 2025 HK\$'000
			Dividend declared HK\$'000	Deposits paid HK\$'000	Addition of right-of-use assets HK\$'000
Year ended 31 March 2025					
Amount (from) to the Controlling Shareholders	(92,459)	(29,452)	84,000	39,000	–
Lease liabilities	41,471	(19,453)	–	–	25,002
	<u>(50,988)</u>	<u>(48,905)</u>	<u>84,000</u>	<u>39,000</u>	<u>25,002</u>
					<u>48,109</u>

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	At 1 April 2025 HK\$'000	Net cash flows HK\$'000	Non-cash changes			At 31 March 2026 HK\$'000
			Dividend declared HK\$'000	Deposits refunded HK\$'000	Addition of right-of-use assets HK\$'000	
Year ended 31 March 2026						
Amount to (from) the						
Controlling Shareholders	1,089	(45,637)	40,000	(38,700)	–	(43,248)
Lease liabilities	47,020	(29,866)	–	–	62,817	79,971
	<u>48,109</u>	<u>(75,503)</u>	<u>40,000</u>	<u>(38,700)</u>	<u>62,817</u>	<u>36,723</u>

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise of bank balances and cash, pledged bank deposits, amounts due from (to) the Controlling Shareholders and lease liabilities. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as trade and other receivables and accrued expenses and other payables, which arise directly from its business activities.

The accounting policies for financial instruments have been applied to the line items below:

	At 31 March		
	2024 HK\$'000	2025 HK\$'000	2026 HK\$'000
<i>Financial assets – at amortised cost</i>			
Financial assets included in trade and other receivables	31,422	54,711	22,252
Amount due from the Controlling Shareholders	92,459	–	43,248
Pledged bank deposits	–	17,000	17,000
Bank balances and cash	<u>67,408</u>	<u>78,340</u>	<u>96,588</u>
	<u>191,289</u>	<u>150,051</u>	<u>179,088</u>
<i>Financial liabilities – at amortised cost</i>			
Financial liabilities included in accrued expenses and other payables	8,535	11,317	11,611
Amount due to the Controlling Shareholders	–	1,089	–
Lease liabilities	<u>41,471</u>	<u>47,020</u>	<u>79,971</u>
	<u>50,006</u>	<u>59,426</u>	<u>91,582</u>

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The main risks arising from the Group's financial instruments are credit risk and liquidity risk. The Group generally adopts conservative strategies on the Group's risk management and limits the Group's exposure to these risks to a minimum. The management of the Group reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

The carrying amount of financial assets recognised on the Historical Financial Information, which is net of loss allowances, represents the Group's exposure to credit risk on these financial assets without taking into account the credit enhancements.

Trade receivables

The Group has no significant concentration of customer credit risk, with exposure spread over a number of debtors. A large portion of the Group's revenue are on credit card sales, with the trade receivables primarily retained by banks and merchant acquiring services companies. The credit risks on trade receivables from banks and merchant acquiring services companies are limited because the counterparties have high external credit ratings. Monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts.

At 31 March 2024, 2025 and 2026, the Group had a concentration of credit risk as approximately 84.3%, 73.9% and 73.8%, respectively, of the total trade receivables was due from the Group's largest trade debtor and approximately 98.8%, 99.0% and 97.8%, respectively, of the total trade receivables was due from the Group's five largest trade debtors.

An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. The provision rates are based on days past due for groupings of various trade debtors with similar characteristics. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. There was no change in the estimation techniques or significant assumptions made during the Track Record Period.

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The following table details the risk profile of trade receivables at 31 March 2024, 2025 and 2026.

	Weighted average ECL rate (approximately) %	Gross carrying amount HK\$'000	Loss allowance HK\$'000
At 31 March 2024			
Not yet due	0.78	6,391	50
Within 30 days	0.80	748	6
31 to 60 days	—	—	—
61 to 90 days	0.72	139	1
Over 90 days	1.26	17,109	215
		<u>24,387</u>	<u>272</u>

	Weighted average ECL rate (approximately) %	Gross carrying amount HK\$'000	Loss allowance HK\$'000
At 31 March 2025			
Not yet due	0.81	6,444	52
Within 30 days	0.83	25	—*
31 to 60 days	0.86	7	—*
61 to 90 days	0.88	36	—*
Over 90 days	3.23	62	2
		<u>6,574</u>	<u>54</u>

* Represent amount less than HK\$1,000.

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	Weighted average ECL rate (approximately) %	Gross carrying amount HK\$'000	Loss allowance HK\$'000
At 31 March 2026			
Not yet due	0.86	8,600	74
Within 30 days	0.91	331	3
31 to 60 days	–	–	–
61 to 90 days	0.99	507	5
Over 90 days	–	–	–
		<u>9,438</u>	<u>82</u>

The Group recognised loss allowances of approximately HK\$272,000, HK\$54,000 and HK\$82,000 on the trade receivables at 31 March 2024, 2025 and 2026, respectively. The movements in loss allowances for trade receivables during the Track Record Period are summarised below.

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
At the beginning of the reporting period	274	272	54
(Reversal of) Provision for loss allowances, net	<u>(2)</u>	<u>(218)</u>	<u>28</u>
At the end of the reporting period	<u>272</u>	<u>54</u>	<u>82</u>

None of the trade receivables were written off during the Track Record Period.

During the year ended 31 March 2024, the decrease in loss allowance on trade receivables was mainly due to the decrease in gross balances of the trade receivables.

During the year ended 31 March 2025, the decrease in loss allowance on trade receivables was mainly due to the decrease in gross balances of the trade receivables.

During the year ended 31 March 2026, the increase in loss allowance on trade receivables was mainly due to the increase in gross balances of the trade receivables.

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Bank balances and cash and pledged bank deposits

The Group's bank balances and cash and pledged bank deposits include cash on hand and at banks and assets with similar nature as cash, of which cash at banks are deposited in major financial institutions located in Hong Kong and assets with similar nature as cash are deposited in high creditworthy financial institutions located in Hong Kong, which are of high credit rating. The management of the Group does not expect any losses arising from non-performance by these counterparties.

Other receivables

Loss allowances on other receivables are measured on 12-month ECL and reflects the short maturities of the exposures.

In estimating the ECL, the management of the Group has taken into account the historical actual credit loss experience over the past years, past collection history, current creditworthiness, adjusted for forward-looking factors that are specific to the counterparties and general economic conditions of the industry in which the counterparties operate, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. The management of the Group considers the ECL of other receivables to be negligible after taking into account the financial position, credit quality and past settlement records of the counterparties. There was no change in the estimation techniques or significant assumptions made during the Track Record Period.

The Group recognised loss allowances of approximately HK\$74,000, HK\$497,000 and HK\$137,000 on the other receivables at 31 March 2024, 2025 and 2026, respectively. The movements in loss allowances for other receivables during the Track Record Period are summarised below.

	Year ended 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
At the beginning of the reporting period	87	74	497
(Reversal of) Provision for loss allowances, net	(13)	423	(360)
At the end of the reporting period	74	497	137

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ACCOUNTANTS' REPORT

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility. The Group has no specific policy for managing its liquidity. The undiscounted contractual maturity profile of the Group's financial liabilities at the end of each reporting period, based on the contractual undiscounted payments, is summarised below:

	Total carrying amount <i>HK\$'000</i>	Total contractual undiscounted cash flow <i>HK\$'000</i>	On demand or less than 1 year <i>HK\$'000</i>	1 to 2 years <i>HK\$'000</i>	2 to 5 years <i>HK\$'000</i>	Over 5 years <i>HK\$'000</i>
At 31 March 2024						
Accrued expenses and other payables	8,535	8,535	8,535	–	–	–
Lease liabilities	41,471	44,827	21,857	17,420	5,550	–
	<u>50,006</u>	<u>53,362</u>	<u>30,392</u>	<u>17,420</u>	<u>5,550</u>	<u>–</u>
At 31 March 2025						
Accrued expenses and other payables	11,317	11,317	11,317	–	–	–
Amount due to the Controlling Shareholders	1,089	1,089	1,089	–	–	–
Lease liabilities	47,020	50,636	26,720	14,851	9,065	–
	<u>59,426</u>	<u>63,042</u>	<u>39,126</u>	<u>14,851</u>	<u>9,065</u>	<u>–</u>
At 31 March 2026						
Accrued expenses and other payables	11,611	11,611	11,611	–	–	–
Lease liabilities	79,971	85,499	38,488	32,900	14,111	–
	<u>91,582</u>	<u>97,110</u>	<u>50,099</u>	<u>32,900</u>	<u>14,111</u>	<u>–</u>

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ACCOUNTANTS' REPORT

27. FAIR VALUE MEASUREMENTS

The management of the Group estimates the fair value of its financial assets and financial liabilities measurement of amortised cost using the discounted cash flows analysis. The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the combined statements of financial position approximate their fair values.

28. CAPITAL MANAGEMENT

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for equity owners. The Group manages its capital structure and makes adjustments, including payment of dividend, call for additional capital from equity owners or sale of assets to reduce debts. No changes were made in the objectives, policies or processes during the Track Record Period.

29. COMMITMENTS

Capital expenditure commitments

At the end of the reporting period, the Group had the following capital commitment:

	At 31 March		
	2024	2025	2026
	HK\$'000	HK\$'000	HK\$'000
Contracted but not provided net of deposits paid for acquisition of property, plant and equipment	182	4,475	2,347

30. EVENTS AFTER THE REPORTING PERIOD

[Subsequent to 31 March 2026, the Group has the following subsequent events:

Pursuant to the resolution in writing of the Company's shareholders passed on [•], subject to the share premium account of the Company being credited as a result of the [REDACTED] of the Company's shares, the directors of the Company were authorised to allot and issue a total of [REDACTED] shares of US\$[REDACTED] each to the existing shareholders, credited as fully paid at par by way of [REDACTED] of the sum of US\$[REDACTED] standing to be credit of the share premium account of the Company (the "[REDACTED]") and the shares to be allotted and issued pursuant to this resolution shall carry the same rights as all shares in issue (save for the right to participate in [REDACTED]).]

31. SUBSEQUENT FINANCIAL STATEMENTS

[No audited financial statements have been prepared in accordance with HKFRS Accounting Standards and/or other applicable financial reporting standards for the Company or any of its subsidiaries in respect of any period subsequent to 31 March 2026].

