Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Yufengchang Holdings Limited nor is it a solicitation of any vote or approval in any jurisdiction.

FULLY FORT GROUP LIMITED

(Incorporated in the British Virgin Islands with limited liability)

MANDATORY UNCONDITIONAL CASH OFFER BY QUAM SECURITIES LIMITED FOR AND ON BEHALF OF FULLY FORT GROUP LIMITED TO ACQUIRE ALL THE ISSUED SHARES (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR, MR. LAW AND PARTIES ACTING IN CONCERT WITH ANY OF THEM) OF YUFENGCHANG HOLDINGS LIMITED

(Stock code: 8631)

Financial adviser to the Offeror

首盛資本集團
Alpha Financial Group

Alpha Financial Group Limited

BACKGROUND OF THE LOAN AGREEMENT AND SHARE CHARGE AGREEMENT

In light of Mr. Wang's personal financial pressure, combined with the Company's deteriorating financial position and pressing working capital needs, Mr. Law granted a loan of HK$5.5 million to Mr. Wang on 22 May 2025, with drawdown on the same date. The Loan bore interest at 15% per annum and repayable upon the expiry of five calendar months from the date of drawdown, i.e. on 21 October 2025.

Such Loan was made available to Mr. Wang for the purpose of settling his personal debt to release the existing encumbrances over the Shares then beneficially owned by him as well as providing funding to the Company's working capital needs. In particular, pursuant to the Loan Agreement, the Loan shall be applied as follows: (i) HK$1.7 million for the purpose of releasing the then existing share charge granted in favour of Get Nice Securities Limited under the facility in support of the 2024 General Offer; and (ii) HK$3.8 million for the purpose of providing general working capital to the Company.

In connection with the Loan, Hong Kong Yufengchang, the controlling shareholder of the Company wholly owned by Mr. Wang, agreed to provide security by charging all 25,563,000 ordinary shares in the Company (representing approximately 63.91% of the issued share capital) in favour of Mr. Law pursuant to the Share Charge Agreement executed on the same date. Other than the Share Charge in favour of Mr. Law, the Loan was unsecured and was not backed by any guarantees, security interests, or other forms of collateral.

ENFORCEMENT OF SHARE CHARGE

To the best knowledge, information and belief of Mr. Law, following the grant of the Loan, Mr. Wang's financial condition and the Company's liquidity further worsened. These circumstances constituted a material adverse change under the Loan Agreement and triggered an event of default. In particular, pursuant to the Loan Agreement, an event of default includes any situation which, in the opinion of Mr. Law as the lender, gives reasonable grounds to believe that a material adverse change in the business, financial condition or prospects of the Company has occurred, or that the ability of Mr. Wang or any other obligor to perform its obligations has been or will be materially and adversely affected. To the best knowledge and belief of Mr. Law, Mr. Wang was unable to discharge substantial personal obligations arising from the 2024 General Offer, including outstanding professional fees owed to Shenwan Hongyuan Capital (H.K.) Limited, the financial adviser to Hong Kong Yufengchang for the 2024 General Offer, as at the date of enforcement of the Share Charge. Separately, the Company failed to settle amounts due to its professional service providers, with arrears exceeding HK$0.9 million. Several of these professional service providers have issued demand letters or legal notices for the outstanding fees since early August 2025. These circumstances evidenced a persistent inability to meet financial obligations and triggered the event of default under the Loan Agreement. As such, on 6 August 2025, following the default, Mr. Law enforced his rights under the Share Charge Agreement, resulting in the transfer of all the Charged Shares to him on the same date.

MANDATORY UNCONDITIONAL GENERAL OFFER

Immediately prior to the Enforcement, save for holding of the Initial Shares by the Offeror, being 1,996,000 Shares, representing approximately 4.99% of the entire issued share capital of the Company as at the date of this announcement, the Offeror, Mr. Law and parties acting in concert with any of them did not own or control or have direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after the Enforcement, the Offeror, Mr. Law and parties acting in concert with any of them are interested in 27,559,000 Shares, representing approximately 68.90% of the entire issued share capital of the Company as at the date of this announcement. The Offeror is therefore required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional general offer in cash for all the issued Shares other than those already owned or agreed to be acquired by the Offeror, Mr. Law and parties acting in concert with any of them.

