

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Pacific Legend Group Limited, you should at once hand the Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited, the Stock Exchange of Hong Kong Limited and HKSCC take no responsibility for the contents of this Prospectus, 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 Prospectus.

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed "17. Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of the Prospectus Documents.

Subject to the grant of the listing of, and permission to deal in the Rights Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Rights Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

This Prospectus appears for information purposes only and does not constitute an invitation or offer to the Shareholders or any other persons to acquire, purchase, or subscribe for securities of the Company.

Distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of this Prospectus should acquaint themselves with and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Prospectus is not for release, publication or distribution, directly or indirectly, in or into the United States of America. This Prospectus is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale or purchase of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The securities referred to herein have not been and will not be registered under the US Securities Act or the laws of any state or jurisdiction of the United States of America, and may not be offered or sold within the United States of America, absent registration or an exemption from the registration requirements of the US Securities Act and applicable state laws. There is no intention to register any portion of the rights issue or any securities described herein in the United States of America or to conduct a public offering of securities in the United States of America.

PACIFIC LEGEND GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8547)

PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Financial adviser to the Company

RAINBOW.

RAINBOW CAPITAL (HK) LIMITED
流博資本有限公司

Placing Agent
Constance Capital Limited

Capitalised terms used on this cover page shall have the same meanings as defined in this Prospectus, unless the context requires otherwise.

Dealings in the Rights Shares in the nil-paid form will take place from Wednesday, 25 March 2026 to Wednesday, 1 April 2026 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/ their own professional advisers. The latest date and time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Thursday, 9 April 2026. The procedures for application and payment for the Rights Shares are set out on pages 14 to 15 of this Prospectus.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares and is subject to the fulfilment of conditions set out in the section headed "Letter from the Board — Conditions of the Rights Issue" in this Prospectus. Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers. In the event that the Rights Issue is not fully subscribed, any Unsubscribed Shares (including NQS Unsold Rights Shares) will be placed to independent places under the Compensatory Arrangements. Any Unsubscribed Shares (including NQS Unsold Rights Shares) which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue.

Hong Kong, 23 March 2026

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“acting in concert”	has the same meaning ascribed thereto under the GEM Listing Rules
“Announcement”	the announcement of the Company dated 27 January 2026 in relation to, among other things, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder
“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Century Great”	Century Great Investments Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by Ms. Wong
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Companies Registry”	Companies Registry of Hong Kong
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
“Company”	Pacific Legend Group Limited, a company incorporated in the Cayman Islands on 1 September 2017 as an exempted company with limited liability, the issued shares of which are listed on GEM (Stock code: 8547)

DEFINITIONS

“Compensatory Arrangements”	arrangements to place the Unsubscribed Shares (including NQS Unsold Rights Shares) by the Placing Agent on a best effort basis to investors who (or as the case maybe, their ultimate beneficial owner(s)) are Independent Third Parties pursuant to Rule 10.31(1)(b) of the GEM Listing Rules
“connected person”	has the same meaning ascribed thereto under the GEM Listing Rules
“controlling shareholder(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company convened and held at which resolutions in approving, among other things, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder were duly passed
“Excluded Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Fixed Exchange Rate”	a fixed exchange rate of HK\$1.063 = RMB1.00 as agreed between both parties to the Bond Payable
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	has the same meaning ascribed thereto under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Rules of HKSCC”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited

DEFINITIONS

“HKSCC Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Shareholder(s)”	Shareholders other than those who are involved or have interests in the Rights Issue, the Placing Agreement and the transactions contemplated thereunder and are required under the GEM Listing Rules to abstain from voting at the EGM
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons within the meaning of the GEM Listing Rules
“Irrevocable Undertakings”	the irrevocable undertakings executed by Ms. Wong and Century Great, pursuant to which Ms. Wong and Century Great irrevocably undertook to the Company, among others, that the assured entitlements to the Rights Shares of Century Great, will be taken up in full
“Last Trading Day”	26 January 2026, being the last trading day of the Shares on the Stock Exchange before the release of the Announcement
“Latest Practicable Date”	16 March 2026, being the latest practicable date for ascertaining certain information for inclusion in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 9 April 2026 (or such other time and date as may be determined by the Company,) being the latest time for acceptance of and payment for the Rights Shares
“Latest Time for Termination”	5:00 p.m. on Friday, 24 April 2026 (or such later time or date as may be agreed between the Placing Agent and the Company), being the latest time to terminate the Placing Agreement
“Ms. Wong”	Ms. Wong Wing Man, an executive Director of the Company and sole beneficial owner of Century Great

DEFINITIONS

“No Action Shareholder(s)”	those Qualifying Shareholder(s) who do not subscribe for the Rights Issue (whether partially or fully) (under the PAL or their renounces or such person who hold any nil-paid rights at the time such nil-paid rights are lapsed) or Excluded Shareholders (as the case may be)
“NQS Unsold Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form that have not been sold by the Company
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placing”	arrangements to place the Unsubscribed Shares (including NQS Unsold Rights Shares) by the Placing Agent on a best effort basis pursuant to the Placing Agreement
“Placing Agent”	Constance Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO, which will place the Unsubscribed Shares (including NQS Unsold Rights Shares) to investors who are Independent Third Parties under the Compensatory Arrangements
“Placing Agreement”	the placing agreement dated 27 January 2026 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Period”	the period from Friday, 17 April 2026 up to 4:00 p.m. on fifth (5th) Business Day after the date of announcement of the number of Unsubscribed Shares (including NQS Unsold Rights Shares), being Thursday, 23 April 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Compensatory Arrangements
“Placing Price”	not less than HK\$0.10 per Unsubscribed Share

DEFINITIONS

“PRC”	the People’s Republic of China, and for the purpose of this Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus to be despatched by the Company to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus and the PAL(s)
“Prospectus Posting Date”	Monday, 23 March 2026 (or such other date as may be determined by the Company), being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Excluded Shareholders
“Public Float Requirement”	the public float requirement under Rules 17.37B of the GEM Listing Rules
“Qualifying Shareholder(s)”	Shareholder(s), other than the Excluded Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Friday, 20 March 2026, the record date for the determination of the entitlements under the Rights Issue
“Registrar”	Union Registrars Limited at Suites 3301–04, 33/F. Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, being the Company’s branch share registrar and transfer office in Hong Kong
“Rights Issue”	the proposed issue by way of rights of one (1) Rights Share for every two (2) Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions to be set out in the section headed “Letter from the Board — Conditions of the Rights Issue” in this Prospectus
“Rights Share(s)”	the new Share(s) to be allotted and issued under the Rights Issue
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company

DEFINITIONS

“Share Option Scheme”	the share option scheme approved and adopted by the Company on 19 June 2018
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.10 per Rights Share
“substantial shareholder(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong
“Unsubscribed Shares”	those Rights Shares that are not subscribed by the Qualifying Shareholders and Rights Shares which would otherwise have been allotted to the Excluded Shareholders, being the NQS Unsold Rights Shares
“%”	per cent

EXPECTED TIMETABLE

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Rights Issue. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this Prospectus refer to the Hong Kong local times and dates.

Events	Hong Kong Date and Time 2026
First day of dealings in nil-paid Rights Shares	Wednesday, 25 March
Latest time for splitting the PAL	4:00 p.m. on Friday, 27 March
Last day of dealings in nil-paid Rights Shares	Wednesday, 1 April
Latest Time for Acceptance of and payment for the Rights Shares	4:00 p.m. on Thursday, 9 April
Announcement of the number of the Unsubscribed Shares (including NQS Unsold Rights Shares) subject to the Compensatory Arrangements.....	Thursday, 16 April
Commencement of placing of the Unsubscribed Shares (including NQS Unsold Rights Shares) by the Placing Agent, on a best effort basis	Friday, 17 April
Latest time for placing the Unsubscribed Shares (including NQS Unsold Rights Shares)	4:00 p.m. on Thursday, 23 April
Latest Time for the termination of the Placing Agreement	5:00 p.m. on Friday, 24 April
Announcement of results of the Rights Issue (including results of the Placing and the Net Gain per Unsubscribed Share (including NQS Unsold Rights Shares) under the Compensatory Arrangements)	Monday, 4 May
Despatch of share certificates for fully-paid Rights Shares and refund cheques (if the Rights Issue is terminated).....	Tuesday, 5 May
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Wednesday, 6 May
Designated broker commences to provide matching services for odd lots of Shares.....	Wednesday, 6 May

EXPECTED TIMETABLE

Events	Hong Kong Date and Time 2026
Payment of Net Gain to relevant No Action Shareholders (if any) or Excluded Shareholders (if any)	Tuesday, 12 May
Designated broker ceases to provide matching services for odd lots of Shares.....	Wednesday, 20 May

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The Latest Time for Acceptance of and payment for the Rights Shares will not take place if:

- (i) tropical cyclone warning signal No. 8 (or above);
- (ii) “extreme conditions” caused by super typhoons as announced by the Government of the Hong Kong Special Administrative Region; or
- (iii) a “black” rainstorm warning
 - (a) is/are in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
 - (b) is/are in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the “Expected Timetable” above may be affected. Announcement will be made by the Company in such event. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

LETTER FROM THE BOARD

PACIFIC LEGEND GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8547)

Executive Directors:

Ms. Wong Wing Man (*Chairperson*)
Mr. Wong Sui Chi
Mr. Law Sai Kit
Mr. Lam Chun Hin

Registered office in the Cayman Islands:

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

Independent non-executive Directors:

Mr. So Alan Wai Shing
Mr. Lee Kwong Ming
Mr. Chan Kin Sun

Principal place of business in Hong Kong:

6/F, Horizon Plaza
2 Lee Wing Street
Ap Lei Chau, Hong Kong

23 March 2026

To the Shareholders

Dear Sir/Madam,

**PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES HELD
ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS**

INTRODUCTION

Reference is made to the Announcement and the circular of the Company dated 13 February 2026 in relation to, among other things, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder.

At the EGM held on Tuesday, 10 March 2026, the resolutions for approving, among other things, the Rights Issue and the Placing Agreement were duly passed by the Independent Shareholders. Please refer to the announcement of the Company dated 10 March 2026 in relation to, the poll results of the EGM.

The purpose of this Prospectus is to provide you with, among other things, (i) further details of the Rights Issue, including information on dealing in, transfer and acceptance of the Rights Shares; (ii) the financial information of the Group; (iii) unaudited pro forma financial information of the Group; and (iv) other general information of the Group.