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX II

UNAUDITED [REDACTED] FINANCIAL INFORMATION

[REDACTED]

APPENDIX III

SUMMARY OF THE CONSTITUTION OF THE COMPANY AND CAYMAN COMPANIES ACT

Set out below is a summary of certain provisions of the constitution of the Company and certain aspects of the company laws of the Cayman Islands.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 17 January 2024 under the Companies Act. The Company's constitutional documents consist of the Memorandum of Association and the Articles of Association.

1. MEMORANDUM OF ASSOCIATION

The Memorandum provides, inter alia, that the liability of the members of the Company is limited, that the objects for which the Company is established are unrestricted (and therefore include acting as an investment holding company) and that the Company shall have full power and authority to carry out any object not prohibited by the Companies Act or any other law of the Cayman Islands.

2. ARTICLES OF ASSOCIATION

The Articles were conditionally adopted on [•] and will become effective on the [REDACTED]. A summary of certain provisions of the Articles is set out below.

2.1 Shares

(a) Classes of Shares

The share capital of the Company consists of a single class of ordinary shares.

(b) Variation of Rights of Existing Shares or Classes of Shares

If at any time the share capital of the Company is divided into different classes of Shares, all or any of the rights attached to any class of Shares for the time being issued (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of at least three-fourths of the issued Shares of that class (excluding treasury shares), or with the approval of a resolution passed by at least three-fourths of the votes cast by the holders of the Shares of that class (excluding treasury shares) present and voting in person (whether physically or by virtual attendance with the use of electronic facilities) or by proxy at a separate meeting of such holders. The provisions of the Articles relating to general meetings shall apply mutatis mutandis to every such separate meeting, except that the necessary quorum shall be two persons together holding (or, in the case of a member being a corporation, by its duly authorised representative), or representing by proxy, at least one-third of the issued Shares of that class (excluding treasury shares). Every holder of Shares of the class (excluding treasury shares) present in person (whether physically or by virtual attendance with the use of electronic facilities), or, in the case of the member being a corporation, by its duly authorised representative or by proxy may demand a poll, upon which every such holder shall be entitled to one vote for every such Share held by him.

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SUMMARY OF THE CONSTITUTION OF THE COMPANY AND CAYMAN COMPANIES ACT

For the purposes of a separate class meeting, the Board may treat two or more classes of Shares as forming one class of Shares if the Board considers that such classes of Shares would be affected in the same way by the proposals under consideration, but in any other case shall treat them as separate classes of Shares.

Any rights conferred upon the holders of Shares of any class shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith. For the avoidance of doubt, Shares do not constitute a separate class solely by virtue of being in certificated form or uncertificated form.

(c) Alteration of Capital

The Company may by ordinary resolution:

- (i) increase its share capital by the creation of new Shares of such amount and with such rights, priorities and privileges attached to such Shares as it may determine;
- (ii) consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares. On any consolidation of fully paid Shares and division into Shares of a larger amount, the Board may settle any difficulty which may arise as it thinks expedient and, in particular (but without prejudice to the generality of the foregoing), may as between the holders of Shares to be consolidated determine which particular Shares are to be consolidated into a consolidated Share, and if it shall happen that any person shall become entitled to fractions of a consolidated Share or Shares, such fractions may be sold by some person appointed by the Board for that purpose and the person so appointed may transfer the Shares so sold to the purchaser(s) thereof and the validity of such transfer shall not be questioned, and the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated Share or Shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;
- (iii) sub-divide its Shares or any of them into Shares of an amount smaller than that fixed by the Memorandum;
- (iv) cancel any Shares which, as at the date of passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled;
- (v) make provision for the allotment and issue of Shares which do not carry any voting rights;

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- (vi) change the currency of denomination of its share capital; and/or
- (vii) reduce its share premium account in any manner authorised, and subject to any conditions prescribed by law.

The Company may by special resolution reduce its share capital or any capital redemption reserve, subject to the provisions of the Companies Act.

(d) Transfer of Shares

Subject to the terms of the Articles, any member of the Company may transfer all or any of his Shares. If the Shares in question were issued in conjunction with rights, options, warrants or units issued pursuant to the Articles on terms that one cannot be transferred without the other, the Board shall refuse to register the transfer of any such Share without evidence satisfactory to it of the like transfer of such right, option, warrant or unit.

Subject to the Articles and the Companies Act, all transfers of Shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve and may be under hand or, if the transferor or transferee is a recognised clearing house or its nominee(s), under hand or by machine imprinted signature, or by such other manner of execution as the Board may approve from time to time. Notwithstanding the aforesaid, for so long as the Shares are prescribed securities (as defined in the Securities and Futures Ordinance) and are not in the process of delisting and save as otherwise permitted or required under the Securities and Futures (Uncertificated Securities Market) Rules, with effect from (and including) the day on which the Shares become participating securities (as defined in the Securities and Futures (Uncertificated Securities Market) Rules), they may be transferred as follows:

- (i) if the Shares are held by the transferor in certificated form, by means of an instrument of transfer that complies with the Articles and the Securities and Futures (Uncertificated Securities Market) Rules; and
- (ii) if the Shares are held by the transferor in uncertificated form, by means of a specified request from the transferor and transferee that complies with the Securities and Futures (Uncertificated Securities Market) Rules.

Notwithstanding the above, Shares held by the transferor in uncertificated form may be transferred by means of an instrument of transfer if the Board is satisfied that it is not reasonably practicable to transfer them by means of a specified request. A reasonable fee may be charged by the Company's approved securities registrar for registering any instrument of transfer, specified request or other document relating to or affecting the title to any share.

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Execution of any instrument of transfer shall be by or on behalf of the transferor and the transferee, provided that the Board may dispense with the execution of the instrument of transfer by the transferor or transferee or accept mechanically executed transfers. The transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the register of members of the Company in respect of that Share.

Subject to the provisions of the Companies Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside the Cayman Islands or in electronic form as the Board thinks fit. The Board may, in its absolute discretion, at any time transfer any Share on the principal register to any branch register or any Share on any branch register to the principal register or any other branch register. Notwithstanding the aforesaid, for so long as the Shares are prescribed securities and in respect of that portion of the branch register in Hong Kong relating to such Shares, the Company shall keep a branch register in Hong Kong in accordance with the Securities and Futures (Uncertificated Securities Market) Rules.

The Board may, in its absolute discretion, decline to register a transfer of any Share (not being a fully paid Share) to a person of whom it does not approve or on which the Company has a lien, or a transfer of any Share issued under any share option scheme upon which a restriction on transfer subsists or a transfer of any Share to more than four joint holders. It may also decline to recognise any instrument of transfer if the proposed transfer does not comply with the Articles or any requirements of the Listing Rules.

The Board may decline to recognise any instrument of transfer unless a certain fee, up to such maximum sum as the Stock Exchange may determine or the Code of Conduct for Approved Securities Registrars may prescribe to be payable, is paid to the Company, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of Share and is lodged at the relevant registration office or the place at which the principal register is located accompanied by the relevant share certificate(s) (if one has been issued) and such other evidence as the Board may reasonably require is provided to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

Without prejudice to the foregoing, the Board may also refuse to register the transfer of a Share:

- (i) if the Share is in certificated form, and a specified request is sent;
- (ii) if the Share is in uncertificated form, and (A) the specified request is not sent in accordance with the operating rules of the Company's approved securities registrar or (B) subject to the Articles, an instrument of transfer is lodged; or
- (iii) on any other ground provided under the USM Rules.

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For so long as the Shares are participating securities and are not in the process of delisting and save as otherwise permitted or required under the Securities and Futures (Uncertificated Securities Market) Rules, the Board may refuse to register the transfer or transmission of a Shares if:

- (i) the Share is in certificated form and a dematerialisation request in respect of that Share and any other Share covered by the same certificate as that Share is not received or is refused under the Securities and Futures (Uncertificated Securities Market) Rules;
- (ii) the Share is in uncertificated form as a result of the Company having initiated its dematerialisation, and the dematerialisation fee payable in respect of the dematerialisation remains unpaid; or
- (iii) (the transferor, transferee or transmittee (as applicable) of the Share is not a system-member of the system operated by the Company's approved securities registrar.

The register of members may, subject to the Listing Rules and the relevant section of the Companies Ordinance, be closed at such time or for such period not exceeding in the whole 30 days in each year as the Board may determine (or such longer period as the members of the Company may by ordinary resolution determine, provided that such period shall not be extended beyond 60 days in any year).

Fully paid Shares shall be free from any restriction on transfer (except when permitted by the Stock Exchange) and shall also be free from all liens, provided that no transfer shall be made to an infant or to a person in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs or under other legal disability.

(e) Redemption of Shares

Subject to the provisions of the Companies Act, the Listing Rules and any rights conferred on the holders of any Shares or attaching to any class of Shares, the Company may issue Shares that are to be redeemed or are liable to be redeemed at the option of the members or the Company. The redemption of such Shares shall be effected in such manner and upon such other terms as the Company may by special resolution determine before the issue of such Shares.

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(f) Power of the Company to Purchase its own Shares

Subject to the Companies Act, or any other law or so far as not prohibited by any law and subject to any rights conferred on the holders of any class of Shares, the Company shall have the power to purchase or otherwise acquire all or any of its own Shares (which includes redeemable Shares), provided that the manner and terms of purchase have first been authorised by ordinary resolution and that any such purchase shall only be made in accordance with the relevant code, rules or regulations issued from time to time by the Stock Exchange and/or the Securities and Futures Commission of Hong Kong from time to time in force.

(g) Treasury Shares

Subject to the Companies Act, Shares that have been purchased or redeemed by the Company or surrendered to the Company may be held as treasury shares in accordance with the Companies Act. In the event the Board does not specify that the relevant Shares are to be held as treasury shares, such Shares shall be cancelled. No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be declared or paid in respect of a treasury share. The Company shall be entered in the register of members as the holder of the treasury shares provided that:

- (i) the Company shall not be treated as a member for any purpose and shall not exercise any right in respect of the treasury shares, and any purported exercise of such right shall be void;
- (ii) a treasury share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted as issued Shares at any given time, whether for the purposes of the Articles or the Companies Act, save that an allotment of Shares as fully paid bonus Shares in respect of a treasury share is permitted and Shares allotted as fully paid bonus Shares in respect of a treasury share shall be treated as treasury shares.