Based on the publicly available information, as at the date of this announcement, the Company has 40,000,000 Shares in issue, and has no other outstanding warrants, derivatives, options, convertibles or other securities in issue which may confer any right(s) to the holder(s) thereof to subscribe for, convert or exchange into Shares.

Principal terms of the Offer

Quam Securities Limited will, for and on behalf of the Offeror, make the Offer to acquire all the Offer Shares on the terms to be set out in the Offer Document to be issued in accordance with the Takeovers Code on the following basis:

For each Offer Share . . . . . .HK$0.223 in cash

The Offer Price of HK$0.223 per Offer Share is approximately equal to but not lower than the price of approximately HK$0.223 per Charged Share paid by Mr. Law as aggregate consideration attributable to the Charged Shares upon the Enforcement.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimal number of the Shares or any other condition.

In accordance with Rule 8.2 of the Takeovers Code, the Offer Document is required to be post by or on behalf of the Offeror within twenty-one (21) days of the date of this announcement. It is expected that such Offer Document will be issued on or before 17 October 2025.

WARNING

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

BACKGROUND OF THE LOAN AGREEMENT AND SHARE CHARGE AGREEMENT

In light of Mr. Wang's personal financial pressure, combined with the Company's deteriorating financial position and pressing working capital needs, Mr. Law granted a loan of HK$5.5 million to Mr. Wang on 22 May 2025, with drawdown on the same date. The Loan bore interest at 15% per annum and repayable upon the expiry of five calendar months from the date of drawdown, i.e. on 21 October 2025.

Such Loan was made available to Mr. Wang for the purpose of settling his personal debt to release the existing encumbrances over the Shares then beneficially owned by him, as well as providing funding to the Company's working capital needs. In particular, pursuant to the Loan Agreement, the Loan shall be applied as follows: (i) HK$1.7 million for the purpose of releasing the then existing share charge granted in favour of Get Nice Securities Limited under the facility in support of the 2024 General Offer; and (ii) HK$3.8 million for the purpose of providing general working capital to the Company.

In connection with the Loan, Hong Kong Yufengchang, the controlling shareholder of the Company wholly owned by Mr. Wang, agreed to provide security by charging all 25,563,000 ordinary shares in the Company (representing approximately 63.91% of the issued share capital) in favour of Mr. Law pursuant to the Share Charge Agreement executed on the same date. Other than the Share Charge in favour of Mr. Law, the Loan was unsecured and was not backed by any guarantees, security interests, or other forms of collateral.

ENFORCEMENT OF THE SHARE CHARGE

To the best knowledge, information and belief of Mr. Law, following the grant of the Loan, Mr. Wang's financial condition and the Company's liquidity further worsened. These circumstances constituted a material adverse change under the Loan Agreement and triggered an event of default. In particular, pursuant to the Loan Agreement, an event of default includes any situation which, in the opinion of Mr. Law as the lender, gives reasonable grounds to believe that a material adverse change in the business, financial condition or prospects of the Company has occurred, or that the ability of Mr. Wang or any other obligor to perform its obligations has been or will be materially and adversely affected. To the best knowledge and belief of Mr. Law, Mr. Wang was unable to discharge substantial personal obligations arising from the 2024 General Offer, including outstanding professional fees owed to Shenwan Hongyuan Capital (H.K.) Limited, the financial adviser to Hong Kong Yufengchang for the 2024 General Offer, as at the date of enforcement of the Share Charge. Separately, the Company failed to settle amounts due to its professional service providers, with arrears exceeding HK$0.9 million. Several of these professional service providers have issued demand letters or legal notices for the outstanding fees since early August 2025. These circumstances evidenced a persistent inability to meet financial obligations and triggered the event of default under the Loan Agreement. As such, on 6 August 2025, following the default, Mr. Law enforced his rights under the Share Charge Agreement, resulting in the transfer of all the Charged Shares to him on the same date.