LETTER FROM THE BOARD

RIGHTS ISSUE

Details of the Rights Issue are set out as follows:

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.10 per Rights Share
Net price per Rights Share (i.e. Subscription Price less estimated cost and expenses incurred in the Rights Issue)	:	Approximately HK\$0.095 per Rights Share
Number of Shares in issue as at the Record Date	:	591,159,500 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	up to 295,579,750 Rights Shares
Aggregate nominal value of the Rights Shares	:	up to HK\$29,557,975
Total number of Shares in issue upon completion of the Rights Issue	:	up to 886,739,250 Shares
Number of Rights Shares being undertaken by Century Great	:	19,052,750 Rights Shares undertaken by Century Great
Gross proceeds from the Rights Issue	:	up to approximately HK\$29.6 million before expenses

As at the Latest Practicable Date, apart from the 8,900,000 share options granted to the Directors and certain employees of the Group to subscribe for an aggregate of 8,900,000 Shares under the Share Option Scheme which are exercisable during 13 June 2026 to 12 June 2027, the Company has no other outstanding derivatives, warrants, options or convertible securities in issue or other similar rights which confer any right to convert into or subscribe for Shares.

LETTER FROM THE BOARD

Since the exercise period of the share options are later than the Record Date as set out in the expected timetable, no share option will be exercised before the Record Date and the share options will not change the total issued Shares of the Company on or before the Record Date.

The 295,579,750 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 50.0% of the total number of issued Shares and approximately 33.3% of the total number of issued Shares as enlarged by the issue of the Rights Shares.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Unsubscribed Shares (including NQS Unsold Rights Shares) will be placed to independent places under the Compensatory Arrangements on a best effort basis. Any Unsubscribed Shares (including NQS Unsold Rights Shares) which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, the Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s), or transferees of nil-paid Rights Shares (or either of them, whichever shall be appropriate), may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code or result in the Company's non-compliance of the Public Float Requirement of the GEM Listing Rules. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which (i) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 10.26(2) of the GEM Listing Rules; and (ii) does not result in the non-compliance of the Public Float Requirement. Any subscription monies not utilised due to the scaled-down application of entitled Rights Shares will be refunded to the affected applicants.

The Irrevocable Undertakings

As at the Latest Practicable Date, the Board has received from Century Great, which is wholly-owned by Ms. Wong, an executive Director of the Company, who holds 38,105,500 Shares (representing approximately 6.45% of the issued share capital of the Company as at the Latest Practicable Date), the Irrevocable Undertakings. Pursuant to the Irrevocable Undertakings, Ms. Wong and Century Great have provided irrevocable and unconditional undertakings to the Company to (i) accept, or procure Century Great to accept their entitlements to the provisional allotment of an aggregate of 19,052,750 Rights Shares; (ii) not to sell or transfer the Shares held by themselves in any manner before the completion or lapse of the Rights Issue; and (iii) submit the PAL together with the full amount payable in relation to the acceptance of the 19,052,750 Rights Shares in

LETTER FROM THE BOARD

accordance with the instructions set out in the Prospectus and the PAL in no event later than the time specified in the PAL. As at the Latest Practicable Date, save for Ms. Wong and Century Great, the Board has not received any indication from any Shareholders of their intention to take up or not to take up the securities of the Company to be offered to them under the Rights Issue.

The Subscription Price

The Subscription Price of HK\$0.10 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of the Rights Shares or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

- (i) a premium of approximately 16.28% to the closing price of HK\$0.0860 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 25.00% to the closing price of HK\$0.0800 per Share as quoted on the Stock Exchange on the date of the Announcement;
- (iii) a premium of approximately 26.58% to the closing price of HK\$0.0790 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iv) a premium of approximately 31.23% to the average closing price per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day of approximately HK\$0.0762;
- (v) a premium of approximately 30.55% to the average closing price per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.0766;
- (vi) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of a discount of approximately 4.60% after taking into account the rights issue announced by the Company within the 12 months period immediately preceding the date of the Announcement;
- (vii) a premium of approximately 16.28% to the theoretical ex-rights price of approximately HK\$0.0860 per Share based on the closing price of HK\$0.0790 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (viii) a premium of approximately 4.09% to the consolidated net asset value per Share attributable to the Shareholders as at 30 June 2025 of approximately HK\$0.0961 calculated based on the audited consolidated net assets of the Group attributable to the Shareholders of approximately HK\$56,794,000 as set out in the annual report of the Company for the eighteen months ended 30 June 2025 and 591,159,500 Shares in issue as at the Latest Practicable Date; and

LETTER FROM THE BOARD

- (ix) a premium of approximately 4.40% to the consolidated net asset value per Share attributable to the Shareholders as at 31 December 2025 of approximately HK\$0.0958 calculated based on the unaudited consolidated net assets of the Group attributable to the Shareholders of approximately HK\$56,622,000 as set out in the interim report of the Company for the six months ended 31 December 2025 (the “**2026 Interim Report**”) and 591,159,500 Shares in issue as at the Latest Practicable Date.

The Rights Issue does not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

The Subscription Price was determined taking into consideration (i) the lowest Subscription Price is HK\$0.10 per Share given the par value of the Shares is HK\$0.10 per Share; (ii) the general downward trend of the daily closing price of the Shares during the past three months immediately before the date of the Announcement which is a decrease of approximately 68.6% from a closing price of HK\$0.255 per Share on 27 October 2025 (being the date three months prior to the date of the Announcement) to HK\$0.08 per Share on 27 January 2026 (being the date of the Announcement), as compared to the general increase of Hang Seng Index during the same period of approximately 2.6% from 26,433.7 on 27 October 2025 to 27,126.95 on 27 January 2026; (iii) the loss making position of the Group in the latest annual report of the Company and the prior three years (being the three years ended 31 December 2021, 2022 and 2023); (iv) the low trading volume of the Shares with approximately 9.9 million average daily trading volume of the Shares over the past year immediately before the Announcement, representing approximately 1.7% of the total number of issued Shares as at the Last Trading Day; and (v) the amount of funds the Company intends to raise under the Rights Issue for the purposes described in the section headed “Reasons for and benefits of the Rights Issue and use of proceeds” of this Prospectus.

The Directors (including the independent non-executive Directors) consider that, the terms of the Rights Issue, including the Subscription Price, are on commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The net price per Rights Share (i.e. Subscription Price less the estimated cost and expenses to be incurred in the Rights Issue) upon full acceptance of the relevant provisional allotment of the Rights Shares will be approximately HK\$0.095 per Rights Share.

Basis of provisional allotment

Under the Rights Issue, the basis of the provisional allotment will be one (1) Rights Share for every two (2) Shares held by the Shareholders as at the close of business on the Record Date at the Subscription Price. Application for all or any part of a Qualifying Shareholder’s provisional allotment should be made by completing a PAL and lodging the same with a cheque or a banker’s cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

LETTER FROM THE BOARD

If a Qualifying Shareholder wishes to accept only a part of, or to renounce or transfer a part of, the Rights Shares provisionally allotted to him/her/it under the PAL, such Qualifying Shareholder will need to split his/her/its PAL into the denominations required.

Procedures for acceptance and payment or transfer

A PAL will be sent to the Qualifying Shareholders in printed form which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, by no later than 4:00 p.m. on Thursday, 9 April 2026 (or, under bad weather conditions and/or extreme conditions, such later time or date as mentioned in the section headed “Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance of and Payment for the Rights Shares” in “Expected Timetable” in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker’s cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to “**UNION REGISTRARS LIMITED — CLIENT A/C NO 2**” and crossed “**ACCOUNT PAYEE ONLY**”.

It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by no later than 4:00 p.m. on Thursday, 9 April 2026, whether by the original allottee or any person to whom the provisional allotment has been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Company is not obliged to but may, at its sole absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer part or all of their rights to more than one person, the original PAL must be surrendered and lodged for cancellation by no later than 4:00 p.m. on Friday, 27 March 2026 to the Registrar at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, who will cancel the original PAL and issue new PALs in the denominations required, which will be available for collection at the Registrar’s address set out above after 9:00 a.m. on the second Business Day after the surrender of the original PAL. This process is commonly referred to as “splitting” of nil-paid rights. It should be noted that Hong Kong stamp duty is payable in connection with a transfer of rights to subscribe for the Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights. The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements.

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If the Qualifying Shareholders wish to transfer all of their nil-paid Rights Shares under the PAL(s) (or a split PAL(s), as the case may be) to another person, they must complete and sign Form B in the PAL(s) and hand the PAL(s) to the person(s) to or through whom they are transferring their nil-paid rights. The transferee must then complete and sign Form C in the PAL(s) and lodge the PAL(s) intact together with a remittance for the full amount payable on acceptance with the Registrar so as to be received by no later than 4:00 p.m. on Thursday, 9 April 2026 to effect the transfer.

The PAL contains the full information regarding the procedures to be followed for Qualifying Shareholders who wish to: (i) accept their provisional allotment in full; (ii) accept only part of their provisional allotment; or (iii) renounce/transfer all or part of their provisional allotment to other party/parties. Qualifying Shareholders are advised to study the procedures set out in the PAL carefully.

If any of the conditions of the Rights Issue as set out in the section headed “Letter from the Board — Conditions of the Rights Issue” in this Prospectus is not fulfilled at or before the Latest Time for Termination, the Rights Issue will not proceed. Under such circumstances, the monies received in respect of application for the Rights Shares will be returned to the relevant applicants or, in the case of joint applicants, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or about Tuesday, 5 May 2026.

Cheques and banker’s cashier orders

All cheques or banker’s cashier orders will be presented for payment immediately upon receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and lodgment of a PAL together with a cheque or banker’s cashier order in payment for the Rights Shares applied for will constitute a warranty by the applicant that the cheque or banker’s cashier order will be honoured on first presentation. Without prejudice to its other rights in respect thereof, the Company reserves the right and is in its absolute discretion to reject any PAL in respect of which the cheque or banker’s cashier order is dishonoured on first presentation, and in that event the provisional allotment and all rights and all such assured entitlements thereunder will be deemed to have been declined and will be cancelled.

No receipt will be given in respect of any application monies received.

Beneficial owners’ instructions to their intermediary

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or “split” their nil-paid rights by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their intermediary and provide their intermediary with instructions or make arrangements with their intermediary in relation to the acceptance, transfer and/or “splitting” of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially

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interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the section headed “Expected Timetable” in this Prospectus and otherwise in accordance with the requirements of their intermediary in order to allow their intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or “splitting” in these cases shall be in accordance with the General Rules of HKSCC, the HKSCC Operational Procedures and any other applicable requirements of HKSCC.

Fractional provisional allotment of the Rights Shares

The Company will not provisionally allot and will not accept application for any fractions of Rights Shares. All fractions of Rights Shares will be aggregated (and rounded down to the nearest whole number of a Share) and all Rights Shares arising from such aggregation will be sold in the market for the benefit of the Company if a premium (net of expenses) can be achieved.