Subject to the Companies Act and the Listing Rules, treasury shares may be disposed of by the Company on such terms and conditions as determined by the Board.

(h) Power of any Subsidiary of the Company to own Shares in the Company

There are no provisions in the Articles relating to the ownership of Shares in the Company by a subsidiary.

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(i) Calls on Shares and Forfeiture of Shares

Subject to the terms of allotment and issue of any Shares (if any), the Board may, from time to time, make such calls as it thinks fit upon the members in respect of any monies unpaid on the Shares held by them (whether in respect of par value or share premium). A member who is the subject of the call shall (subject to receiving at least 14 clear days' notice specifying the time or times for payment) pay to the Company at the time or times so specified the amount called on his Shares. A call may be made payable either in one sum or by instalments, and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed. The joint holders of a Share shall be severally as well as jointly liable for the payment of all calls and instalments due in respect of such Share.

If a call remains unpaid after it has become due and payable, the member from whom the sum is due shall pay interest on the unpaid amount at such rate as the Board shall determine (together with any expenses incurred by the Company as a result of such non-payment) from the day it became due and payable until it is paid, but the Board may waive payment of such interest or expenses in whole or in part.

If a member fails to pay any call or instalment of a call after it has become due and payable, the Board may, for so long as any part of the call or instalment remains unpaid, give to such member not less than 14 clear days' notice requiring payment of the unpaid amount together with any interest which may have accrued and which may still accrue up to the date of payment (together with any expenses incurred by the Company as a result of such non-payment). The notice shall specify a further day on or before which the payment required by the notice is to be made. The notice shall also state that, in the event of non-payment at or before the appointed time, the Shares in respect of which the call was made will be liable to be forfeited.

If such notice is not complied with, any Share in respect of which the notice was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Board. Such forfeiture shall include all dividends, other distributions and other monies payable in respect of the forfeited Share and not paid before the forfeiture.

A person whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares, shall surrender to the Company for cancellation the certificate(s) (if share certificate(s) have been issued) for the Shares forfeited and shall remain liable to pay to the Company all monies which, as at the date of forfeiture, were payable by him to the Company in respect of the Shares together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of payment as the Board may determine and any expenses incurred by the Company as a result of such non-payment.

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2.2 Directors

(a) Appointment, Retirement and Removal

The Company may by ordinary resolution of the members elect any person to be a Director. The Board may also appoint any person to be a Director at any time, either to fill a casual vacancy or as an additional Director subject to any maximum number fixed by the members in general meeting or the Articles. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at such meeting. Any Director so appointed by the Board shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

There is no shareholding qualification for Directors nor is there any specified age limit for Directors.

The members may by ordinary resolution remove any Director (including a managing or executive Director) before the expiration of his term of office, notwithstanding anything in the Articles or any agreement between the Company and such Director, and may by ordinary resolution elect another person in his stead. Nothing shall be taken as depriving a Director so removed of any compensation or damages payable to such Director in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director.

The office of a Director shall be vacated if:

- (i) the Director gives notice in writing to the Company that he resigns from his office as Director;
- (ii) the Director is absent, without being represented by proxy or an alternate Director appointed by him, for a continuous period of 12 months without special leave of absence from the Board, and the Board passes a resolution that he has by reason of such absence vacated his office;
- (iii) the Director becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (iv) the Director dies or an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;
- (v) the Director is prohibited from being or ceases to be a Director by operation of law;

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- (vi) the Director has been required by the Stock Exchange to cease to be a Director or no longer qualifies to be a Director pursuant to the Listing Rules;
- (vii) the Director is removed from office by an ordinary resolution; or
- (viii) the Director is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

At each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation. If the number of Directors is not a multiple of three, then the number nearest to but not less than one-third shall be the number of retiring Directors, provided that every Director shall be subject to retirement by rotation at least once every three years. The Directors to retire at each annual general meeting shall be those who have been in office longest since their last re-election or appointment and, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

(b) Power to Allot and Issue Shares and other Securities

Subject to the provisions of the Companies Act, the Memorandum and Articles and, where applicable, the Listing Rules, and without prejudice to any rights or restrictions for the time being attached to any Shares, the Board may allot, issue, grant options over or otherwise dispose of Shares with or without preferred, deferred or other rights or restrictions, whether with regard to dividend, voting, return of capital or otherwise, to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, provided that no Shares shall be issued at a discount to their par value.

The Company may issue rights, options, warrants or convertible securities or securities of a similar nature conferring the right upon the holders thereof to subscribe for, purchase or receive any class of Shares or other securities in the Company on such terms as the Board may from time to time determine.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of Shares, to make, or make available, any such allotment, offer, option or Shares to members or others whose registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no member affected as a result of the foregoing shall be, or be deemed to be, a separate class of members for any purpose whatsoever.

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(c) Power to Dispose of the Assets of the Company or any of its Subsidiaries

Subject to the provisions of the Companies Act and the Memorandum and Articles, the Board may exercise all powers and do all acts and things which may be exercised or done by the Company to dispose of the assets of the Company or any of its subsidiaries. No alteration to the Memorandum or Articles shall invalidate any prior act of the Board which would have been valid if such alteration or direction had not been made or given.

(d) Borrowing Powers

The Board may exercise all the powers of the Company to raise or borrow money, secure the payment of any sum or sums of money for the purposes of the Company, mortgage or charge all or any part of its undertaking, property and uncalled capital of the Company, and, subject to the Companies Act, issue debentures, debenture stock, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(e) Remuneration

A Director shall be entitled to receive such sums as shall from time to time be determined by the Company in general meetings or the Board. The Directors shall also be entitled to be repaid all expenses reasonably incurred by them in connection with attendance at meetings of the Board or committees of the Board, or general meetings of the Company or separate meetings of the holders of any class of Shares or debentures of the Company, or otherwise in connection with the business of the Company and the discharge of their duties as Directors, and/or to receive fixed allowances in respect thereof as may be determined by the Board.

The Board or the Company in general meetings may also approve additional remuneration to any Director for any services which in the opinion of the Board or the Company in general meetings go beyond such Director's ordinary routine work as a Director.

(f) Compensation or Payments for Loss of Office

There are no provisions in the Articles relating to compensation or payment for loss of office.

(g) Loans to Directors

There are no provisions in the Articles relating to making of loans to Directors.

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(h) Disclosure of Interest in Contracts with the Company or any of its Subsidiaries

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration for that other office or place of profit, in whatever form, in addition to any remuneration provided for by or pursuant to the Articles. A Director may be or become a director, officer or member of any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, officer or member of such other company.

No person shall be disqualified from the office of Director or alternate Director or prevented by such office from contracting with the Company, nor shall any such contract or any other contract or transaction entered into by or on behalf of the Company in which any Director or alternate Director is in any way interested be or be liable to be avoided, nor shall any Director or alternate Director so contracting or being so interested be liable to account to the Company for any profit realised by or arising in connection with any such contract or transaction by reason of such Director or alternate Director holding such office or of the fiduciary relationship established by it, provided that the nature of interest of any Director or alternate Director in any such contract or transaction shall be disclosed by such Director or alternate Director at or prior to the consideration and vote thereon.

A Director shall not vote on (or be counted in the quorum in relation to) any resolution of the Board in respect of any contract or arrangement or other proposal in which he or any of his close associate(s) (or, if required by the Listing Rules, his other associates) has/have a material interest, and if he shall do so his vote shall not be counted and he shall not be counted in the quorum for such resolution. This prohibition shall not apply to any of the following matters:

- (i) the giving of any security or indemnity to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
- (ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (iii) any proposal concerning an offer of Shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub- underwriting of the offer;

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- (iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries, including the adoption, modification or operation of (A) any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit or (B) any pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his close associate(s) any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (v) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of Shares, debentures or other securities of the Company by virtue only of his/their interest in those Shares, debentures or other securities.

2.3 Proceedings of the Board

The Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings as it thinks fit. Unless otherwise determined, two Directors shall be a quorum. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

2.4 Alterations to the Constitutional Documents and the Company's Name

The Memorandum and Articles may only be altered or amended, and the name of the Company may only be changed, by special resolution of the Company.

2.5 Meetings of Members

(a) Special and Ordinary resolutions

A special resolution must be passed by a majority of not less than two-thirds (other than in relation to any resolution approving changes to the Company's constitutional documents or a voluntary winding up of the Company, in which case a special resolution must be passed by a majority of not less than three-fourths) of the voting rights held by such members as, being entitled so to do, vote in person (whether physically or by virtual attendance with the use of electronic facilities), or by proxy or, in the case of any members which is a corporation, by its duly authorised representative(s) or by proxy, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given. A special resolution may also be approved in writing by all the members entitled to vote at a general meeting in one or more instruments each signed by one or more of such members.

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An ordinary resolution, in contrast, is a resolution passed by a simple majority of the voting rights held by such members as, being entitled to do so, vote in person (whether physically or by virtual attendance with the use of electronic facilities), or by proxy or, in the case of any member which is a corporation, by its duly authorised representative(s) or by proxy, at a general meeting. An ordinary resolution may also be approved in writing by all the members entitled to vote at a general meeting in one or more instruments each signed by one or more of such members.

The provisions of special resolutions and ordinary resolutions shall apply mutatis mutandis to any resolutions passed by the holders of any class of Shares.

(b) Voting Rights and Right to Demand a Poll

Subject to any rights, restrictions or privileges as to voting for the time being attached to any class or classes of Shares, at any general meeting: (a) on a poll every member present in person (whether physically or by virtual attendance with the use of electronic facilities), or, in the case of a member being a corporation, by its duly authorised representative or by proxy shall have one vote for every Share and (b) on a show of hands every member who is present in person (whether physically or by virtual attendance with the use of electronic facilities), or, in the case of a member being a corporation, by its duly authorised representative or by proxy shall have one vote. For the avoidance of doubt, votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Board or the chairman of the meeting may determine.

In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members of the Company.

No person shall be counted in a quorum or be entitled to vote at any general meeting unless he is registered as a member on the record date for such meeting, nor unless all calls or other monies then payable by him in respect of the relevant Shares have been paid.

At any general meeting a resolution put to the vote of the meeting shall be decided by way of poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands (whether physically or by virtual attendance with the use of electronic facilities).