Consideration

The aggregate consideration attributable to the Charged Shares upon the Enforcement was HK$5,676,459, being the outstanding loan principal of HK$5,500,000 together with the accrued interest payable by Mr. Wang to Mr. Law under the Loan of HK$176,459, representing the amount of interest accrued over a period of two months and sixteen days from the drawdown date up to the date of Enforcement, calculated at the interest rate of 15% per annum.

Such consideration was applied towards the settlement of the aforesaid indebtedness. This represents a consideration of approximately HK$0.223 per Charged Share (calculated by dividing the Loan together with the accrued interest payable by the total number of Charged Shares). The amount of consideration attributed to the Charged Shares, principally being the amount of the principal of the Loan, was determined based on negotiations between Mr. Law and Mr. Wang after taking into account (i) the prevailing closing prices of the Shares; (ii) the historical price trend and low liquidity of the Shares; and (iii) the existing financial position and operation prospects of the Group's business.

In addition, based on Mr. Law's understanding from his communication with Mr. Wang around late April to early May 2025 during which Mr. Wang sought a personal loan from Mr. Law, Mr. Wang was under considerable financial pressure and required urgent funding to address both his personal financial obligations and the Company's immediate working capital requirements. Prior to approaching Mr. Law, Mr. Wang had already made verbal enquiries with independent third-party financial institutions regarding a personal loan with the Charged Shares as security. However, the indicative loan amounts available to him did not exceed HK$5.5 million.

Given the urgency of Mr. Wang's financing requirements, the absence of more favourable alternatives from independent institutions, as well as the pressing working capital requirements of the Company, Mr. Wang proceeded to approach Mr. Law for loan of HK$5.5 million secured by the Charged Shares. Notwithstanding the prevailing market value of the Charged Shares of HK$10,353,015 as at 22 May 2025 (based on the closing price of HK$0.405 per Share on the same date), such collateral arrangement was arranged having regard to the practical circumstances faced by Mr. Wang at the time. The charge of the entire block of Charged Shares was regarded by the parties as appropriate in order to provide Mr. Law, as the lender, with sufficient assurance or repayment, taking into account both the urgency of the financing and the lack of any immediately available alternative funding options.

MANDATORY UNCONDITIONAL CASH OFFER

Immediately prior to the Enforcement, save for holding of the Initial Shares by the Offeror, being 1,996,000 Shares, representing approximately 4.99% of the entire issued share capital of the Company as at the date of this announcement, the Offeror, Mr. Law and parties acting in concert with any of them did not own or control or have direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after the Enforcement, the Offeror, Mr. Law and parties acting in concert with any of them are interested in 27,559,000 Shares, representing approximately 68.90% of the entire issued share capital of the Company as at the date of this announcement. The Offeror is therefore required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional general offer in cash for all the issued Shares other than those already owned or agreed to be acquired by the Offeror, Mr. Law and parties acting in concert with any of them.

Based on the publicly available information, as at the date of this announcement, the Company has 40,000,000 Shares in issue, and has no other outstanding warrants, derivatives, options, convertibles or other securities in issue which may confer any right(s) to the holder(s) thereof to subscribe for, convert or exchange into Shares.

Principal terms of the Offer

Quam Securities Limited will, for and on behalf of the Offeror, make the Offer to acquire all the Offer Shares on the terms to be set out in the Offer Document to be issued in accordance with the Takeovers Code on the following basis:

For each Offer Share . . . . . HK$0.223 in cash

The Offer Price of HK$0.223 per Offer Share is approximately equal to but not lower than the price of approximately HK$0.223 per Charged Share paid by Mr. Law as aggregate consideration attributable to the Charged Shares upon the Enforcement.

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimal number of the Shares or any other condition.