Odd lots arrangement

Upon completion of the Rights Issue, the board lots of the Company will remain as 10,000 Shares. In order to facilitate the trading of odd lots (if any) of the Shares arising from the Rights Issue, the Company had appointed Huaan Securities (Hong Kong) Brokerage Limited as a designated broker to provide matching services, on a best effort basis, for the holders of odd lots of Shares during the period from 9:00 a.m. on Wednesday, 6 May 2026 to 4:00 p.m. on Wednesday, 20 May 2026 (both days inclusive). Shareholders who wish to take advantage of this facility should contact Mr. Frankie Lin of 8/F Li Po Chun Chambers, 189 Des Voeux Road Central, Sheung Wan, Hong Kong (telephone number: (852) 2236 9118) during office hours of such period.

Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangement is recommended to consult his/her/its own professional advisers.

Status of the Rights Shares

The Rights Shares (when allotted, fully paid or credited as fully paid and issued) will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares. Deals in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

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Qualifying Shareholders

The Rights Issue will only be available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company may send copies of the Prospectus to the Excluded Shareholders for their information only but will not send any PAL to them.

To qualify for the Rights Issue, a Shareholder must be (i) registered as a member of the Company at the close of business on the Record Date; and (ii) not an Excluded Shareholder.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company.

Qualifying Shareholders who take up their pro-rata entitlement in full under the Rights Issue will not suffer any dilution to their interests in the Company.

If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

Certificates of the Rights Shares and refund cheques

Subject to fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be sent on or about Tuesday, 5 May 2026 by ordinary post to those entitled thereto, at their own risk, to their registered addresses.

If the Rights Issue does not become unconditional, refund cheques are expected to be sent on or about Tuesday, 5 May 2026 by ordinary post to the applicants, at their own risk, to their registered addresses.

Taxation

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Excluded Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

Application for listing in nil-paid and fully-paid forms

The Company has applied to the GEM Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be allotted and issued pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in

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any such securities is being or is proposed to be sought, on any other stock exchanges. Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the board lots of 10,000 Rights Shares.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered or filed under the securities law of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

Based on the register of members of the Company as at the Latest Practicable Date, there were 12 Overseas Shareholders with registered addresses located in the PRC, which were interested in an aggregate of 83,000 Shares, representing approximately 0.01% of the Company's issued share capital as at the Latest Practicable Date. Save for the 12 Overseas Shareholders with registered addresses located in the PRC, there were no other Overseas Shareholders based on the register of members of the Company as at the Latest Practicable Date.

Pursuant to Rule 17.41(1) of the GEM Listing Rules, the Company has made enquiry in respect of the legal restrictions under the laws of the relevant places and the requirements of the relevant regulatory body or stock exchange in those places for the Company to extend the Rights Issue to the Overseas Shareholders. Based on the relevant legal advice on the laws of the PRC, the Board is of the view that it is not necessary or expedient to exclude the Overseas Shareholders with the registered address in the PRC. In particular, under the currently effective legislations of the jurisdiction, there is no regulatory restriction or requirement of any regulatory body or stock exchange with respect to the extending of the Rights Issue by the Company to the Overseas Shareholders in the relevant jurisdiction, provided that such Overseas Shareholders shall comply with and fulfill the provisions of the relevant laws and regulations as well as the policies and requirements of the relevant government authorities.

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Accordingly, the Rights Issue will be extended to such Overseas Shareholders in the PRC and there are no Excluded Shareholders for the Rights Issue as at the Latest Practicable Date. Save for the aforesaid Overseas Shareholders, all Shareholders on the Company's register of members as at the Latest Practicable Date have Hong Kong registered addresses.

It is the responsibility of the Qualifying Shareholders outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself/itself before acquiring any rights to subscribe for the Rights Shares as to the observance of the laws and regulations of all relevant territories, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in such territory in connected therewith. Any acceptance of or application for Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been fully complied with. If you are in doubt as to your position, you should consult your own professional advisers. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation and warranty.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholder(s) to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK\$100 will be paid pro rata to the relevant Excluded Shareholder(s). The Company will retain individual amounts of HK\$100 or less for the benefit of the Company.

Any unsold entitlement of the Excluded Shareholders to the Rights Shares and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders will, if possible, be placed by the Placing Agent under the Placing to investors who (or as the case may be, their ultimate beneficial owner(s)) are Independent Third Parties.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares.

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. Shareholders and beneficial owners of the Shares (including, without limitation, their respective agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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Procedures in respect of the Unsubscribed Shares (including NQS Unsold Rights Shares) and the Compensatory Arrangements

Pursuant to Rule 10.31(1)(b) of the GEM Listing Rules, the Company must make arrangements to dispose of any Unsubscribed Shares (including NQS Unsold Rights Shares) by offering such Unsubscribed Shares (including NQS Unsold Rights Shares) to independent placees for the benefit of those Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue as stipulated by Rule 10.31(1)(a) of the GEM Listing Rules.

The Company has appointed the Placing Agent to place the Unsubscribed Shares (including NQS Unsold Rights Shares) after the Latest Time for Acceptance to independent placees on a best effort basis, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing (the “**Net Gain**”) will be paid to the relevant No Action Shareholders and Excluded Shareholders in the manner set out below. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Thursday, 23 April 2026, acquirers for all (or as many as possible) of those Unsubscribed Shares (including NQS Unsold Rights Shares) at a price not less than the Subscription Price.

Net Gain (if any but rounded down to the nearest cent) will be paid on a pro-rata basis to the relevant No Action Shareholders and Excluded Shareholders as set out below:

- (i) for No Action Shareholders, the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for, and where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL and where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those nil-paid rights in CCASS; and
- (ii) for Excluded Shareholders, the relevant Excluded Shareholders whose name and address appeared on the register of members of the Company on the Record Date with reference to their shareholdings in the Company on the Record Date.

It is proposed that if the Net Gain to any of the No Action Shareholder(s) and Excluded Shareholder(s) mentioned above (i) is more than HK\$100, the entire amount will be paid to them; or (ii) is HK\$100 or less, such amount will be retained by the Company for its own benefit.

CLOSURE OF REGISTER OF MEMBERS FOR RIGHTS ISSUE

The register of members of the Company has been closed from Monday, 16 March 2026 to Friday, 20 March 2026 (both dates inclusive) for the purpose of determining entitlements to the Rights Issue. During this period, no transfer of Shares has been registered.

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PLACING AGREEMENT

Principal terms of the Placing Agreement are as follow:

Placing Agent : Constance Capital Limited

The Placing Agent is a licensed corporation to carry out business in Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO.

To the best knowledge, information and belief of the Directors, after making reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are independent of and not connected with the Company and its connected persons within the meaning of the GEM Listing Rules.

Placing commission : Subject to completion of the Placing taking place, the Company shall also pay a placing commission in Hong Kong dollars, of 2.0% of the amount (the “**Placing Commission**”) which is equal to the placing price multiplied by the number of the Unsubscribed Shares (including NQS Unsold Rights Shares) that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement.

Placing Price : Not less than HK\$0.10 per Unsubscribed Share (including NQS Unsold Rights Shares).

Placing Period : A period commencing from the first (1st) Business Day immediately after the date of announcement of the number of the Unsubscribed Shares (including NQS Unsold Rights Shares) (i.e. Friday, 17 April 2026 under the current timetable) and ending on 4:00 p.m. on the fifth (5th) business after the date of announcement of the number of the Unsubscribed Shares (including NQS Unsold Rights Shares) (both days inclusive).

Places : The Unsubscribed Shares (including NQS Unsold Rights Shares) be placed to investors who (or as the case may be, their ultimate beneficial owner(s)) are Independent Third Parties.

The Placing Agent shall also ensure that the Public Float Requirement remains to be fulfilled by the Company upon completion of the Rights Issue.

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Ranking of the placed Unsubscribed Shares (including NQS Unsold Rights Shares) : The placed Unsubscribed Shares (including NQS Unsold Rights Shares) (when allotted, issued and fully-paid, if any) shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of completion of the Rights Issue.

Conditions of the Placing Agreement : The obligations of the Placing Agent under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled:

- (i) the Rights Issue having become unconditional;
- (ii) the Company's warranties contained in the Placing Agreement remaining true and accurate and not misleading in all material respects at all times prior to the date of completion of the Placing;
- (iii) the GEM Listing Committee granting the listing of, and permission to deal in, the Unsubscribed Shares (including NQS Unsold Rights Shares) with or without conditions;
- (iv) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and
- (v) the Placing Agreement not having been terminated in accordance with the provisions thereof.

None of the above conditions can be waived. In the event that the above conditions precedent have not been fulfilled on or before the Latest Time for Termination, all rights, obligations and liabilities of the parties under the Placing Agreement in relation to the Placing shall cease and terminate and none of the parties shall have any claim against the other in respect of the Placing (save for any antecedent breaches and/or any rights or obligations which may accrue under the Placing Agreement prior to such termination).

As at the Latest Practicable Date, none of the conditions have been fulfilled.

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Termination : Notwithstanding anything contained in the Placing Agreement, the Placing Agent may terminate the Placing Agreement without any liability to the Company, by notice in writing given to the Company at any time prior to the Latest Time for Termination upon the occurrence of the following events which, in the absolute opinion of the Placing Agent, has or may have a material adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or the success of the Placing or the full placement of all of the Unsubscribed Shares (including NQS Unsold Rights Shares) or otherwise make it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement if there develops, occurs or comes into force:

- (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industry, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's absolute opinion would affect the success of the Placing; or
- (ii) the imposition of any moratorium, suspension (for more than 7 trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's absolute opinion, would affect the success of the Placing; or
- (iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's absolute opinion any such new law or change may affect the business or financial prospects of the Group and/or the success of the Placing; or

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- (iv) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control), which has or may affect the business or financial position of the Group and which in the Placing Agent's absolute opinion would affect the success of the Placing; or
- (v) any breach of any of the representations and warranties given by the Company as set out in the Placing Agreement having come to the knowledge of the Placing Agent or any event having occurred or any matter having arisen on or after the date of the Placing Agreement and prior to the completion of the Rights Issue which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in a material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (vi) the Unsubscribed Shares (including NQS Unsold Rights Shares) are not approved by the relevant regulatory bodies and/or regulatory authorities to be placed to any places as contemplated in the Placing Agreement.

The above termination event (i) represents a force majeure clause.