Any corporation or other non-natural person which is a member of the Company may in accordance with its constitutional documents, or in the absence of such provision by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members, and the person so authorised shall be entitled to exercise the same powers as the corporation or other non-natural person could exercise as if it were a natural person member of the Company.

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If a recognised clearing house or its nominee(s) is a member of the Company, it may appoint proxies or authorise such person or persons as it thinks fit to act as its representative(s), who enjoy rights equivalent to the rights of other members, at any meeting of the Company (including but not limited to general meetings and creditors meetings) or at any meeting of any class of members of the Company, provided that if more than one person is so authorised, the instrument appointing a proxy or authorisation shall specify the number and class of Shares in respect of which each such person is so authorised. A person so authorised shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house or its nominee(s) as if such person were a natural person member of the Company, including the right to speak and vote individually on a show of hands or on a poll (whether physically or by virtual attendance with the use of electronic facilities).

All members of the Company (including a member which is a recognised clearing house (or its nominee(s))) shall have the right to (i) speak at a general meeting and (ii) and vote at a general meeting (whether physically or by virtual attendance with the use of electronic facilities), except where a member is required by the Listing Rules to abstain from voting to approve the matter under consideration. Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

(c) Annual General Meetings and Extraordinary General Meetings

The Company must hold a general meeting as its annual general meeting for each financial year. Such meeting shall be specified as such in the notices calling it, and must be held within six months after the end of the Company's financial year (unless a longer period would not infringe the Listing Rules).

The Board may convene an extraordinary general meeting whenever it thinks fit. In addition, one or more members holding, as at the date of deposit of the requisition, in aggregate not less than one-tenth of the voting rights (on a one vote per Share basis) in the share capital of the Company may make a requisition to convene an extraordinary general meeting and/or add resolutions to the agenda of a meeting. Such requisition shall be made in writing to the Board or the company secretary and specify the business for consideration at such meeting. Such meeting shall be held within two months after the deposit of such requisition. If the Board does not within 21 days from the date of deposit of such requisition duly proceed to convene a general meeting, the requisitionists may do so in the same manner, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Board shall be reimbursed to the requisitionists by the Company.

All general meetings (including an annual general meeting, an extraordinary general meeting, any adjourned meeting or postponed meeting) may be held as a physical meeting, as a hybrid meeting or as an electronic meeting, as may be determined by the Board in its absolute discretion, and participation in such a meeting in any location(s) shall constitute presence at such meetings.

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(d) Notices of Meetings and Business to be Conducted

An annual general meeting of the Company shall be called by at least 21 clear days' notice in writing, and any other general meeting of the Company shall be called by at least 14 clear days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify (a) the time of the meeting, (b) save for an electronic meeting, the place of the meeting and if there is more than one meeting location as determined by the Board, the principal place of the meeting, (c) if the general meeting is to be a hybrid meeting or an electronic meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting, and (d) the particulars of the resolution(s) to be considered at the meeting, the general nature of the business to be considered at the meeting and details for members to attend the meeting virtually with the use of electronic facilities (if applicable).

Except where otherwise expressly stated, subject to compliance with the Listing Rules, any notice or document (including any corporate communication and actionable corporate communication) to be given or issued under the Articles may be given or issued by the Company on any member personally, by post to such member's registered address, (to the extent permitted by the Listing Rules and all applicable laws and regulations) by electronic means or (in the case of a notice) by advertisement published in the manner prescribed under the Listing Rules. Without limiting the generality of the foregoing but subject to the Companies Act and the Listing Rules, a notice or document may be served or delivered by the Company to any member by electronic means to such address as may from time to time be authorised by the member concerned or by publishing it on a website and notifying the member concerned that it has been so published.

Notwithstanding that a meeting of the Company is called by shorter notice than as specified above, if permitted by the Listing Rules, such meeting may be deemed to have been duly called if it is so agreed:

- (i) in the case of an annual general meeting, by all members of the Company entitled to attend and vote thereat; and
- (ii) in the case of an extraordinary general meeting, by a majority in number of the members having a right to attend and vote at the meeting holding not less than 95% of the total voting rights held by such members.

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If, after the notice of a general meeting has been sent but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board in its absolute discretion consider that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time and place or by means of electronic facilities specified in the notice calling such meeting, it may change or postpone the meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting (a physical meeting, an electronic meeting or a hybrid meeting).

The Board also has the power to provide in every notice calling a general meeting that in the event of a gale warning, a black rainstorm warning or extreme conditions is/are in force at any time on the day of the general meeting (unless such warning is cancelled at least a minimum period of time prior to the general meeting as the Board may specify in the relevant notice), the meeting shall be postponed without further notice to be reconvened on a later date.

Where a general meeting is postponed:

- (A) the Company shall endeavour to cause a notice of such postponement, which shall set out the reason for the postponement in accordance with the Listing Rules, to be placed on the Company's website and published on the Stock Exchange's website as soon as practicable, provided that failure to place or publish such notice shall not affect the automatic postponement of a general meeting due to a gale warning, a black rainstorm warning or extreme conditions being in force on the day of the general meeting;
- (B) if only the form of the meeting or electronic facilities specified in the notice are changed, the Board shall notify the members of details of such change in such manner as the Board may determine;
- (C) subject to the Articles, unless already specified in the original notice of the meeting, the Board shall determine the date, time, place (if applicable) and electronic facilities (if applicable) for the reconvened meeting and at least seven clear days' notice shall be given for the reconvened meeting. Such notice shall specify the date, time, place (if applicable) and electronic facilities (if applicable) at which the postponed meeting will be reconvened, and the date and time by which instruments of proxies shall be submitted in order to be valid at such reconvened meeting (provided that any instrument of proxy submitted for the original meeting shall continue to be valid for the reconvened meeting unless revoked or replaced by a new instrument of proxy); and

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- (D) only the business set out in the notice of the original meeting shall be considered at the reconvened meeting, and notice given for the reconvened meeting does not need to specify the business to be considered at the reconvened meeting, nor shall any accompanying documents be required to be recirculated. Where any new business is to be considered at such reconvened meeting, the Company shall give a fresh notice for such reconvened meeting in accordance with the Articles.

(e) *Quorum for Meetings and Separate Class Meetings*

No business shall be considered at any general meeting unless a quorum is present when the meeting proceeds to business, and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (whether physically or by virtual attendance with the use of electronic facilities), or in the case of a member being a corporation, by its duly authorised representative or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to approve the variation of class rights, the necessary quorum shall be two persons holding or representing by proxy not less than one-third of the issued Shares of that class.

(f) *Proxies*

Any member of the Company (including a member which is a recognised clearing house (or its nominee(s))) entitled to attend and vote at a meeting of the Company is entitled to appoint another person (being a natural person) as his proxy to attend and vote in his place. A member who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting, provided that the number of proxies appointed by a member who is an individual may not exceed two. A proxy need not be a member of the Company and shall be entitled to exercise the same powers on behalf of a member who is a natural person and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise as if it were a natural person member present in person (whether physically or by virtual attendance with the use of electronic facilities) at any general meeting. On a poll or on a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

The instrument appointing a proxy shall be in writing and executed under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation or other non-natural person, either under its seal or under the hand of a duly authorised representative.

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The Board shall, in the notice convening any meeting or adjourned meeting, or in an instrument of proxy sent out by the Company, specify the manner by which the instrument appointing a proxy shall be sent by electronic means (if such means are provided) or deposited and the place and time (being no later than the time appointed for the commencement of the meeting or adjourned meeting to which the instrument of proxy relates) at which such instrument shall be deposited.

Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form that complies with the Listing Rules as the Board may from time to time approve. Any form issued to a member for appointing a proxy to attend and vote at a general meeting at which any business is to be considered shall be such as to enable the member, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise the discretion of the proxy in respect of) each resolution dealing with any such business.

2.6 Accounts and Audit

The Board shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions in accordance with the Companies Act.

The books of accounts of the Company shall be kept at the principal place of business of the Company in Hong Kong or, subject to the provisions of the Companies Act, at such other place or places as the Board thinks fit and shall always be open to inspection by any Director. No member (not being a Director) or other person shall have any right to inspect any account, book or document of the Company except as conferred by the Companies Act or ordered by a court of competent jurisdiction or as authorised by the Board or the Company in general meeting.

The Board shall cause to be prepared and laid before the Company at every annual general meeting a profit and loss account for the period since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up, a Directors' report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an auditors' report on such accounts and such other reports and accounts as may be required by law and the Listing Rules.

The members shall at each annual general meeting appoint auditor(s) to hold office by ordinary resolution of the members until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the members at the annual general meeting at which they are appointed by ordinary resolution of the members or in any other manner as specified in such ordinary resolution. The members may, at any general meeting convened and held in accordance with the Articles, remove the auditors by ordinary resolution at any time before the expiration of the term of office and shall, by ordinary resolution, at that meeting appoint new auditors in their place for the remainder of the term.

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The accounts of the Company shall be prepared and audited based on the generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Stock Exchange.

2.7 Dividends and other Methods of Distribution

Subject to the Companies Act and the Articles, the Company may by ordinary resolution resolve to declare dividends and other distributions on Shares in issue in any currency and authorise payment of the dividends or distributions out of the funds of the Company lawfully available therefor, provided that (i) no dividends shall exceed the amount recommended by the Board, and (ii) no dividends or distributions shall be paid except out of the realised or unrealised profits of the Company, out of the share premium account or as otherwise permitted by law.

The Board may from time to time pay to the members of the Company such interim dividends as appear to the Board to be justified by the financial conditions and the profits of the Company. In addition, the Board may from time to time declare and pay special dividends on Shares of such amounts and on such dates as it thinks fit.

Except as otherwise provided by the rights attached to any Shares, all dividends and other distributions shall be paid according to the amounts paid up on the Shares that a member holds during the period in respect of which the dividends and distributions are paid. No amount paid up on a Share in advance of calls shall for this purpose be treated as paid up on the Share.

The Board may deduct from any dividends or other distributions payable to any member of the Company all sums of money (if any) then payable by him to the Company on account of calls or otherwise. The Board may retain any dividends or distributions payable on or in respect of a Share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

No dividends or other distributions payable by the Company on or in respect of any Share shall carry interest against the Company.