Comparison of the Offer Price

The Offer Price of HK$0.223 per Offer Share represents:

(i) a discount of approximately 54.02% over the closing price of HK$0.485 per Share as quoted on the Stock Exchange on the Last Trading Day:

(ii) a discount of approximately 52.35% over the average of the closing prices as quoted on the Stock Exchange for 5 consecutive trading days up to and including the Last Trading Day of approximately HK$0.468 per Share;

(iii) a discount of approximately 51.84% over the average of the closing prices as quoted on the Stock Exchange for 10 consecutive trading days up to and including the Last Trading Day of approximately HK$0.463 per Share;

(iv) a discount of approximately 55.81% over the average of the closing prices as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day of approximately HK$0.505 per Share; and

(v) a premium of approximately HK$0.455 over the audited consolidated net liabilities attributable to the owners of the Company of approximately HK$0.232 per Share (based on the audited consolidated net liabilities attributable to owners of the Company of approximately HK$9.3 million as at 31 March 2025 as shown in the Company's annual report and the total number of issued Shares as at the date of this announcement).

Highest and lowest Share prices

The highest and lower closing price of the Shares as quoted on the Stock Exchange during the period commencing six months preceding the Last Trading Day from 7 February 2025 and up to and including the Last Trading Day, were HK$0.89 on 23 June 2025 and HK$0.4 on 23 and 26 May 2025 respectively.

Value of the Offer

Based on the published information of the Company available to the public as at the date of this announcement, there are 40,000,000 Shares in issue. Excluding the 1,996,000 Initial Shares held by the Offeror and the 25,563,000 Charged Shares held by Mr. Law pursuant to the Enforcement, a total of 12,441,000 Shares will be subject to the Offer. Based on the Offer Price of HK$0.223 per Offer Share and on the basis of full acceptance of the Offer, the cash consideration payable by the Offeror under the Offer will amount to approximately HK$2,774,343.

Confirmation of financial resources available for the Offer

The consideration under Offer shall be payable in cash. The Offeror intends to finance the consideration payable for the Offer by the Quam Facility. Pursuant to the arrangement of the Quam Facility, the Offeror has agreed to charge the Charge Over Account, and the Shares to be acquired through the Offer (if any) to Quam Securities Limited as collateral. As at the date of this announcement, the securities account under the Charge Over Account comprise (i) the Initial Shares; and (ii) cash balance of approximately HK$600,000.

Alpha Financial Group Limited, being the financial adviser to the Offeror in respect of the Offer, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration for the full acceptance of the Offer in respect of the 12,441,000 Offer Shares.

Effect of accepting the Offer

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

By accepting the Offer, Independent Shareholders will sell their Shares free from all Encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends and distributions which may be recommended, declared, made or paid, if any, at any time on or after the date on which the Offer is made, being the date of posting of the Offer Document. Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Offer are free from all Encumbrances and together with all rights accruing or attaching to them, including, without limitation, the right to receive all dividends and distributions which may be recommended, declared, made or paid, if any, by reference to a record date on or after the date on which the Offer is made. In the event that any dividends or distributions are declared after the despatch date of the Offer Document, paid or made in respect thereof until the close of the Offer, the amount of such dividends or other distributions will be deducted from the Offer Price. Based on the publicly available information, the Company has no outstanding dividend declared but not yet paid as at the date of this announcement.

Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Payment

Payment in cash in respect of acceptance of the Offer will be made as soon as possible but, in any event, no later than seven (7) business days (as defined in the Takeovers Code) after the date of receipt of a duly completed acceptance of the Offer. Relevant documents evidencing title must be received by the Offeror (or its agent) to render such acceptance of the Offer complete and valid.

No fractions of a cent (HK$) will be payable and the amount of the consideration payable to any Independent Shareholder who accepts the Offer will be rounded up to the nearest cent (HK$).

Hong Kong Stamp Duty

The seller's Hong Kong ad valorem stamp duty payable by the Independent Shareholders who accept the Offer and calculated at a rate of 0.1% of the higher of (i) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer; or (ii) the value of the Offer Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the amount payable by the Offeror to the Independent Shareholders who accept the Offer. The Offeror will then arrange for payment of the seller's stamp duty on behalf of those Independent Shareholders who accept the Offer. The Offeror will bear the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.