The terms of the Placing Agreement were determined after arm's length negotiation between the Placing Agent and the Company with reference to (i) the prevailing market rate for rights issues, including the underwriting or placing commissions of recent proposed rights issues announced by companies listed on GEM with relevant listing documents issued within 6 months prior to the Last Trading Day (as further elaborated in next paragraph) which are ranged from 0.5% to 7.07% and with a median and average of 2.5% and approximately 2.8% respectively; (ii) the existing financial position of the Group including gearing ratio of 30.7% as at 30 June 2025 and the continued losses attributable to owners of the Company for the past five years; (iii) the size of the Rights Issue when aggregated with the rights issue conducted within the past twelve months before the date of the Announcement, which potentially enlarging the total number of issued Shares by 50%; (iv) the placing price of HK\$0.10 per Share which is at a premium to the latest trading price per Share before signing of the Placing Agreement; and (v) the general downward trend of the daily closing price of the Shares of the Company during the past 3 months, as noted by the decrease of closing price of the Shares from HK\$0.255 per Share on 27 October 2025 to HK\$0.08 on the date of the Announcement. The Directors consider that the terms of the Placing Agreement are fair and reasonable and on normal commercial terms.

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The Company has conducted a search of recent proposed rights issues announced by companies listed on GEM with relevant listing documents issued within the 6 months prior to the Last Trading Day. The Company has identified an exhaustive list of a total of seven (7) rights issues comparables (“**Rights Issues Comparables**”) during the respective period. The Board considered that notwithstanding that the businesses, operations, prospects and funding needs of the Company are not the same as the subject companies of the Rights Issues Comparables, the Rights Issues Comparables illustrate recent rights issues transactions conducted by companies listed on the GEM during a period close to and including the Last Trading Day.

Details of the seven (7) Rights Issues Comparables are set out below:

Stock Code	Listing document date	Company Name	Placing/ underwriting commission, as the case may be (%)
8178	11 September 2025	China Information Technology Development Limited	7.07
8282	24 October 2025	Gameone Holdings Limited	0.50
8341	21 November 2025	Aeso Holding Limited	2.50
8516	15 December 2025	Zhong Ying International Group Ltd	3.00
8431	2 January 2026	Hao Bai International (Cayman) Ltd	1.50
8283	5 January 2026	Zhongshi Minan Holdings Limited	2.50
8612	21 January 2026	World Super Holdings Ltd	2.50
Min			0.50
Max			7.07
Median			2.50
Average			2.80

The Placing Agent will, on a best effort basis during the Placing Period, seek to procure subscribers who (or as the case may be, their ultimate beneficial owner(s)) are Independent Third Parties for all (or as many as possible) of the Unsubscribed Shares (including NQS Unsold Rights Shares).

If all or any of the Unsubscribed Shares (including NQS Unsold Rights Shares) are successfully placed, any Net Gain will be distributed to the relevant No Action Shareholders and Excluded Shareholders. Any Unsubscribed Shares (including NQS Unsold Rights Shares) that are not placed by the Placing Agent will not be issued by the Company. As at the Latest Practicable Date, the Placing Agent has not identified any placee(s). In any case, any placees will be independent among themselves and will be independent of and not acting at the direction of any connected person of the Company. As such, the Company considers that the Compensatory Arrangements will provide a compensatory mechanism for the No Action Shareholders, protect the interest of the Independent Shareholders, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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As the Company has put in place the above Compensatory Arrangements as required by Rule 10.31(1)(b) of the GEM Listing Rules, there will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 10.31(1)(a) of the GEM Listing Rules.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. There are no applicable statutory requirements regarding minimum subscription levels in respect of the Rights Issue. In the event of an under-subscription of the Rights Issue, the size of the Rights Issue will be reduced accordingly.

CONDITIONS OF THE RIGHTS ISSUE

The Rights Issue is conditional upon the fulfilment of the following conditions:

- (i) the delivery to the Stock Exchange, and filing and registration with Companies Registry in Hong Kong of one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by a resolution of the Directors (and all other documents required to be attached thereto) not later than the Prospectus Posting Date and in compliance with the GEM Listing Rules, the Companies (WUMP) Ordinance and the Companies Ordinance;
- (ii) the despatch of the Prospectus Documents to the Qualifying Shareholders by the Prospectus Posting Date and the despatch of the Prospectus and a letter to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date. The Prospectus Documents will be published on the website of the Stock Exchange and the Company;
- (iii) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) listing of and permission to deal in all the Rights Shares, in both nil-paid and fully-paid forms and such listing not being withdrawn or revoked;
- (iv) the Independent Shareholders having approved at the EGM of the Rights Issue and the Placing Agreement no later than the Prospectus Posting Date; and
- (v) the Placing Agreement not having been terminated in accordance with the provisions thereof, and remaining in full force and effect.

As at the Latest Practicable Date, save for condition (iv), all other conditions have not been fulfilled. None of the above conditions can be waived. The Company shall use its reasonable endeavours to procure the fulfilment of the conditions above (to the extent it is within its power to do so) and shall do all the things required to be done by it pursuant to the Prospectus Documents or otherwise reasonably necessary to give effect to the Rights Issue. If any of the conditions referred to above are not fulfilled at or before the Latest Time for Termination, the Rights Issue will not proceed.

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As the proposed Rights Issue is subject to the fulfilment of the above conditions, it may or may not proceed. Shareholders and public investors are advised to exercise caution in dealing in the securities of the Company.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally involved in (i) the sale of home furniture and accessories; (ii) rental of home furniture and accessories; and (iii) project and hospitality services, which typically involve designing, styling, decorating and furnishing commercial or residential properties such as hotels, serviced apartments and showflats.

Assuming that there is no change in the number of issued Shares on or before the Record Date, the gross proceeds from the Rights Issue will be approximately HK\$29.6 million and the net proceeds from the Rights Issue after deducting the estimated expenses in relation to the Rights Issue are estimated to be approximately HK\$28.1 million. The net price per Rights Shares (i.e. Subscription Price less the estimated cost and expenses to be incurred in the Rights Issue) upon full acceptance of the relevant provisional allotment of Rights Shares will be approximately HK\$0.095 per Rights Share.

The Company intends to use the net proceeds from the Rights Issue as follows: (i) approximately 34% or HK\$9.5 million for repayment of both principal and interest of borrowing in relation to an unsecured bond payable with coupon rate of 1% and a principal amount of RMB10 million, (equivalent to HK\$10,630,000 based on the Fixed Exchange Rate) of which approximately RMB1.4 million has been repaid, (equivalent to approximately HK\$1.5 million based on the Fixed Exchange Rate) subscribed from an Independent Third Party and maturing on 27 March 2026 (the “**Bond Payable**”), which is expected to be refinanced or extended prior to the completion of the Rights Issue, and the net proceeds will be applied to repay such refinanced or extended borrowing thereafter; (ii) approximately 18% or HK\$5.0 million for payment of rental expenses including accrued rental expenses; (iii) approximately 18% or HK\$5.0 million for Dubai project, which is a project to provide furniture for an international airline company’s staff accommodation for at least 3 years; (iv) approximately 7% or HK\$2.0 million for opening a new retail store in Hong Kong; and (v) remaining approximately 23% or HK\$6.6 million for general working capital of the Group for payments of salary, suppliers and other operating and administrative expenses.

LETTER FROM THE BOARD

Repayment of borrowing

Based on the Company's current funding planning and subject to the outcome of discussions with the relevant lender(s) and prevailing market conditions, the Company intends to address its short-term funding needs upon maturity of the Bond Payable by seeking a short-term extension of the Bond Payable, or by refinancing the Bond Payable with other short-term borrowings. The Company also intends to repay the refinanced or extended borrowing after receipt of the proceeds from the Rights Issue. As at the Latest Practicable Date, the Company is in discussion with the lender regarding a proposed extension of the Bond Payable and the lender has indicated it will consider offering extension if the Rights Issue are conducted as scheduled. The Company is also in discussion with financial institutions in Hong Kong for possible other debt financing or borrowings to refinance the Bond Payable. No financing arrangement has been signed with any banks to refinance the Bond Payable as at the Latest Practicable Date. According to the discussion between the Company and the lender, both parties intended to extend the maturity of the Bond Payable until the completion of the Rights Issue and Placing.

Approximately RMB1.4 million (equivalent to approximately HK\$1.5 million based on the Fixed Exchange Rate) of the RMB10 million Bond Payable has been repaid and the current outstanding principal amount of the Bond Payable is approximately RMB8.6 million (equivalent to approximately HK\$9.1 million based on the Fixed Exchange Rate). The amount of interest arising from the Bond Payable is approximately RMB86,000 (equivalent to approximately HK\$91,000 based on the Fixed Exchange Rate) which is payable on maturity, and the total principal and accrued interest payable on maturity date of 27 March 2026 is approximately RMB8.7 million (equivalent to approximately HK\$9.2 million based on the Fixed Exchange Rate). The repayment of the Bond Payable includes the outstanding interest. The Company expects the allocated proceeds of approximately HK\$9.5 million is sufficient to repay the Bond Payable including the potential interest arising from possible extension. In the event that the allocated proceeds is insufficient for repayment of the principal and interest of Bond Payable, the Company expects to utilise cash and cash equivalents and the cash flows generated from operating activities to finance the remaining portion of the Bond Payable.

The interest expense arising from the Bond Payable is approximately RMB86,000 (equivalent to approximately HK\$91,000 based on the Fixed Exchange Rate). In the event the Group repays the Bond Payable, such interest expenses will be reduced.

Dubai project

The Group has been engaged by an international airline company to supply and install furniture for the airline's staff accommodation located in Dubai for at least 3 years. The service to be provided by the Group includes supplying and installing furniture according to the work order and ensuring the design, workmanship and materials used are new and of high-quality, and conform with the quality and description specified in the work order.

LETTER FROM THE BOARD

Expected timeline of the proposed use of net proceeds and other potential ways to finance the capital requirement

Sets out below are the timeline for each of the proposed use of net proceeds, and other potential ways to finance the capital requirement in the event that the Rights Issue is not approved by the Independent Shareholders and the Group does not generate enough operating cash flows to fulfill the relevant obligations:

Use of Proceeds	Amount (approximately)	Expected timeline of the proposed use of net proceeds	Other potential ways to finance the capital requirement
Repayment of both principal and interest of borrowing	HK\$9.5 million	By the first half of 2026	Discuss with the lender to extend the Bond Payable or obtain new borrowing from banks in Hong Kong to refinance the Bond Payable
Payment of rental expenses	HK\$5.0 million	By the end of 2026	Obtain new borrowings from banks in Hong Kong or Dubai, or conduct other fund raising activities (including but not limited to placing or subscription of new shares under specific mandate or general mandate after refreshment of general mandate (as the case may be))
Dubai project	HK\$5.0 million	By the end of 2026	Obtain new borrowings from banks in Hong Kong or Dubai, or discuss with the airline the possibility of delaying the commencement of the project, or conduct other fund raising activities (including but not limited to placing or subscription of new shares under specific mandate or general mandate after refreshment of general mandate (as the case may be))

LETTER FROM THE BOARD

Use of Proceeds	Amount (approximately)	Expected timeline of the proposed use of net proceeds	Other potential ways to finance the capital requirement
Opening a new retail store in Hong Kong	HK\$2.0 million	By the end of 2026	Obtain new borrowings from banks in Hong Kong, or reallocate the rental expense budgeted for other retail store should the Group decided not to renew certain existing leases upon expiry following reassessment of its retail store portfolio, or conduct other fund raising activities (including but not limited to placing or subscription of new shares under specific mandate or general mandate after refreshment of general mandate (as the case may be))
General working capital	HK\$6.6 million	By the end of 2026	Obtain new borrowings from banks in Hong Kong or Dubai, or conduct other fund raising activities (including but not limited to placing or subscription of new shares under specific mandate or general mandate after refreshment of general mandate (as the case may be))

As at 31 December 2025, the Group has approximately HK\$3.2 million cash and cash equivalents based on the 2026 Interim Report. The Group intends to use the existing cash and cash equivalents to continue its ordinary business operations and meeting the short-term obligations as they fall due, including the procurement of goods and services in connection with our sale of furniture and designing projects, the settlement of trade and other payables, and the servicing of interest obligations on the Group's interest-bearing bank and other borrowings.