Where the Board or the Company in general meeting has resolved that a dividend should be paid or declared, the Board may further resolve:

- (a) that such dividend be satisfied in whole or in part in the form of an allotment of Shares credited as fully paid on the basis that the Shares so allotted shall be of the same class as the class already held by the allottee, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or
- (b) that the members entitled to such dividend will be entitled to elect to receive an allotment of Shares credited as fully paid in lieu of the whole or such part of the dividend as the Board may think fit on the basis that the Shares so allotted shall be of the same class as the class already held by the allottee.

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Upon the recommendation of the Board, the Company may by ordinary resolution resolve in respect of any one particular dividend of the Company determine that notwithstanding the foregoing, a dividend may be satisfied wholly in the form of an allotment of Shares credited as fully paid without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividends, distributions or other monies payable in cash in respect of Shares may be paid or satisfied by electronic means (including but not limited to electronic funds transfer or wire transfer) or by cheque or warrant sent by post to the registered address of such holder, or in the case of joint holders, to the registered address of the holder who is first named on the register of members of the Company, or to such person and to such address as the holder or joint holders may in writing direct. Any one of two or more joint holders may give effectual receipts for any dividends, distributions or other monies payable in respect of the Shares held by them as joint holders.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied in whole or in part by the distribution of specific assets of any kind.

Any dividends or other distributions which remain unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company and after such forfeiture no member or other person shall have any right to or claim in respect of such dividends or bonuses.

2.8 Inspection of Corporate Records

For so long as any part of the share capital of the Company is listed on the Stock Exchange, any member may inspect any register of members of the Company maintained in Hong Kong (except when the register of members is closed in accordance with the Companies Ordinance) without charge. For so long as the Shares are prescribed securities and in respect of that portion of the branch register in Hong Kong relating to such Shares, a person may, in accordance with the Securities and Futures (Uncertificated Securities Market) Rules, inspect, make copies of, and request to be provided with copies of, entries in the branch register in Hong Kong.

2.9 Rights of Minorities in relation to Fraud or Oppression

There are no provisions in the Articles concerning the rights of minority members in relation to fraud or oppression. However, certain remedies may be available to members of the Company under the Cayman Islands laws, as summarised in paragraph 3.6 below.

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2.10 Procedures on Liquidation

Subject to the Companies Act, the members of the Company may by special resolution resolve to wind up the Company voluntarily or by the court.

Subject to any rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of Shares:

- (a) if the assets available for distribution among the members of the Company are more than sufficient to repay the whole of the Company's paid up capital at the commencement of the winding up, the surplus shall be distributed *pari passu* among such members in proportion to the amount paid up on the Shares held by them at the commencement of the winding up; and
- (b) if the assets available for distribution among the members of the Company are insufficient to repay the whole of the Company's paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or ought to be paid up, on the Shares held by them at the commencement of the winding up.

If the Company is wound up (whether the liquidation is voluntary or compelled by the court), the liquidator may, with the approval of a special resolution and any other approval required by the Companies Act, divide among the members in kind the whole or any part of the assets of the Company, whether the assets consist of property of one kind or different kinds, and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be so divided and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like approval, vest any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator thinks fit, provided that no member shall be compelled to accept any shares or other assets upon which there is a liability.

2.11 Uncertificated Securities Market Regime

Unless otherwise required under applicable law of the Cayman Islands, if any provision of the Articles conflicts or is inconsistent with any provision of the uncertificated securities market regime (and irrespective of whether the provision is mandatory or enabling in nature), the latter will prevail to the extent of the conflict or inconsistency. If the Articles are silent in respect of any matter provided for under any provision of the uncertificated securities market regime (and irrespective of whether the matter is required or permitted under such provision), the matter will be regarded as required or permitted (as the case may be) under the Articles.

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3. COMPANY LAWS OF THE CAYMAN ISLANDS

The Company was incorporated in the Cayman Islands as an exempted company on 17 January 2024 subject to the Companies Act. Certain provisions of the company laws of the Cayman Islands are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the company laws of the Cayman Islands, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

3.1 Company Operations

An exempted company such as the Company must conduct its operations mainly outside the Cayman Islands. An exempted company is also required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorised share capital.

3.2 Share Capital

Under the Companies Act, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account, to be called the share premium account. At the option of a company, these provisions may not apply to premium on shares of that company allotted pursuant to any arrangements in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation, the following:

- (a) paying distributions or dividends to members;
- (b) paying up unissued shares of the company to be issued to members as fully paid bonus shares;
- (c) any manner provided in section 37 of the Companies Act;
- (d) writing-off the preliminary expenses of the company; and
- (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

Notwithstanding the foregoing, no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

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Subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorised to do so by its articles of association, by special resolution reduce its share capital in any way.

3.3 Financial Assistance to Purchase Shares of a Company or its Holding Company

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company, when proposing to grant such financial assistance, discharge their duties of care and act in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

3.4 Purchase of Shares and Warrants by a Company and its Subsidiaries

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a member and, for the avoidance of doubt, it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares; an ordinary resolution of the company approving the manner and terms of the purchase will be required if the articles of association do not authorise the manner and terms of such purchase. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, a company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. In addition, a payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless, immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under the Cayman Islands laws that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able to buy, sell and deal in personal property of all kinds.

A subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

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3.5 Dividends and Distributions

Subject to a solvency test, as prescribed in the Companies Act, and the provisions, if any, of the company's memorandum and articles of association, a company may pay dividends and distributions out of its share premium account. In addition, based upon English case law which is likely to be persuasive in the Cayman Islands, dividends may be paid out of profits.

3.6 Protection of Minorities and Shareholders' Suits

It can be expected that the Cayman Islands courts will ordinarily follow English case law precedents (particularly the rule in the case of *Foss vs. Harbottle* and the exceptions to that rule) which permit a minority member to commence a representative action against or derivative actions in the name of the company to challenge acts which are ultra vires, illegal, fraudulent (and performed by those in control of the company) against the minority, or represent an irregularity in the passing of a resolution which requires a qualified (or special) majority which has not been obtained.

Where a company (not being a bank) is one which has a share capital divided into shares, the court may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and, at the direction of the court, to report on such affairs. In addition, any member of a company may petition the court, which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

In general, claims against a company by its members must be based on the general laws of contract or tort applicable in the Cayman Islands or be based on potential violation of their individual rights as members as established by a company's memorandum and articles of association.

3.7 Disposal of Assets

There are no specific restrictions on the power of directors to dispose of assets of a company, however, the directors are expected to exercise certain duties of care, diligence and skill to the standard that a reasonably prudent person would exercise in comparable circumstances, in addition to fiduciary duties to act in good faith, for proper purpose and in the best interests of the company under English common law (which the Cayman Islands courts will ordinarily follow).

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3.8 Accounting and Auditing Requirements

A company must cause proper records of accounts to be kept with respect to: (i) all sums of money received and expended by it; (ii) all sales and purchases of goods by it; and (iii) its assets and liabilities.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

If a company keeps its books of account at any place other than at its registered office or any other place within the Cayman Islands, it shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (2021 Revision) of the Cayman Islands, make available, in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

3.9 Exchange Control

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

3.10 Taxation

Pursuant to section 6 of the Tax Concessions Act (2018 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Governor-in-Cabinet that:

- (a) no law which is hereafter enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciations shall apply to the Company or its operations; and
- (b) no tax be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:
 - (i) on or in respect of the shares, debentures or other obligations of the Company;
or
 - (ii) by way of withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Act (2018 Revision).

The undertaking for the Company is for a period of 30 years from 29 July 2026.

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SUMMARY OF THE CONSTITUTION OF THE COMPANY AND CAYMAN COMPANIES ACT

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments.

3.11 Stamp Duty on Transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

3.12 Loans to Directors

There is no express provision prohibiting the making of loans by a company to any of its directors. However, the company's articles of association may provide for the prohibition of such loans under specific circumstances.

3.13 Inspection of Corporate Records

The members of a company have no general right to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

3.14 Register of Members

A Cayman Islands exempted company may maintain its principal register of members and any branch registers in any country or territory, whether within or outside the Cayman Islands, as the company may determine from time to time. There is no requirement for an exempted company to make any returns of members to the Registrar of Companies in the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of member, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (2021 Revision) of the Cayman Islands.

3.15 Register of Directors and Officers

Pursuant to the Companies Act, the Company is required to maintain at its registered office a register of directors, alternate directors and officers. The Registrar of Companies shall make available the list of the names of the current directors of the Company (and, where applicable, the current alternate directors of the Company) for inspection by any person upon payment of a fee by such person. A copy of the register of directors and officers must be filed with the Registrar of Companies in the Cayman Islands, and any change must be notified to the Registrar of Companies within 30 days of any change in such directors or officers, including a change of the name of such directors or officers.

APPENDIX III

SUMMARY OF THE CONSTITUTION OF THE COMPANY AND CAYMAN COMPANIES ACT

3.16 Winding up

A Cayman Islands company may be wound up by: (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court.

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company (other than a limited duration company, for which specific rules apply) occurs where the company resolves by special resolution that it be wound up voluntarily or where the company in general meeting resolves that it be wound up voluntarily because it is unable to pay its debt as they fall due. In the case of a voluntary winding up, the company is obliged to cease to carry on its business from the commencement of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators are appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company disposed of, and call a general meeting of the company for the purposes of laying before it the account and giving an explanation of that account.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that: (i) the company is or is likely to become insolvent; or (ii) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order takes effect for all purposes as if it was an order that the company be wound up by the court except that a commenced voluntary winding up and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, one or more persons may be appointed to be called an official liquidator(s). The court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more than one person is appointed to such office, the court shall declare whether any act required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the court.

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3.17 Mergers and Consolidations

The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) “merger” means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) “consolidation” means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorised by (a) a special resolution of each constituent company and (b) such other authorisation, if any, as may be specified in such constituent company’s articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting members have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

3.18 Mergers and Consolidations involving a Foreign Company

Where the merger or consolidation involves a foreign company, the procedure is similar, save that with respect to the foreign company, the directors of the Cayman Islands exempted company are required to make a declaration to the effect that, having made due enquiry, they are of the opinion that the requirements set out below have been met: (i) that the merger or consolidation is permitted or not prohibited by the constitutional documents of the foreign company and by the laws of the jurisdiction in which the foreign company is incorporated, and that those laws and any requirements of those constitutional documents have been or will be complied with; (ii) that no petition or other similar proceeding has been filed and remains outstanding or order made or resolution adopted to wind up or liquidate the foreign company in any jurisdictions; (iii) that no receiver, trustee, administrator or other similar person has been appointed in any jurisdiction and is acting in respect of the foreign company, its affairs or its property or any part thereof; and (iv) that no scheme, order, compromise or other similar arrangement has been entered into or made in any jurisdiction whereby the rights of creditors of the foreign company are and continue to be suspended or restricted.