Taxation Advice

Independent Shareholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, Mr. Law or parties acting in concert with any of them and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Overseas Shareholders

To the extent practicable and permissible under applicable laws and regulations, the Offeror intends to make the Offer available to all Independent Shareholders, including the Overseas Shareholders. However, the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they reside. The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek independent legal advice.

It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Shareholders in respect of such jurisdictions).

Any acceptance of the Offer by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that the local laws and regulations have been complied with. Overseas Shareholders should consult their professional advisers if in doubt.

Dealing with the Company's securities

Save for the transfer of the Charged Shares by exercising the rights under the Share Charge Agreement, none of the Offeror, Mr. Law or parties acting in concert with any of them has dealt in the Shares or other options, derivatives, warrants or other securities convertible into Shares during the six-month period prior to the Last Trading Day and up to and including the date of this announcement.

Other arrangements or agreements

As at the date of this announcement,

(i) save for the Initial Shares and the Charged Shares, the Offeror, Mr. Law or parties acting in concert with any of them do not own, control or have direction over any voting rights in any Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities;

(ii) there is no outstanding derivative in respect of securities in the Company which is owned, controlled or directed by, or has been entered into by the Offeror, Mr. Law or any person acting in concert with any of them;

(iii) save for the Enforcement and the pledge of the Offer Shares and the Charge Over Account under the terms of the Quam Facility, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares which might be material to the Offer;

(iv) there is no agreement or arrangement to which the Offeror, Mr. Law or parties acting in concert with any of them is a party which relates to circumstance in which it may or may not invoke or seek to invoke a precondition or condition to the Offer;

(v) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror, Mr. Law or parties acting in concert with any of them have borrowed or lent;

(vi) none of the Offeror, Mr. Law or parties acting in concert with any of them has received any irrevocable commitment(s) to accept or reject the Offer;

(vii) there is no understanding, agreement or arrangement or special deal between (1) any Shareholder; and (2) the Offeror, Mr. Law or any party acting in concert with any of them.

(viii) save for the total consideration of HK$5,676,459, none of the Offeror, Mr. Law or parties acting in concert with any of them has paid any other consideration, compensation or benefit in whatever form in connection with the Enforcement.

INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in the British Virgin Islands and is wholly and ultimately owned by Mr. Law.

Mr. Law, aged 37, is the executive Director, and compliance officer and the director of Wing Ko Petroleum Chemistry (China-Hong Kong) Limited ("**Wing Ko**") and Forever Treasure Holdings Limited, being the Group's subsidiaries. He is responsible for overseeing all aspects of the Group's operations, strategic planning and formulation of corporate policies. He was appointed as the Director on 31 October 2017 and was re-designated as an executive Director on 24 November 2017.

Mr. Law has over 15 years of experience in the sale and transport of diesel oil and related products. Mr. Law joined Wing Ko in July 2006 and was appointed as the director of Wing Ko in March 2012. He was responsible for overseeing Wing Ko's daily operation, including but not limited to maintaining stable relationship with the Group's key customers and suppliers, monitoring the logistics of projects and managing its corporate accounting and administrative matters.

Mr. Law obtained a Bachelor's degree in Design majoring in interior design from Raffles College of Design and Commerce in August 2009 and an Advanced Diploma in Interior Design in from Raffles Design Institute in September 2009, in Shanghai, China.