As disclosed in the annual report of the Group for the eighteen months ended 30 June 2025, despite challenging operating conditions, the Group recorded revenue of approximately HK\$383.5 million for the eighteen months ended 30 June 2025 (“**18M2025**”), representing an increase of approximately 53.0% from approximately HK\$250.6 million for the year ended 31 December 2023 (“**FY2023**”) (or approximately 2.0% increase on a pro-rata basis).

LETTER FROM THE BOARD

The Group recorded gross profit of approximately HK\$159.4 million in 18M2025 as compared to approximately HK\$127.1 million in FY2023, representing an increase of approximately 25.4% (or a decrease of approximately 16.4% on a pro-rata basis). Gross profit margin declined due to a higher contribution from lower-margin business including large projects with developers to provide furniture to first-hand residential properties, increased retail discounts and higher cost of sales.

The Group's loss attributable to owners narrowed substantially to approximately HK\$5.6 million for the 18M2025 from approximately HK\$33.5 million for the FY2023, representing a decrease of approximately 83.3% (or a decrease of approximately 88.9% on a pro-rata basis). On a twelve months pro-rata basis by dividing the 18M2025 figures by 18 months and then multiplying it by 12 months ("**Pro-rata 18M2025**"), the Group's loss attributable to owners of approximately HK\$5.6 million for 18M2025 is equivalent to approximately HK\$3.7 million on a pro-rata basis, representing a decrease of approximately HK\$29.8 million as compared FY2023. Such approximately HK\$29.8 million decrease is primarily as a result of (i) the Group's effort in controlling its administrative and other operating expenses from approximately HK\$93.1 million in FY2023 to approximately HK\$70.0 million for the Pro-rata 18M2025, representing a cost saving of approximately HK\$23.1 million; (ii) the decrease in provision for allowance of expected credit losses and impairment losses on non-financial assets from approximately HK\$18.8 million in FY2023 to approximately HK\$3.4 million for the Pro-rata 18M2025, representing a reduction of loss of approximately HK\$15.4 million; (iii) the increase in fair value gain on an investment in an unlisted equity securities from a loss of approximately HK\$2.9 million in FY2023 to a gain of approximately HK\$8.4 million for the Pro-rata 18M2025, representing an increase of other income of approximately HK\$11.3 million; being partially offset by (iv) the decrease in gross profit from approximately HK\$127.1 million in FY2023 to approximately HK\$106.3 million for the Pro-rata 18M2025, representing a decrease of gross profit of approximately HK\$20.8 million.

For the eighteen months ended 30 June 2025, the second-hand property market in Hong Kong remained weak amid demographic changes and prolonged economic downturn. As a result of the decrease in Hong Kong market sentiment, together with the fierce market competition in Dubai, the Board has strategically shifted the focus on project business.

As disclosed in the 2026 Interim Report, the Group recorded revenue of approximately HK\$54.2 million for the six months ended 31 December 2025 ("**1H2026**"), representing a decrease of approximately 67.7% from approximately HK\$167.8 million for the six months ended 31 December 2024 ("**1H2025**"). The decrease in revenue is mainly due to (i) the absence of completion of large-scale projects in relation to the project and hospitality services in Hong Kong, as evidenced by the drop in this segment revenue of approximately HK\$84.1 million from HK\$87.8 million in 1H2025 to HK\$3.7 million in 1H2026, (ii) the decrease in sale of home furniture and accessories of approximately HK\$25.3 million from HK\$67.8 million in 1H2025 to HK\$42.5 million in 1H2026 due to the fierce market competition in Dubai and general decrease in market sentiment consumption in Hong Kong, and (iii) the decrease in rental of home furniture and accessories of approximately HK\$4.2 million from HK\$12.2 million in 1H2025 to HK\$8.0 million in 1H2026 due to the decrease in demand for leasing the home furniture and accessories generated from a customer, being a government authority in Dubai in 1H2026 as compared to 1H2025.

LETTER FROM THE BOARD

The Group recorded gross profit of approximately HK\$21.7 million in 1H2026 as compared to approximately HK\$65.1 million in 1H2025, representing a decrease of approximately HK\$43.4 million which is primarily as a result of the decrease in revenue. Gross profit margin slightly increased from approximately 38.8% in 1H2025 to approximately 40.0% in 1H2026 primarily as a result of less promotion discounts on furniture sales in Hong Kong in 1H2026 as compared to 1H2025.

The Group recorded a loss attributable to owners of the Company of approximately HK\$25.3 million in 1H2026 as compared to a profit attributable to owners of the Company of approximately HK\$8.3 million in 1H2025, representing a decrease of approximately HK\$33.6 million. Such decrease is mainly due to (i) the decrease in gross profit as mentioned above, which is partially offset by (ii) the decrease in administrative and other operating expenses of HK\$8.6 million as a result certain cost control measures including (a) reduction in number of administrative staff, (b) decrease in property related expenses as a result of closures of certain retail stores in Hong Kong, (c) decrease in warehouse expenses, and (d) decrease in legal and professional fees.

Looking ahead, the Group plans to continue to manage cash flows and operating costs prudently and optimize its retail footprint including reassessing retail store leases and locations. Following Hong Kong government's removal of residential property demand-side management measures for residential properties including special stamp duty, buyer's stamp duty or new residential stamp duty with effect from 28 February 2024 and increased housing supply initiative, the Group anticipates rising demand for property renovation and furnishing services. The Group will continue to work with property developers and introduce more furniture packages for first-hand residential flats buyers, and the Group expect a potential growth in demand for its project and hospitality services business in the future.

The reassessment to the retail store leases and locations is intended to evaluate the benefits and costs that each retail store brings to the Group. While the Group may consider not renewing certain leases upon expiry, the Group will also adopt a cautious approach in evaluating new store locations, including the new retail store in Hong Kong for which part of the net proceeds will be used. In relation to the reassessment to the retail store leases and locations, the Group will focus on, amongst others, customer traffic, store layout, rental expense, ongoing maintenance spend when assessing the retail store portfolio. In relation to the new retail store in Hong Kong, the Group will monitor the capital expenditure on the new retail store and compare it against the expected future economic benefits to be generated by the new retail store in determining the new retail store plan and location.

The Company considers the Rights Issue and the use of the net proceeds from the Rights Issue will enable the Group to support its planned business initiatives, including (i) enhancing cash flows and improving profitability by reducing interest expenses through repayment of bank and other borrowings; (ii) meeting rental payments and settling accrued rental expenses from ongoing operations while implementing retail network optimization measures; (iii) deploying capital to support the development of the project business in Dubai; (iv) allocating capital to the Group's Hong Kong retail operations to capture potential recovery in local demand; and (v) providing general working capital to support the Group's operations.

LETTER FROM THE BOARD

As the Rights Issue will proceed on a non-underwritten basis, the actual amount of the net proceeds from the Rights Issue cannot be ascertained as at the Latest Practicable Date. In the event that there is an under-subscription of the Rights Issue and the Placing (as the case may be), the net proceeds of the Rights Issue and the Placing (as the case may be) will be allocated and utilized in proportion to the above uses.

Fundraising alternatives

The Board has considered various fundraising alternatives before resolving to the Rights Issue, including debt financing and equity financing alternatives such as open offer and placing of new shares.

The Board is of the view that debt financing will increase the gearing ratio of the Group and increase the ongoing interest expenses of the Group which may in turn affect the profitability of the Group.

With respect to equity financing alternatives, the Board considers that placing of new Shares would be a sub-optimal fundraising means as it will lead to an immediate dilution in shareholding interest of the existing Shareholders without offering them opportunities to participate in the enlargement of the capital base of the Company. As for open offer, similar to a rights issue, it also offers qualifying shareholders to participate, but it does not allow the trading of rights entitlements in the open market.

The Directors are of the view that the Rights Issue provides better financial flexibility for the Company as it will strengthen the capital base of the Company, thus enhancing the overall working capital to fulfill the development plan of the Group without further increase the interest burden to the Group. The Rights Issue also offers all Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company and avoid shareholding dilution for those Shareholders who take up their entitlements under the Rights Issue in full.

Having considered the above, the Directors consider that the terms of the Rights Issue are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there is no change in the total issued Shares of the Company from the Latest Practicable Date up to and including the date of completion of the Rights Issue, the table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue, assuming full acceptance by all Shareholders; (iii) immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders (other than Century Great pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and none of the Unsubscribed Shares (including NQS Unsold Rights Shares) are placed to the independent places; and (iv) immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders (other than Century Great pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and all the Unsubscribed Shares (including NQS Unsold Rights Shares) are placed to the independent places:

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue, assuming full acceptance by all Shareholders		Immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders (other than Century Great pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and none of the Unsubscribed Shares (including NQS Unsold Rights Shares) are placed to the independent places		Immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders (other than Century Great pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and all the Unsubscribed Shares (including NQS Unsold Rights Shares) are placed to the independent places	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Century Great (Note 1)	38,105,500	6.45	57,158,250	6.45	57,158,250	9.37	57,158,250	6.45
Double Lions Limited (Notes 2, 3, 4, 5 and 6)	17,410,000	2.95	26,115,000	2.95	17,410,000	2.85	17,410,000	1.96
Zheng Jing (Note 7)	66,800,000	11.30	100,200,000	11.30	66,800,000	10.95	66,800,000	7.53
<i>Public Shareholders</i>								
Other public Shareholders	468,844,000	79.31	703,266,000	79.31	468,844,000	76.83	468,844,000	52.87
Places	—	—	—	—	—	—	276,527,000	31.18
Total	<u>591,159,500</u>	<u>100.00</u>	<u>886,739,250</u>	<u>100.00</u>	<u>610,212,250</u>	<u>100.00</u>	<u>886,739,250</u>	<u>100.00</u>