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Where the surviving company is the Cayman Islands exempted company, the directors of the Cayman Islands exempted company are further required to make a declaration to the effect that, having made due enquiry, they are of the opinion that the requirements set out below have been met: (i) that the foreign company is able to pay its debts as they fall due and that the merger or consolidated is bona fide and not intended to defraud unsecured creditors of the foreign company; (ii) that in respect of the transfer of any security interest granted by the foreign company to the surviving or consolidated company (a) consent or approval to the transfer has been obtained, released or waived; (b) the transfer is permitted by and has been approved in accordance with the constitutional documents of the foreign company; and (c) the laws of the jurisdiction of the foreign company with respect to the transfer have been or will be complied with; (iii) that the foreign company will, upon the merger or consolidation becoming effective, cease to be incorporated, registered or exist under the laws of the relevant foreign jurisdiction; and (iv) that there is no other reason why it would be against the public interest to permit the merger or consolidation.

3.19 Reconstructions and Amalgamations

Reconstructions and amalgamations may be approved by (i) 75% in value of the members or class of members or (ii) a majority in number representing 75% in value of the creditors or class of creditors, in each case depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting member has the right to express to the court his view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, it can be expected that the court would approve the transaction if it is satisfied that (i) the company is not proposing to act illegally or beyond the scope of our corporate authority and the statutory provisions as to majority vote have been complied with, (ii) the members have been fairly represented at the meeting in question, (iii) the transaction is such as a businessman would reasonable approve and (iv) the transaction is not one that would more properly be sanctioned under some other provisions of the Companies Act or that would amount to a “fraud on the minority”.

If the transaction is approved, no dissenting member would have any rights comparable to the appraisal rights (namely the right to receive payment in cash for the judicially determined value of his shares), which may be available to dissenting members of corporations in other jurisdictions.

3.20 Takeovers

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may, at any time within two months after the expiration of that four-month period, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the Cayman Islands courts within one month of the notice objecting to the transfer. The burden is on the dissenting member to show that the court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority members.

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3.21 Indemnification

The Cayman Islands laws do not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, save to the extent any such provision may be held by the court to be contrary to public policy, for example, where a provision purports to provide indemnification against the consequences of committing a crime.

3.22 Economic Substance

The Cayman Islands enacted the International Tax Co-operation (Economic Substance) Act (2026 Revision) together with the Guidance Notes published by the Cayman Islands Tax Information Authority from time to time. If a company is considered to be a "relevant entity" and is conducting one or more of the nine "relevant activities", then such company will be required to comply with the economic substance requirements in relation to the relevant activity from 1 July 2019. All companies whether a relevant entity or not is required to file an annual report with the Registrar of Companies of the Cayman Islands confirming whether or not it is carrying on any relevant activities.

4. GENERAL

Harney Westwood & Riegels, the Company's legal advisor on Cayman Islands laws, has sent to the Company a letter of advice summarising the aspects of the Companies Act set out in section 3 above. This letter, together with copies of the Companies Act, the Memorandum and the Articles, is on display on the websites of the Stock Exchange and the Company as referred to in the paragraph headed "2. Documents available on display" in Appendix V to this document. Any person wishing to have a detailed summary of the Companies Act or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

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A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of our Company

Our Company was incorporated in the Cayman Islands under the Cayman Islands Companies Act as an exempted company with limited liability on 17 January 2024.

We have been registered in Hong Kong under Part 16 of the Companies Ordinance as a non-Hong Kong company on 24 July 2026, and our principal place of business in Hong Kong is Suites 2301-05, 23/F, Tower 5, The Gateway, Harbour City, 15 Canton Road, Tsim Sha Tsui, Hong Kong. In compliance with the requirements of the Companies Ordinance, Mr. Mo and Mr. Yeung have been appointed as the authorised representatives in Hong Kong for the acceptance of service of process and any notice required to be served on our Company in Hong Kong.

Our Company was incorporated in the Cayman Islands and is subject to Cayman Islands law. Its constitution comprises the Memorandum and the Articles of Association. A summary of certain relevant parts of its constitution and certain relevant aspects of Cayman Islands company law is set out in “Appendix III – Summary of the Constitution of the Company and Cayman Companies Act”.

2. Changes in the Share Capital of our Company

- (a) As at the date of incorporation of our Company on 17 January 2024, our authorised share capital was US\$50,000 divided into 500,000,000 Shares with a par value of US\$0.0001 each. On the date of incorporation, one Share of US\$0.0001 was allotted and issued as fully-paid at par to an initial subscriber who is an Independent Third Party, and such share was transferred to AW Ocean on 25 January 2024. On 25 January 2024, our Company allotted and issued 9,999 Shares to AW Ocean, credited as fully paid; and
- (b) On 28 February 2025, our Company effectuated the Share Split, pursuant to which the authorised share capital of our Company has been changed from US\$50,000 divided into 500,000,000 Shares with a par value of US\$0.0001 each to US\$50,000 divided into 2,500,000,000,000 Shares with a par value of US\$0.00000002 each. As a result of the Share Split, 10,000 issued Shares of a par value of US\$0.0001 each in the capital of our Company held by AW Ocean has been sub-divided into 50,000,000 Shares of a par value of US\$0.00000002.
- (c) Immediately after the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED]), the authorised share capital of our Company will remain to be US\$50,000 divided into 2,500,000,000,000 Shares with a par value of US\$0.00000002 each.

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Other than pursuant to the exercise of the [REDACTED], our Directors at present have no intention to issue to any party any of the authorised but unissued share capital of our Company, and, without the prior approval of the Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Save as disclosed in “History, Reorganisation and Corporate Structure”, there has been no alteration in the share capital of our Company since its incorporation.

Our Company has no founder shares, management shares or deferred shares.

3. Resolutions in writing of our sole Shareholder passed on [•]

Pursuant to the written resolutions passed by our sole Shareholder on [•], it was resolved that, among other matters:

- (a) the Articles of Association was conditionally approved and adopted with effect from the [REDACTED];
- (b) conditional on: (A) the [REDACTED] Committee granting [REDACTED] of, and permission to deal in, the Shares in issue and to be issued as mentioned in this document; (B) the [REDACTED] having been determined; (C) the execution and delivery of the [REDACTED] on or before the date as mentioned in this document; and (D) the obligations of the [REDACTED] under the [REDACTED] becoming unconditional and not being terminated in accordance with the terms of the [REDACTED] or otherwise, in each case on or before the day falling 30 days after the date of this document:
 - (i) the [REDACTED] and the [REDACTED] were approved, and our Directors were authorised to allot and issue the [REDACTED] pursuant to the [REDACTED] and such number of Shares as may be required to be allotted and issued upon the exercise of the [REDACTED];
 - (ii) conditional on the share premium account of our Company being credited as a result of the [REDACTED], our Directors were authorised to capitalise US\$[REDACTED] standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par [REDACTED] Shares for allotment and issue to holders of Shares whose names appear on the register of members of our Company at the close of business on [•] in proportion (as nearly as possible without involving fractions so that no fraction of a Share shall be allotted and issued) to their then existing holdings in our Company and so that the Shares to be allotted and issued pursuant to this resolution should rank pari passu in all respects with the then existing issued Shares and our Directors were authorised to give effect to such capitalisation;

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- (iii) a general unconditional mandate was granted to our Directors to exercise all powers of our Company to allot, issue and deal with, otherwise than pursuant to (a) a rights issue, (b) scrip dividend schemes or similar arrangements providing for allotment of Shares in lieu of the whole or in part of any dividend in accordance with the Articles, or (c) the [REDACTED] or the [REDACTED] or pursuant to the exercise of the [REDACTED], an aggregate number of Shares not exceeding 20% of the aggregate number of Shares in issue immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED]) until the conclusion of the next annual general meeting of our Company, or upon the expiry of the period within which our Company is required by any applicable law or the Memorandum and Articles of Association to hold its next annual general meeting, or when it is varied, revoked or renewed by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first (“**Applicable Period**”);
- (iv) a general unconditional mandate (the “**Repurchase Mandate**”) was granted to our Directors to exercise all powers of our Company to purchase or repurchase Shares on the Stock Exchange or another stock exchange on which the securities of our Company may be listed and recognised by the SFC and the Stock Exchange for this purpose, with an aggregate number of not exceeding 10% of the number of Shares in issue immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED]), until the conclusion of the next annual general meeting of our Company, or upon the expiry of the Applicable Period; and
- (v) the extension of the general mandate to allot, issue and deal with Shares pursuant to sub-paragraph (iv) above to include the number of Shares which may be purchased or repurchased pursuant to sub-paragraph (v) above; and
- (c) the form and substance of each of the service agreements made between each of our executive Directors and our Company, and the form and substance of each of the appointment letters made between each of our independent non-executive Directors and our Company were approved.

4. Reorganisation

The companies comprising our Group underwent a Reorganisation to rationalise our Group structure in preparation for the [REDACTED]. As a result of the Reorganisation, AW Global was incorporated and is wholly owned by our Company as the intermediate holding company, which in turn holds all issued equity interests in our Operating Subsidiaries, namely VG Zenith and Victor Zenith. For more details regarding the Reorganisation, see “History, Reorganisation and Corporate Structure”.

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5. Changes in the Share Capital of our subsidiaries

The subsidiaries of our Company are listed in “Appendix I – Accountants’ Report”.

Except as disclosed in “History, Reorganisation and Corporate Structure”, there are no changes in the share capital of each of our Company’s subsidiaries within the two years immediately preceding the date of this document.

6. Repurchases of our own securities

This paragraph includes information required by the Stock Exchange to be included in this document concerning the repurchase by our Company of its own securities.

(a) Shareholders’ approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company with a primary [REDACTED] on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders, either by way of general mandate or by specific approval of a particular transaction.