SHAREHOLDER STRUCTURE OF THE COMPANY

The following table sets out the shareholder structure of the Company (i) immediately prior to the Enforcement; and (ii) immediately upon the Enforcement and as at the date of this announcement, based on public available information:

	Immediately prior to the Enforcement		**Immediately after the Enforcement and as at the date of this announcement**	
	Number of Shares	*Approximately % of issued Shares*	*Number of Shares*	*Approximately % of issued Shares*
Hong Kong Yufengchang *(Note 1)*	25,563,000	63.91	–	–
The Offeror, Mr. Law and parties acting in concert with any of them	1,996,000	4.99	27,559,000	68.90
Public Shareholders	12,441,000	31.10	12,441,000	31.10
Total	40,000,000	100.00	40,000,000	100.00

Note:

1. Based on public information, Hong Kong Yufengchang is directly and wholly owned by Yufengchang International Holdings Company Limited, which in turn is directly, wholly owned and beneficially owned by Mr. Wang.

Based on public information, save for Mr. Law, who is interested in 27,559,000 Shares (representing approximately 68.90% of the issued share capital of the Company) following the enforcement of the Share Charge, none of the directors of the Company has any interest in the Shares or underlying Shares of the Company as at the date of this announcement.

INTENTION OF THE OFFEROR ON THE GROUP

Operational matters, employees and management

The Offeror intends to continue the existing principal businesses of the Group. Given that Mr. Law has been serving as an executive Director of the Group for a substantial period and has been closely involved in overseeing its strategic, operational, and financial management, he possesses in-depth knowledge of the Group's business operations, corporate governance, and long-term development plans. Leveraging his extensive experience and understanding of the Group's markets, management, and employees, the Offeror does not expect any material change to the business operations, day-to-day management, or corporate strategy of the Group following the close of the Offer.

As at the date of this announcement, the Offeror has no intention to discontinue the employment of the employees of the Group, nor to redeploy or dispose of the assets of the Group other than in the ordinary course of business.

COMPOSITION OF THE BOARD

As at the date of this joint announcement, the Board comprises Mr. Wang, Mr. Law, Mr. Ren Rong and Mr. Yan Lei as executive Directors and Dr. Wang Junxia, Mr. He Junlong and Ms. Liang Lina as independent non-executive Directors. The Offeror intends to change the composition of the board of directors of the Company and nominate new directors to the board of directors of the Company no earlier than the earliest time permitted under the Takeovers Code. Any changes to the board of directors of the Company will be made in compliance with the Takeovers Code and the GEM Listing Rules and further announcement will be made as and when appropriate.

Any changes to the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules and further announcement(s) will be made as and when appropriate.

Public Float and Maintenance of the Listing Status of the Company

The Offeror intends the issued Shares to remain listed on the Stock Exchange upon the close of the Offer.

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public or if the Stock Exchange believes that:

(i) a false market exists or may exist in the trading of the Shares; or

(ii) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend trading in the Shares.

The Offeror will undertake to the Stock Exchange to take appropriate steps as soon as possible following the close of the Offer to ensure that sufficient public float exists in the Shares after the close of the Offer under Rule 11.23 of the GEM Listing Rules.

GENERAL

Despatch of Offer Document

In accordance with Rule 8.2 of the Takeovers Code, the Offer Document is required to be posted by or on behalf of the Offeror within twenty-one (21) days of the date of this announcement. It is expected that such Offer Document will be issued on or before 17 October 2025.

Disclosure of Dealings in the Shares

In accordance with Rule 3.8 of the Takeovers Code, the associates of the Company and the Offeror (as defined under the Takeovers Code, including persons holding 5% or more of a class of relevant securities issued by the Company or the Offeror) are hereby reminded to disclose their dealings in any securities of the Company pursuant to Rule 22 of the Takeovers Code. In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

"***Responsibilities of stockbrokers, banks and other intermediaries***

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved. Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation."