LETTER FROM THE BOARD

Notes:

1. Century Great is 100% owned by Ms. Wong.
2. Double Lions Limited is owned as to 40.48% by Mr. John Warren McLennan, 20.00% by Ms. Tracy-Ann Fitzpatrick, 14.88% by Ms. Alison Siobhan Bailey, 14.88% by Mr. John Martin Rinderknecht and 9.76% by Mr. James Seymour Dickson Leach (collectively, with Double Lions Limited, the “**Double Lions Shareholders**”). Each of the Double Lions Shareholders executed the deed of acting in concert dated 12 February 2018 confirming the existence of their acting in concert and are deemed to be interested in all the Shares owned by Double Lions Limited.
3. As at the Latest Practicable Date, Double Lions Limited is owned as to 40.48% by Mr. John Warren McLennan, a director of a subsidiary of the Company. Double Lions Limited is therefore a close associate of Mr. John Warren McLennan and thus the shares held by it are not regarded as being in public hands.
4. Mrs. Jennifer Carver McLennan is the spouse of Mr. John Warren McLennan and is deemed to be interested in the Shares held by Mr. John Warren McLennan by virtue of the SFO.
5. Mr. David Frances Bulbeck is the spouse of Ms. Tracy-Ann Fitzpatrick and is deemed to be interested in the Shares held by Ms. Tracy-Ann Fitzpatrick by virtue of the SFO.
6. Ms. Alison Siobhan Bailey and Mr. James Seymour Dickson Leach are married to each other and each of them is deemed to be interested in the Shares held by her/his spouse via Double Lions Limited by virtue of the SFO.
7. Other than being a substantial shareholder of the Company, Zheng Jing has no other relationship with the Company and its connected persons.
8. The percentage figures shown in the table above have been subject to rounding adjustments. Any discrepancies between totals and sums of the amounts listed herein are due to rounding adjustments.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

LETTER FROM THE BOARD

FUND RAISING EXERCISE OF THE COMPANY IN THE PAST TWELVE MONTHS

Date of the announcements	Fund raising activity	Net proceeds	Intended use of the net proceeds as announced	Actual use of proceeds
19 March 2025, 25 April 2025 and 12 May 2025	Rights Issue of 136,843,500 rights shares	Approximately HK\$13.3 million	General working capital of (i) approximately HK\$2.3 million for payment of salary and remuneration expenses; (ii) approximately HK\$3.0 million for payment of rental expenses; and (iii) approximately HK\$8.0 million for trade related expenses including payments to suppliers, warehouse and logistics teams.	Fully utilized as intended
14 November 2025 and 25 November 2025	Subscription of 65,000,000 shares	Approximately HK\$11.0 million	General working capital of (i) approximately HK\$6.0 million for payment of salary, remuneration, rental, and trade related expenses; (ii) approximately HK\$2.0 million for other operating & administrative expenses; and (iii) approximately HK\$3.0 million for payment of the accrued expenses of the Group, including accrued rental expenses in Hong Kong, repayment of bank loan in Dubai and other borrowings by the end of 2025.	Fully utilized as intended
18 November 2025 and 25 November 2025	Subscription of 17,100,000 shares	Approximately HK\$2.9 million	General working capital of (i) approximately HK\$1.0 million for payment of salary, remuneration, rental, and trade related expenses; (ii) approximately HK\$1.0 million for other operating & administrative expenses; and (iii) approximately HK\$0.9 million for payment of the accrued expenses of the Group, including accrued rental expenses in Hong Kong, repayment of bank loan in Dubai and other borrowings by the end of 2025.	Fully utilized as intended
10 December 2025 and 19 December 2025	Placing of 98,520,000 shares	Approximately HK\$11.4 million	General working capital of (i) approximately HK\$6.0 million for payment of salary, remuneration, rental, and trade related expenses; (ii) approximately HK\$4.4 million for other operating & administrative expenses; and (iii) approximately HK\$1.0 million for payment of the accrued expenses of the Group, including accrued rental expenses in Hong Kong, repayment of bank loan in Dubai and other borrowings.	Fully utilized as intended

LETTER FROM THE BOARD

Save as disclosed above, there has not been any equity fund raising activity conducted by the Company in the past twelve months immediately preceding the Latest Practicable Date.

GEM LISTING RULES IMPLICATIONS

The Rights Issue standalone may increase the market capitalization of the Company by 50%. In accordance with Rule 10.29(1) of the GEM Listing Rules, as the Rights Issue, together with other rights issue announced by the Company within the 12 months period immediately preceding the date of the Announcement, will increase the issued Shares by more than 50%, the Rights Issue is subject to the approval of the Shareholders at the EGM by way of poll. The Rights Issue must be made conditional on approval by the Shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, the Directors (excluding independent non-executive Directors), the chief executive of the Company and their respective associates shall abstain from voting in favour of the Rights Issue.

As at the date of the EGM, the Company does not have any controlling shareholder. However, Century Great, which is wholly owned by Ms. Wong, an executive Director, holds 38,105,500 Shares, representing approximately 6.45% of the issued share capital of the Company as at the date of the EGM. As such, Century Great has abstained from voting in favour of the resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM. At the EGM, the resolutions approving, among other things, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder were duly passed by the Shareholders by way of poll.

The theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) is approximately 4.60% after taking into account the rights issue announced by the Company within the 12 months period immediately preceding the date of the Announcement. The Rights Issue does not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors consider that there are certain risks and uncertainties involved in the Group's operations and in the environment which the Group operates, some of which are beyond the Group's control. The Company sets out below the risk factors of the Group for the attention of the Shareholders.

- (i) the Group may not be able to secure capital resources, either through equity or debt financing, on commercially reasonable terms, or at all. The Group's ability to arrange external financing and manage the cost of such financing is dependent on numerous factors, including but not limited to, general economic and capital markets conditions, interest rates, credit availability from lenders, investor confidence, the Group's financial conditions, financial performance and future prospect;

LETTER FROM THE BOARD

- (ii) The Group does not have any long-term purchase commitments from its customers, who generally purchase the Group's products on an infrequent basis. There is no obligation for such customers to purchase any products from the Group in the future and there is no assurance that there will be a consistent source of revenue;
- (iii) the Group does not have its own manufacturing capabilities and relies on its suppliers to supply products to it, and the Group does not have any long-term contracts with such suppliers;
- (iv) the Group's profitability is dependent upon the spending power of its target consumers, and any decline in such spending power may adversely affect the Group's business;
- (v) failure to accurately assess the costs of rendering the Group's project and hospitality services may adversely affect its profitability, as these services are project-based and the Group is usually required to fix its fees in quotations or tenders submitted at the outset;
- (vi) the Group may be susceptible to a decrease in sales if there is a shift in customers' tastes and preferences for furniture, and the Group may have to sell slow-moving inventory at discounted prices or write off such inventory;
- (vii) the lack of suitable locations on commercially viable terms, increases in rental expenses, and any failure to renew existing leases of the leased properties may adversely affect the Group's results of operations;
- (viii) the opening of new retail stores may result in fluctuations in the Group's financial performance. The Group's growth depends on its ability to profitably operate its existing retail stores and to open and profitably operate new retail stores;
- (ix) the Group's overall performance may be affected by the temporary suspension of its operations for renovation and the closure of certain retail stores;
- (x) the Group's success depends on its key personnel and its ability to attract, motivate and retain a sufficient number of qualified employees; and
- (xi) as the Group's business operations are primarily based in Hong Kong and Dubai, any significant changes in the social, political, regulatory, economic or legal environment in Hong Kong or Dubai may adversely affect the Group's operations and financial position.

LETTER FROM THE BOARD

WARNING OF THE RISK OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

The Rights Issue is conditional upon fulfilment of the conditions set out in the section headed “Letter from the Board — Conditions of the Rights Issue” of this Prospectus, including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Accordingly, the Rights Issue may or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

Any Shareholders or potential investors contemplating selling or purchasing the Shares and/or the nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Prospectus. In case of any inconsistency between the English and Chinese versions of this Prospectus, the English version will prevail.

For and on behalf of the Board
Pacific Legend Group Limited
Wong Wing Man
Chairperson and Executive Director

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for the two years ended 31 December 2022 and 2023, the eighteen months ended 30 June 2025 and the six months ended 31 December 2025 are disclosed in the following documents which have been published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.pacificlegendgroup.com):

- (i) the audited consolidated financial statements of the Group for the year ended 31 December 2022 is disclosed in the annual report of the Company for the year ended 31 December 2022 published on 30 March 2023 (pages 78 to 153)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0330/2023033001435.pdf>);

- (ii) the audited consolidated financial statements of the Group for the year ended 31 December 2023 is disclosed in the annual report of the Company for the year ended 31 December 2023 published on 31 May 2024 (pages 86 to 191)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0531/2024053102450.pdf>);

- (iii) the audited consolidated financial statements of the Group for the eighteen months ended 30 June 2025 is disclosed in the annual report of the Company for the eighteen months ended 30 June 2025 published on 27 October 2025 (pages 85 to 199)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2025/1027/2025102701752.pdf>);
and

- (iv) the unaudited condensed consolidated financial statements of the Group for the six months ended 31 December 2025 is disclosed in the interim report of the Company for the six months ended 31 December 2025 published on 26 February 2026 (pages 5 to 25)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2026/0226/2026022601125.pdf>).

2. INDEBTEDNESS STATEMENT

As at 31 January 2026, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this Prospectus, the Group's indebtedness are set out below:

	<i>HK\$'000</i>
Bank borrowing (<i>Note 1</i>)	6,381
Other borrowing (<i>Note 2</i>)	<u>9,221</u>
Total	<u><u>15,602</u></u>
Lease liabilities	<u><u>8,876</u></u>

Notes:

1. The bank borrowing is unsecured.
2. The other borrowing is bond payable with carrying amount of approximately HK\$9.22 million subscribed from an Independent Third Party of the Group, which is unsecured and unguaranteed.

As at 31 January 2026, the Group did not have any contingent liabilities.

Save as disclosed above, the Group did not have any outstanding bank overdrafts or loans, or other similar indebtedness, mortgages, charges, or guarantees, debt securities, term loans, hire purchase commitments, liabilities under acceptances (other than normal trade bills) or acceptance credits, other borrowings or indebtedness in the nature of borrowings or contingent liabilities as at the close of business on 31 January 2026.

3. SUFFICIENCY OF WORKING CAPITAL

The Directors, after due and careful inquiry, are of the opinion that, after taking into account the financial resources presently available to the Group including the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for at least the next twelve months from the date of the publication of this Prospectus.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 30 June 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Group is principally involved in (i) the sale of home furniture and accessories (“**Furniture Sales**”), which includes retail, corporate sales, online shops, wholesales and franchise); (ii) rental of home furniture and accessories (“**Furniture Rental**”); and (iii) project and hospitality services (“**Projects**”, which typically involve designing, styling, decorating and furnishing commercial or residential properties such as hotels, serviced apartments and showflats).