A resolution in writing was passed by our sole Shareholder on [•], pursuant to which a general unconditional mandate (i.e. the Repurchase Mandate) was granted to our Directors authorising the purchase or repurchase of such number of Shares by our Company on the Stock Exchange or another stock exchange on which the securities of our Company may be listed and recognised by the SFC and the Stock Exchange for this purpose, with an aggregate number of not exceeding 10% of the aggregate number of Shares in issue immediately following completion of the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED]), until the conclusion of the next annual general meeting of our Company, or upon the expiry of the period within which our Company is required by any applicable law or the Memorandum and Articles of Association to hold its next annual general meeting, or when it is varied, revoked or renewed by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first (the “**Relevant Period**”).

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(b) *Source of funds*

Any repurchases must be paid out of funds legally available for the purpose in accordance with the Memorandum and Articles of Association, the Listing Rules, the Cayman Islands Companies Act and the applicable laws and regulations of the Cayman Islands. A listed company is prohibited from repurchasing its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Under the Cayman Islands Companies Act, any repurchase of Shares may be made out of the profits of our Company, the share premium account of our Company and/or the proceeds of a fresh issue of Shares made for the purpose of the repurchase. Any premium payable on a purchase over the par value of the Shares to be repurchased must be provided for out of either or both of the profits of our Company or from the share premium account of our Company. Subject to the Cayman Islands Companies Act, a repurchase of Shares may also be paid out of capital if so authorised by the Articles of Association.

(c) *Reasons for repurchases*

Our Directors believe that the ability to repurchase our Shares is in the best interest of our Company and our Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, result in an increase in the net assets and/or earnings per Share. Our Directors have sought the Repurchase Mandate to give our Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by our Directors at the relevant time, having regard to the circumstances then prevailing and such repurchases will only be made if our Directors believe that such repurchases will benefit our Company and our Shareholders as a whole.

(d) *Funding of repurchases*

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association, the Listing Rules, the Cayman Islands Companies Act and the applicable laws and regulations of the Cayman Islands.

On the basis of the current financial position of our Group as disclosed in this document and taking into account the current working capital position of our Group, our Directors consider that, if the repurchases under the Repurchase Mandate were to be carried out in full at any time during the Relevant Period, it might have a material adverse impact on the working capital and/or the gearing position of our Group as compared with the position disclosed in this document. However, our Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital and/or the gearing position of our Group which in the opinion of our Directors are from time to time appropriate for our Group.

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(e) General

The exercise in full of the Repurchase Mandate, on the basis of [REDACTED] Shares in issue immediately after the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED]), would result in up to [REDACTED] Shares being repurchased by our Company during the Relevant Period.

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associate currently intends to sell any Shares to our Company or our subsidiaries. No core connected person of our Company has notified our Company that he/she/it has any present intention to sell Shares to our Company, or has undertaken not to do so if the Repurchase Mandate is exercised.

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Memorandum and Articles of Association, the Listing Rules, the Cayman Islands Companies Act and the applicable laws and regulations of the Cayman Islands.

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

No purchase of Shares has been made by our Company within six months prior to the date of this document.

Our Directors shall not exercise the Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules).

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of material contracts

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of our Group within the two years preceding the date of this document and are or may be material:

- (a) Deed of Non-competition;
- (b) Deed of Indemnity; and
- (c) the Hong Kong [REDACTED].

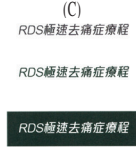
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2. Our material intellectual property rights

As at the Latest Practicable Date, we had 11 registered trademarks in Hong Kong, as well as 1 domain name which we believe are material to our business.

(a) Trademarks

As at the Latest Practicable Date, we have registered the following trademarks:

No.	Trademarks	Registration No.	Class	Validity period	Place of registration	Registered owner
1.	(A)  (B) 	305329620	35	10-07-2020 to 09-07-2030	Hong Kong	VG Zenith
2.	(A)  (B)  (C)  (D) 	305559201	35, 44	11-03-2021 to 10-03-2031	Hong Kong	VG Zenith
3.	(A)  (B)  (C) 	305559210	35, 44	11-03-2021 to 10-03-2031	Hong Kong	VG Zenith
4.	(A)  (B)  (C)  (D) 	305622958	35, 44	12-05-2021 to 11-05-2031	Hong Kong	VG Zenith

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No.	Trademarks	Registration No.	Class	Validity period	Place of registration	Registered owner
5.	(A)  ANKH (B)  ANKH ANKH ANKH	305622967	35, 44	12-05-2021 to 11-05-2031	Hong Kong	VG Zenith
6.		306216480	5, 35, 44	12-04-2023 to 11-04-2033	Hong Kong	VG Zenith
7.	(A)  (B)  (C)  (D) 	306336199	35	30-08-2023 to 29-08-2033	Hong Kong	VG Zenith
8.	(A)  (B)  (C)  (D) 	306352489	44	19-09-2023 to 18-09-2033	Hong Kong	VG Zenith
9.	(A)  (B)  (C) 	306525685	35, 44	12-04-2024 to 11-04-2034	Hong Kong	VG Zenith
10.	(A)  (B)  (C) 	306688153	35, 44	08-10-2024 to 07-10-2034	Hong Kong	VG Zenith

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No.	Trademarks	Registration No.	Class	Validity period	Place of registration	Registered owner
11.	(A)  (B)  (C) 	306688162	35, 44	08-10-2024 to 07-10-2034	Hong Kong	VG Zenith

As at the Latest Practicable Date, we have applied for the following trademarks which we believe are material to our business and which have not yet been granted:

No.	Trademarks	Trade Mark No.	Class	Date of Filing	Place of application	Applicant
1	A  B 	307351227	35, 44	22 July 2026	Hong Kong	VG Zenith
2	A  B 	307351236	35, 44	22 July 2026	Hong Kong	VG Zenith
3	A  B 	307351245	35, 44	22 July 2026	Hong Kong	VG Zenith
4	A  B 	307351254	35, 44	22 July 2026	Hong Kong	VG Zenith

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(b) Domain name

As at the Latest Practicable Date, we have registered the following domain name which we believe is material to our business:

No.	Domain name	Registrant	Date of registration	Expiry date
1	ANKH.COM.HK	VG Zenith	24-03-2021	24-03-2027

3. Related party transactions

Within the two years immediately preceding the date of this document, we have entered into the related party transactions as described in Note 24 to the financial information in the Accountants' Report set out in Appendix I to this document.

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C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Our Directors

(a) Disclosure of interests of our Directors

- (i) Each of Mr. Mo and Ms. Cheung is interested in the Reorganisation.
- (ii) Except as disclosed in this document, none of our Directors or their associates was engaged in any dealings with our Group during the two years immediately preceding the date of this document.

(b) Particulars of our Directors' service contracts

Our executive Directors

Each of our executive Directors [has entered] into a service contract with our Company for a term of three years commencing from the [REDACTED] until terminated by not less than three months' notice in writing served by either party on the other.

Our independent non-executive Directors

Each of our independent non-executive Directors [has been appointed] for an initial term of three years commencing from the [REDACTED] until terminated by either party giving not less than three months' written notice to the other pursuant to a letter of appointment.

Except for directors' fees, none of our independent non-executive Directors is expected to receive any other remuneration for holding his office as an independent non-executive Director.

Except as aforesaid, none of our Directors has or is proposed to have a service contract with our Company or any of our subsidiaries other than contracts expiring or determinable by us within one year without the payment of compensation (other than statutory compensation).

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(c) *Our Directors' remuneration*

- (i) The aggregate emoluments paid and benefits in kind granted by our Group to our Directors in respect of FY2024, FY2025 and FY2026 were approximately HK\$6.3 million, HK\$24.4 million and HK\$16.4 million, respectively.
- (ii) None of our Directors or any past directors of any member of our Group has been paid any sum of money for FY2024, FY2025 and FY2026 (i) as an inducement to join or upon joining our Group; or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.
- (iii) There has been no arrangement under which a Director has waived or agreed to waive any emoluments for FY2024, FY2025 and FY2026.

(d) *Interests and/or short positions of our Directors in the shares, underlying shares or debentures of our Company and its associated corporations*

Immediately after the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED]), the interests and/or short positions of our Directors and the chief executive of our Company in the shares, underlying shares or debentures of our Company and its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions in which they are taken or deemed to have taken under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, in each case once our Shares are listed, will be as follows:

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Long position in the Shares

Name of Director	Capacity/nature of interest	Number of Shares ⁽¹⁾	Approximate percentage of interest in our Company
Mr. Mo ⁽²⁾	Interest in controlled corporation and interest jointly held with other persons	[REDACTED] (L)	[REDACTED]
Ms. Cheung ⁽²⁾	Interest in controlled corporation and interest jointly held with other persons	[REDACTED] (L)	[REDACTED]

Notes:

- (1) The letter “L” denotes a person’s long position in our Shares.
- (2) Mr. Mo is the spouse of Ms. Cheung. Therefore, pursuant to the SFO, they are deemed to be interested in any Shares in which one another is interested through their controlled corporation, AW Ocean.

Long position in the ordinary shares of associated corporation

Name of Director	Associated corporation	Capacity/nature of interest	Number of shares ⁽¹⁾	Percentage of interest in the associated corporation
Mr. Mo ⁽²⁾	AW Ocean	Beneficial owner and interest jointly held with other persons	[REDACTED] (L)	[REDACTED]
Ms. Cheung ⁽²⁾	AW Ocean	Beneficial owner and interest jointly held with other persons	[REDACTED] (L)	[REDACTED]

Notes:

- (1) The letter “L” denotes a person’s long position in the relevant associated corporation.
- (2) Mr. Mo is the spouse of Ms. Cheung. AW Ocean is held by Mr. Mo and Ms. Cheung as to 71% and 29%, respectively. AW Ocean is interested in 100% of the equity interests of the Company.

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2. Disclosure of interests under the SFO and for substantial shareholders

Save as disclosed in the section headed “Substantial Shareholders” in this document, up to the Latest Practicable Date, our Directors were not aware of any other person, not being a Director or chief executive of our Company, who had an interest or short position in the Shares and underlying Shares, which following the completion of the [REDACTED], would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are expected to be, directly or indirectly, interested in 10% or more of the issued voting shares of the Company or that of any other member of our Group.