WARNING

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"acting in concert"	has the meaning ascribed thereto under the Takeovers Code
"associate(s)"	has the meaning ascribed thereto under the Takeovers Code
"Board"	the board of Directors

"Charge Over Account"	the deed of charge over account dated 28 August 2025 in respect of the Offeror's securities account in Quam Securities Limited in favour of Quam Securities Limited as security for the Quam Facility
"Charged Shares"	25,563,000 Shares of the Company charged by Hong Kong Yufengchang in favour of Mr. Law as security for the Loan pursuant to the Share Charge Agreement
"Company"	Yufengchang Holdings Limited, a company incorporated in Cayman Islands with limited liability, the issued of shares of which are listed on the GEM of the Stock Exchange (Stock Code: 8631)
"Director(s)"	the director(s) of the Company
"Encumbrances"	any mortgage, pledge, charge, lien, option, restriction, rights to acquire, rights of pre-emption, trust arrangement, third party right or interest, or any other similar encumbrances, priorities, guarantee or restriction of rights, associated rights or obligations, including any agreement, arrangement in relation thereto relating to property, assets or rights of any nature
"Enforcement"	the exercise of enforcement rights under the Share Charge Agreement by Mr. Law on 6 August 2025
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"2024 General Offer"	the mandatory general cash offer made by Hong Kong Yufengchang to acquire the offer shares in the Company in 2024
"Group"	the Company and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

"Hong Kong Yufengchang"	Hong Kong Yufengchang Co., Ltd., a company incorporated in Hong Kong and wholly-owned by Mr. Wang
"Independent Shareholders"	the Shareholders other than the Offeror, Mr. Law and parties acting in concert with any of them
"Initial Shares"	1,996,000 Shares, representing approximately 4.99% of the entire issued share capital of the Company as at the date of this announcement, already owned by the Offeror immediately prior to the Enforcement
"Last Trading Day"	6 August 2025, being the last trading day of the Shares on which the Shares were traded on the Stock Exchange prior to the issue and publication of this announcement
"Loan"	the loan in the sum of HK$5.5 million granted by Mr. Law to Mr. Wang on 22 May 2025, with an interest rate of 15% per annum and secured by the Charged Shares
"Loan Agreement"	the loan agreement entered into between Mr. Law and Mr. Wang on 22 May 2025 in respect of the Loan
"Mr. Law"	Mr. Law Ming Yik, an executive Director of the Company
"Mr. Wang"	Mr. Wang Xinlong, the Chairman and an executive Director of the Company
"Offer"	the mandatory unconditional cash offer to be made by Quam Securities Limited for and on behalf of the Offeror to acquire all the Offer Shares on the terms to be set out in the Offer Document to be issued in accordance with the Takeovers Code
"Offeror"	Fully Fort Group Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by Mr. Law

"Offer Document"	the document to be issued by the Offeror to the Independent Shareholders in accordance with the Takeovers Code containing, among others, information relating to the Offeror, the details of the Offer and the forms of acceptance and transfer
"Offer Price"	the price at which the Offer will be made, being HK$0.223 in cash per Offer Share, subject to the terms of the Offer
"Offer Share(s)"	all the issued Shares (other than those already beneficially owned or to be acquired by the Offeror, Mr. Law and parties acting in concert with any of them)
"Overseas Shareholders"	Shareholders whose address(es) shown on the register of members of the Company is/are outside Hong Kong
"Quam Facility"	a loan facility of HK$3 million provided by Quam Securities Limited to the Offeror to satisfy and meet the payment obligations under the Offer
"Share(s)"	ordinary shares of HK$0.1 each in the share capital of the Company
"Share Charge"	the share charge of 25,563,000 Shares of the Company by Hong Kong Yufengchang in favour of Mr. Law as security for the Loan
"Share Charge Agreement"	the share charge agreement dated 22 May 2025 entered into between Mr. Law and Hong Kong Yufengchang, pursuant to which the Charged Shares were charged in favour of Mr. Law as security for the Loan
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	The Hong Kong Code on Takeovers and Mergers

"%"	per cent.

For and on behalf of
Fully Fort Group Limited
Law Ming Yik
Sole Director

Hong Kong, 26 September 2025

As at the date of this announcement, the sole director of the Offeror is Mr. Law Ming Yik. The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Group), and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement contained in this announcement misleading.

The information relating to the Group in this announcement has been extracted from or based on the published information of the Company. The only responsibility accepted by the Offeror in respect of such information is for the correctness and fairness of the extraction of such information and/or its reproduction or presentation.

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.