As disclosed in the annual report of the Group for the eighteen months ended 30 June 2025, despite challenging operating conditions, the Group recorded revenue of approximately HK\$383.5 million for the 18M2025, representing an increase of approximately 53.0% from approximately HK\$250.6 million for the FY2023 (or approximately 2.0% increase on a pro-rata basis). The revenue derived from Projects increased by approximately 91.4% (or approximately 27.6% increase on a pro-rata basis) from approximately HK\$94.4 million in FY2023 to approximately HK\$180.7 million in 18M2025, contributing the most revenue increase among the three business segments of the Group.

As disclosed in the 2026 Interim Report, as a result of absence of completion of large-scale projects of Project business, weak demand in Hong Kong and fierce market competition in Dubai, the Group recorded revenue of approximately HK\$54.2 million in 1H2026, representing a decrease of approximately 67.7% from approximately HK\$167.8 million in 1H2025. The revenue derived from Furniture Sales decreased by approximately 37.4% from approximately HK\$67.8 million in 1H2025 to approximately HK\$42.5 million in 1H2026. The Group's revenue generated from Furniture Sales contributed to approximately 78.4% of the total revenue of the Group, representing the major revenue stream among the three business segments of the Group for 1H2026.

Furniture Sales

The Group will continue to prioritize its digital innovation and customer-centric approach to deliver more seamless and personalized shopping journeys in order to enhance customers' shopping experiences. The Group will also invest in enhancing its online platforms, including improving website design, functionality and product presentation, to ensure browsing, comparison and purchasing processes more intuitive and visually appealing. The product offerings will be regularly reviewed by the Group and, where considered appropriate, be expanded and adjusted to suit evolving customers preferences. Physical retail stores will remain an important touchpoint, providing customers with hands-on product experience, professional advice and after-sales support, complemented by online tools and digital channels to stay connected with customers. The Group will remain agile and continuously monitoring economic trends to capture emerging opportunities and optimize its pricing strategy, inventory management and cost structures.

Furniture Rental

The Group will focus on flexibility, digital enablement and service differentiation to meet the growing demand for short-term, lifestyle-driven and corporate rental solutions. By understanding customer needs, the Group will deliver a customer-centric services with emphasis on convenience, reliability and responsive after-rental support in our furniture rental business. The Group will leverage technology to streamline booking, logistics and inventory management, thereby improving operational efficiency. To drive expansion, the Group will explore collaborations with real estate developers, serviced apartment operators and relocation service providers to embed furniture rental solutions into their offerings. The Group will continue to adjust rental product mixes and pricing structures in response to market conditions to maintain competitiveness and sustainable growth.

Projects

The Group will position itself as a value-added, design-led and technology-enabled solutions provider for commercial and hospitality clients. The Group will integrate digital design tools to improve collaboration with developers, hotel operators and property owners, allowing clients to experience design concepts and layouts at an early stage. Again, a customer-centric mindset will underpin project execution, with tailored solutions that reflect the branding, operational needs and target demographics of each project. The Group will actively pursue partnerships and business relationships with real estate developers, hospitality groups and contractors to strengthen market presence and enrich project pipelines. The Group will also leverage its experience in furniture sales and rental to offer end-to-end furnishing solutions, enhancing cross-segment synergies. In light of the gradual recovery of the Hong Kong property market, the Group will focus on securing projects with reputable property developer and hospitality groups in Hong Kong with resilient demand to achieve solid and stable growth.

Retail network optimization

Against a backdrop of a slow economic recovery, rising inflation and operating costs, the Group is proactively assessing options to optimize its retail footprint in Hong Kong. The Group will continue to manage cash flows prudently, improve cost efficiency and lower operating expenses by reassessing the performance of existing retail stores. In this regard, the Group may consider not renewing certain leases upon expiry and will adopt a cautious approach when evaluating new store locations. This initiative aims to enhance operational efficiency while maintaining adequate market presence through a more balanced and sustainable retail network.

Gradual recovery of Hong Kong property market and government policy support

The Hong Kong government's cancellation of all residential property demand-side management measures with effect from 28 February 2024 is expected to support a gradual recovery of the residential property market. In addition, the government's plan to increase private housing supply in the northern part of Hong Kong, as outlined in the Policy Address 2025 issued in September 2025, is anticipated to stimulate home purchase and leasing activities. As a result, the Group expects an increase in demand for home furnishing, renovation and refitting services from property owners and tenants. The Group will continue to collaborate with property developers by offering furniture packages for first-hand residential flat buyers, positioning itself to benefit from the anticipated market recovery.

Financial Position of the Group

As at 31 December 2025, the Group has approximately HK\$3.2 million cash and cash equivalents and approximately HK\$10.6 million interest-bearing bank and other borrowings based on the 2026 Interim Report. The Group's current ratio (being the ratio of current assets to current liabilities) and gearing ratio (being interest-bearing bank and other borrowings divided by total equity) are approximately 1.8 and 17.5% respectively as at 31 December 2025.

The Group's management regularly reviews the recoverable amount of each individual trade receivables and implemented procedures to ensure that follow up actions are taken to recover overdue debts. The Group will also closely monitors its liquidity position to ensure the liquidity structure (including the gearing ratio) remains at reasonable level and it is able to meet its funding requirement.

Although the bank and other borrowings of the Group exceeds its cash and cash equivalents, taking into account the Group's current ratio of above 1.0, gearing ratio of below 20%, the expected receipt of net proceeds from the Rights Issue, and its ongoing monitoring of trade receivables and liquidity structure, the Directors consider that the Group maintains an adequate financial position to support its existing operations and planned business expansion.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company (the “**Unaudited Pro Forma Financial Information**”) has been prepared by the Directors in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants to illustrate the effect of the Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025, as if the Rights Issue had been completed on 31 December 2025.

The Unaudited Pro Forma Financial Information has been prepared by the Directors for illustrative purpose only, based on the judgements, estimates and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the adjusted consolidated net tangible assets of the Group attributable to owners of the Company had the Rights Issue been completed as at 31 December 2025.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited condensed consolidated statement of financial position of the Group as at 31 December 2025, as extracted from the 2026 Interim Report, after incorporating the unaudited pro forma adjustment described in the accompanying notes.

	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025	Estimated net proceeds from the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Rights Issue	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company per share as at 31 December 2025	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share immediately after the completion of the Rights Issue
	HK\$'000 (Note 1)	HK\$'000 (Note 2)	HK\$'000	HK\$ (Note 3)	HK\$ (Note 4)
Based on 295,579,750 Rights Shares to be issued at the Subscription Price of HK\$0.10 per Rights Share	56,622	28,080	84,702	0.10	0.10

Notes:

1. The unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025 of approximately HK\$56,622,000 were extracted from the unaudited condensed consolidated statement of financial position of the Group as at 31 December 2025 set out in the 2026 Interim Report.
2. The estimated net proceeds from the Rights Issue of approximately HK\$28,080,000 is calculated based on 295,579,750 Rights Shares to be issued at the Subscription Price of HK\$0.10 per Rights Share, after deduction of the estimated related expenses of approximately HK\$1,478,000, which is directly attributable to the Rights Issue.
3. The unaudited consolidated net tangible assets of the Group attributable to owners of the Company per share as at 31 December 2025 is approximately HK\$0.10, which is calculated based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025 of approximately HK\$56,622,000 divided by 591,159,500 shares of the Company in issue as at 31 December 2025.
4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share immediately after the completion of the Rights Issue is approximately HK\$0.10, which is calculated based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Rights Issue of approximately HK\$84,702,000 divided by 886,739,250 shares of the Company, which comprises (i) 591,159,500 shares of the Company in issue as at 31 December 2025; and (ii) 295,579,750 Rights Shares to be issued.
5. No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company to reflect any trading results or other transactions of the Company entered into subsequent to 31 December 2025.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of the independent reporting accountants' assurance report received from Jon Gepsom CPA Limited, Certified Public Accountants, the reporting accountants of the Company, in respect of the Unaudited Pro Forma Financial Information, prepared for the purpose of inclusion in this Prospectus.

**Jon Gepsom CPA Limited**

**1003-1005, 10/F., Siu On Centre
188 Lockhart Road, Wan Chai, Hong Kong**

23 March 2026

Board of Directors
Pacific Legend Group Limited
6/F., Horizon Plaza
2 Lee Wing Street
Ap Lei Chau
Hong Kong

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Pacific Legend Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages II-1 to II-2 to the prospectus dated 23 March 2026 issued by the Company (the “**Prospectus**”). The applicable criteria on the basis of which the directors of the Company have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 and II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the directors of the Company to illustrate the impact of the rights issue on the basis of one rights share for every two shares of the Company held on the record date at a subscription price of HK\$0.10 per rights share (the “**Rights Issue**”) as if the Rights Issue had been taken place on 31 December 2025. As part of this process, information about the consolidated net tangible assets of the Group attributable to owners of the Company has been extracted by the directors of the Company from the Group’s unaudited condensed consolidated financial statements for the six months ended 31 December 2025, on which no audit or review report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors of the Company are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirement of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the Rights Issue on unadjusted financial information of the Group as if the Rights Issue had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Rights Issue at 31 December 2025 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors of the Company in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustment gives appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma 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:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

Yours faithfully,

Jon Gepsom CPA Limited
Certified Public Accountants

Hong Kong

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately after the completion of the Rights Issue (assuming full acceptance of the Rights Issue and there is no change to the total issued Shares of the Company from the Latest Practicable Date up to the completion of the Rights Issue) are set out as follows:

(i) As at the Latest Practicable Date

HK\$

Authorised:

<u>1,000,000,000</u> Shares of HK\$0.1 each	<u>100,000,000</u>
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Issued and paid-up share capital:

<u>591,159,500</u> Shares of HK\$0.1 each	<u>59,115,950</u>
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(ii) Immediately after the completion of the Rights Issue (assuming full acceptance of the Rights Issue and there is no change to the total issued Shares of the Company from the Latest Practicable Date up to the completion of the Rights Issue)

Authorised:

<u>1,000,000,000</u> Shares of HK\$0.1 each	<u>100,000,000</u>
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Issued and paid-up share capital:

591,159,500 Shares of HK\$0.1 each	59,115,950
295,579,750 Rights Shares to be allotted and issued upon completion of the Rights Issue	29,557,975
<u>886,739,250</u> Shares in issue immediately after completion of the Rights Issue	<u>88,673,925</u>

As at the Latest Practicable Date, the number of issued Shares was 591,159,500 Shares of par value of HK\$0.1 each which have been fully paid, with no treasury Shares.