3. Disclaimers

Except as disclosed in this document:

- (a) our Directors are not aware of any person (not being a Director or chief executive of our Company) who immediately after the [REDACTED] and the [REDACTED] (without taking into account any Shares which may be allotted, issued or sold upon exercise of the [REDACTED]) will have an interest or a short position in our Shares and underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group;
- (b) none of our Directors has any interest or short position in any of the shares, underlying shares or debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions in which they are taken or is deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, in each case once our Shares are listed;
- (c) none of our Directors nor any of the parties listed in “– D. Other Information – 7. Qualifications of experts” has been interested in the promotion of, or has any direct or indirect interest in any assets which have been, within the two years immediately preceding the date of this document, acquired or disposed of by or leased to our Company or any of the subsidiaries of our Company, or are proposed to be acquired or disposed of by or leased to our Company or any other member of our Group nor will any Director apply for the [REDACTED] either in his own name or in the name of a nominee;

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- (d) none of our Directors nor any of the parties listed in “– D. Other Information – 7. Qualifications of experts” is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group; and except in connection with the [REDACTED], none of the parties listed in “– D. Other Information – 7. Qualifications of experts”:
 - (i) is interested legally or beneficially in any securities of any member of our Group; or
 - (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

D. OTHER INFORMATION

1. Litigation

As at the Latest Practicable Date, neither our Company nor any of our subsidiaries is engaged in any litigation or arbitration of material importance, and no litigation or claim of material importance is known to our Directors to be pending or threatened against our Company or any of our subsidiaries, that would have a material adverse effect on the results of operations or financial condition of our Company.

2. Preliminary expenses

The preliminary expenses incurred by our Company in relation to our incorporation were approximately US\$10,000 and were paid by our Company.

3. Promoters

- (a) Our Company has no promoter.
- (b) Within the two years preceding the date of this document, no amount or benefit has been paid or given to the promoters named in sub-paragraph (a) above in connection with the [REDACTED] or the related transactions described in this document.

4. Sole Sponsor's independence

The Sole Sponsor satisfies the independence criteria applicable to sponsor as set out in Rule 3A.07 of the Listing Rules.

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5. Agency fees or [REDACTED] received

The [REDACTED] will receive a gross [REDACTED] [REDACTED] of [•]% of the aggregate [REDACTED] in respect of all of the [REDACTED]. Our Company may also in our sole discretion pay an aggregate discretionary incentive fee of up to [•]% of the aggregate [REDACTED] in respect of all of the [REDACTED]. The Sole Sponsor will also receive sponsor fee of HK\$[•].

6. Application for [REDACTED] of Shares

The Sole Sponsor have made an application on behalf of our Company to the [REDACTED] Committee for the [REDACTED] of, and permission to deal in, the Shares in issue and to be issued as mentioned in this document and any Shares which may be issued upon the exercise of the [REDACTED] and any options granted.

All necessary arrangements have been made to enable the securities to be admitted into [REDACTED].

7. Qualifications of experts

The qualifications of the experts who have given opinions and/or whose names are included in this document are as follows:

Name	Qualification
VBG Capital Limited	Licensed to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Harney Westwood & Riegels	Legal advisors to our Company as to Cayman Islands laws
Forvis Mazars CPA Limited	Certified Public Accountants under Professional Accountant Ordinance (Chapter 50 of the Laws of Hong Kong) and Registered Public Interest Entity Auditor under Accounting Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)
Ipsos Asia Limited	Industry consultant

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8. Consents of experts

Each of the experts named above has given and has not withdrawn its written consent to the issue of this document with copies of its reports, valuation, letters or opinions (as the case may be) and the references to its names or summaries of opinions included herein in the form and context in which they respectively appear.

9. Binding effect

This document shall have the effect, if an application is made in pursuance of it, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

10. Taxation of holders of Shares

(a) Hong Kong

Dealings in Shares registered on our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty. The sale, purchase and transfer of Shares are subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration or, if higher, the value of the Shares being sold or transferred.

Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(b) The Cayman Islands

Under the present Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfer of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

(c) Consultation with professional advisors

Intending holders of Shares are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in Shares or exercising any rights attaching to them. It is emphasized that none of our Company, our Directors or the other parties involved in the [REDACTED] can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares or exercising any rights attaching to them.

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11. Tax and other indemnities

Our Controlling Shareholders [have entered] into the Deed of Indemnity with and in favour of our Company (for ourselves and as trustee for each of our subsidiaries stated therein).

Pursuant to the Deed of Indemnity, the Indemnifiers have agreed to jointly and severally indemnify each of the members of our Group in respect of, among other matters:

- (a) any and all taxation paid or required to be paid by any of the members of our Group resulting from or by reference to any income, profits, gains, transactions, events, matters or things earned, accrued, received, entered into (or deemed to be so earned, accrued, received or entered into) or occurring on or before the [REDACTED], or as a consequence of any event which occurred on or before the [REDACTED] whether alone or in conjunction with other circumstances, whether or not such taxation is chargeable against or attributable to any other person, firm or company; and
- (b) any fines, penalties, losses, damages, liabilities, fees, costs, expenses, demands, claims, proceedings and actions (including without limitation any legal costs) which any member of our Group may suffer, sustain or incur or which may be commenced, brought or instituted against any member of our Group and become payable arising in connection with non-compliance under, or any breach of any provision of, applicable laws, rules or regulations by any member of our Group on or before the [REDACTED].

The Indemnifiers are under no liability under the Deed of Indemnity in respect of any taxation:

- (a) to the extent that provision or reserve has been made for such taxation in the audited accounts of any member of our Group for any accounting period up to 31 March 2026; or
- (b) to the extent that such taxation or liability falling on any of the members of our Group in respect of any accounting period commencing on or after 1 April 2026 and ending on the [REDACTED], where such taxation or liability would not have arisen but for some act or omission of, or transaction voluntarily entered into by, any member of our Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) without the prior written consent or agreement of the Indemnifiers, other than any such act, omission or transaction:
 - (i) carried out or effected in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets on or before the [REDACTED]; or
 - (ii) carried out, made or entered into pursuant to a legally binding commitment created on or before the [REDACTED] or pursuant to any statement of intention made in this document; or

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- (c) to the extent that such taxation or claim arise or are incurred as a result of the imposition of taxation as a consequence of any retrospective change in the law, rules and regulations or the interpretation or practice thereof by the Hong Kong Inland Revenue Department, or any other relevant authority (whether in Hong Kong or any other part of the world) coming into force after the date of the Deed of Indemnity or to the extent such claim arises or is/are increased by an increase in rates of taxation or claim after the date of the Deed of Indemnity with retrospective effect; or
- (d) to the extent that any provision or reserve made for taxation in the audited consolidated accounts of our Group or the audited accounts of any member of our Group referred to in paragraph (a) above which is finally established to be an over-provision or an excessive reserve, in which case the Indemnifiers' liability (if any) in respect of taxation shall be reduced by an amount not exceeding such provision or reserve, provided that the amount of any such provision or reserve applied referred to in this paragraph to reduce the Indemnifiers' liability in respect of taxation shall not be available in respect of any such liability arising thereafter; or
- (e) to the extent that the claim arises or is incurred as a result of the imposition of taxation only as a consequence of any retrospective change in the law or practice coming into force after the [REDACTED] or to the extent that such claim arises or is increased by an increase in rates of taxation after such date with retrospective effect, or the liability would not have arisen but for any voluntary act of any member of our Group after the [REDACTED] which the relevant member of our Group ought reasonably to have known would give rise to such liability.

12. Miscellaneous

- (a) Except as disclosed herein:
 - (i) within two years preceding the date of this document:
 - (aa) no share or loan capital of our Company or of any of our subsidiaries has been issued, agreed to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (bb) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and
 - (cc) no commission has been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions, for any Shares in our Company or any of our subsidiaries;

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- (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) our Group does not have any outstanding convertible debt securities or debentures;
- (b) our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since 31 March 2026 (being the date to which the latest combined financial statements of our Group were made up);
- (c) no equity or debt securities of our Company is listed or dealt in on any stock exchange, nor is any [REDACTED] or permission to deal being or proposed to be sought;
- (d) the [REDACTED] does not involve the exercise of any right of pre-emption or the transfer of subscription rights;
- (e) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this document; and
- (f) there is no arrangement under which future dividends are waived or agreed to be waived.

13. Bilingual document

The English language and Chinese language versions of this document are being published separately, in reliance upon the exemption provided under Section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

APPENDIX V

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES AND AVAILABLE ON DISPLAY

1. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this document delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) copies of each of the material contracts referred to in “Statutory and General Information – B. Further Information about our Business – 1. Summary of material contracts” in Appendix IV to this document; and
- (b) the written consents referred to in “Statutory and General Information – D. Other Information – 8. Consents of experts” in Appendix IV to this document.

2. DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at www.hkexnews.hk and our website at <https://www.ankh.com.hk/> up to and including the date which is 14 days from the date of this document:

- (a) the Memorandum and Articles of Association;
- (b) the Accountants’ Report of our Group for the three years ended 31 March 2026 from Forvis Mazars CPA Limited, the texts of which are set out in “Appendix I – Accountants’ Report” to this document;
- (c) the report on the unaudited [REDACTED] financial information from Forvis Mazars CPA Limited, the text of which is set out in “Appendix II – Unaudited [REDACTED] Financial Information” to this document;
- (d) the audited combined financial statements of our Group for the three years ended 31 March 2026;
- (e) the letter of advice prepared by Harney Westwood & Riegels, our legal advisors as to Cayman Islands laws, summarise certain aspects of Cayman Islands company law, referred to in “Appendix III – Summary of the Constitution of the Company and Cayman Companies Act”;
- (f) the industry report issued by Ipsos Asia Limited;
- (g) the material contracts, referred to in “Appendix IV – Statutory and General Information – B. Further Information About Our Business – 1. Summary of material contracts” to this document;

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**DOCUMENTS DELIVERED TO THE REGISTRAR
OF COMPANIES AND AVAILABLE ON DISPLAY**

- (h) the written consents, referred to in “Appendix IV – Statutory and General Information – D. Other Information – 9. Consents of experts” to this document;
- (i) service contracts and letters of appointment, referred to in “Appendix IV – Statutory and General Information – C. Further Information about our Directors and Substantial Shareholders – b. Particulars of Our Directors’ service contracts”; and
- (j) the Cayman Islands Companies Act.