All of the Shares in issue are fully-paid and rank *pari passu* with each other in all respects including the rights as to voting, dividends and return of capital. The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company after the date of allotment and issue of the Rights Shares.

The Company has applied to the GEM Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. SHARE OPTION SCHEMES

As at the Latest Practicable Date, there are 8,900,000 outstanding share options for subscription of an aggregate amount of 8,900,000 Shares under the Share Option Scheme, which are exercisable during 13 June 2026 to 12 June 2027 with an exercise price of HK\$0.166 per Share. Save for the aforesaid, the Company does not have any options outstanding under any share option scheme of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares as at the Latest Practicable Date.

As at the Latest Practicable Date, no capital of any member of the Group was under option or agreed conditionally or unconditionally to be put under option.

4. DISCLOSURE OF INTERESTS

Directors' and chief executive's interests and short positions in Shares, underlying shares and debentures

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long Positions in Shares

(a) Interest in the Shares

Name of Directors and chief executives	Capacity/ Nature of Interest	Number of issued Shares held	Number of share options granted ⁽³⁾	Total	Approximate
					percentage of the issued Share capital of the Company ⁽¹⁾
Ms. Wong	Interest in controlled corporation ⁽²⁾	38,105,500 (L)	410,000 (L)	38,515,500 (L)	6.52%
Mr. Law Sai Kit	Beneficial interests	—	410,000 (L)	410,000 (L)	0.07%
Mr. Lam Chun Hin	Beneficial interests	—	410,000 (L)	410,000 (L)	0.07%
Mr. Wong Sui Chi	Beneficial interests	—	410,000 (L)	410,000 (L)	0.07%
Mr. So Alan Wai Shing	Beneficial interests	—	410,000 (L)	410,000 (L)	0.07%
Mr. Lee Kwong Ming	Beneficial interests	—	410,000 (L)	410,000 (L)	0.07%
Mr. Chan Kin Sun	Beneficial interests	—	410,000 (L)	410,000 (L)	0.07%

Notes:

(L) denotes long positions.

- Calculation is based on a total of 591,159,500 Shares, being the total number of shares issued as at the Latest Practicable Date.
- Century Great is 100% owned by Ms. Wong and is deemed to be interested in all the Shares owned by Century Great.
- Share options were granted by the Company pursuant to the Share Option Scheme.

(b) Interest in the shares of an associated corporation

Name of Directors and chief executives	Name of associated corporation	Capacity/ Nature of Interest	Number of share of US\$1.00 each in our associated corporation held	Approximate percentage of shareholding in our associated corporation
Ms. Wong	Century Great	Beneficial interest	1	100%

Save as disclosed above, as at the Latest Practicable Date, no other Directors or chief executive of the Company had any interest or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

Substantial shareholders' interest in Shares and underlying shares

As at the Latest Practicable Date, so far as was known to the Directors, the following persons, other than the Directors or chief executives of the Company, had interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company under section 336 of the SFO, or who were, directly or indirectly, interested in 5% 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 the Group, or were required giving notice pursuant to sections 324 and 347 of Part XV of the SFO:

Name of Shareholders	Capacity/ Nature of Interest	Number of issued Shares held	Number of share options granted ⁽³⁾	Total	Approximate percentage of the issued Share capital of the Company ⁽¹⁾
Century Great ⁽²⁾	Beneficial interest	38,105,500 (L)	410,000 (L)	38,515,500 (L)	6.52%
Zheng Jing	Beneficial interest	66,800,000 (L)	—	66,800,000 (L)	11.30%

Notes:

(L) denotes long positions.

1. Calculation is based on a total of 591,159,500 Shares, being the total number of shares issued as at the Latest Practicable Date.
2. Century Great is 100% owned by Ms. Wong and is deemed to be interested in all the Shares owned by Century Great.
3. Share options were granted by the Company pursuant to the Share Option Scheme.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no person (other than a Director or chief executive of the Company) had, or was taken or deemed to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% 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 the Group, or was required giving notice pursuant to sections 324 and 347 of Part XV of the SFO.

5. DIRECTORS' INTERESTS IN COMPETING INTERESTS

As at the Latest Practicable Date, the Directors were not aware that any of them or his/her/its respective close associates had interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group or have or may have any other conflict of interest with the Group which would fall to be disclosable under the GEM Listing Rules.

6. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS AND OTHER INTERESTS

As at the Latest Practicable Date, none of the Directors had any interest in any assets which have been, since 30 June 2025 (being the date up to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, save for the Irrevocable Undertaking, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting and significant in relation to the business of the Group.

7. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

8. LITIGATION

On 14 February 2025, the High Court of Hong Kong rendered a final judgment against the Company and its subsidiary, regarding the outstanding rental payments and related charges and interest in the aggregate amount of approximately HK\$900,000 to be paid to the landlord in relation to the lease of the property located at Shop No. 312, Level 3, The Arcade, Cyberport 2, No. 100 Cyberport Road, Pokfulam, Hong Kong. As at the Latest Practicable Date, the parties were in negotiations in view of reaching a settlement agreement regarding the amount.

On 24 February 2025, the High Court of Hong Kong rendered a final judgment against the subsidiary of the Company, regarding the outstanding rental payments and related charges and interest in the aggregate amount of approximately HK\$900,000 to be paid to the landlord in relation to the lease of the property located at Units 1202–1204, Level 12, Cyberport 2, 100 Cyberport Road, Pokfulam, Hong Kong. As at the Latest Practicable Date, the parties were in negotiations in view of reaching a settlement agreement regarding the amount.

Save as disclosed above, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries was involved in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

9. EXPERT AND CONSENT

The following sets out the qualifications of the expert who have given opinions, letters or advices included in this Prospectus:

Name	Qualification
Jon Gepsom CPA Limited	Certified Public Accountants

As at the Latest Practicable Date, the above expert has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letters or reports and/or the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above expert did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 30 June 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

10. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) had been entered into by members of the Group within the two years immediately preceding the date of this Prospectus and which are or may be material to the Group:

- (i) the placing agreement dated 8 August 2024 entered into between the Company as issuer and Constance Capital Limited as placing agent in relation to the placing of up to 42,700,000 placing shares on a best effort basis to not less than six places at the placing price of HK\$0.165 per placing share;
- (ii) the sale and purchase agreement dated 23 September 2024 entered into between Ms. Yan Kam Ying as vendor and JF (Greater Bay) Group Company Limited as purchaser, pursuant to which the purchaser has conditionally agreed to acquire, and the vendor has agreed to sell, 40% shareholding interest in Hong Kong Taichen Ecology Agricultural Development Company Limited at the consideration of HK\$4.5 million;
- (iii) the instruments of transfer dated 21 January 2025 entered into between Miracle Ace International Limited, a wholly-owned subsidiary of the Company, as vendor and Mr. Cheung Chi Keung as purchaser, pursuant to which the vendor agreed to sell and the purchaser agreed to purchase, the entire issued share capital of each of Shine Key Inc Limited and Mega Champion Inc Limited at the consideration of HK\$2.0 million;
- (iv) the placing agreement dated 19 March 2025 entered into between the Company as issuer and Constance Capital Limited as placing agent in relation to the placing of unsubscribed rights shares of the rights issue on the basis of one (1) rights share for every two (2) shares in issue, on a best effort basis at the placing price of not less than HK\$0.1 per placing share;
- (v) the supplemental deed dated 30 April 2025 entered into between a subsidiary of the Company and MPJS Group Limited, to amend and modify certain terms of the subscription agreement dated 9 October 2023, pursuant to which both parties agreed to (i) extend the put option granted to the subsidiary of the Company and (ii) impose a six months lock-up arrangement in the event that the MPJS Group Limited successfully completes its proposed listing;
- (vi) the subscription agreement dated 14 November 2025 entered into between the Company as issuer and Ms. Zheng Jing as subscriber in relation to the subscription of 65,000,000 subscription shares at the subscription price of HK\$0.17 per subscription share;
- (vii) the subscription agreement dated 18 November 2025 entered into between the Company as issuer and Ms. Lam Chau Ha as subscriber in relation to the subscription of 17,100,000 subscription shares at the subscription price of HK\$0.17 per subscription share;

(viii) the placing agreement dated 10 December 2025 entered into between the Company as issuer and Constance Capital Limited as placing agent in relation to the placing of up to 98,527,900 placing shares on a best effort basis to not less than six places at the placing price of HK\$0.118 per placing share; and

(ix) the Placing Agreement.

11. CORPORATE INFORMATION AND PARTIES TO THE RIGHTS ISSUE

Board of Directors	<p><i>Executive Directors</i></p> <p>Ms. Wong Wing Man (<i>Chairperson</i>) Mr. Wong Sui Chi Mr. Law Sai Kit Mr. Lam Chun Hin</p> <p><i>Independent non-executive Directors</i></p> <p>Mr. So Alan Wai Shing Mr. Lee Kwong Ming Mr. Chan Kin Sun</p>
Registered office	Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands
Principal place of business in Hong Kong	6/F, Horizon Plaza, 2 Lee Wing Street Ap Lei Chau, Hong Kong
Company secretary	Mr. Wong Sui Chi 6/F, Horizon Plaza, 2 Lee Wing Street Ap Lei Chau, Hong Kong
Authorised representatives	Ms. Wong Wing Man and Mr. Wong Sui Chi 6/F, Horizon Plaza, 2 Lee Wing Street Ap Lei Chau, Hong Kong
Auditor	Jon Gepsom CPA Limited <i>Certified Public Accountants</i> 1003–1005, 10/F., Siu On Centre 188 Lockhart Road Wan Chai Hong Kong
Principal banker	The Hongkong and Shanghai Banking Corporation Limited Level 3 & BL 1, HSBC Main Building 1 Queen's Road Central Central, Hong Kong

	Fubon Bank (Hong Kong) Limited Fubon Bank Building 38 Des Voeux Road Central, Hong Kong
Principal share registrar and transfer office in the Cayman Islands	Conyers Trust Company (Cayman) Limited Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands
Hong Kong branch share registrar and transfer office	Union Registrars Limited Suites 3301-04, 33/F. Two Chinachem Exchange Square 338 King's Road North Point Hong Kong
Financial adviser	Rainbow Capital (HK) Limited Office No. 710, 7/F Wing On House No. 71 Des Voeux Road Central Hong Kong
Placing Agent	Constance Capital Limited Unit B11 27/F NCB Innovation Centre No. 888 Lai Chi Kok Road Cheung Sha Wan, Kowloon Hong Kong

12. EXPENSES

The expenses in connection with the Rights Issue, including but not limited to the financial advisory fees, printing, registration, translation, legal and accounting fees are estimated to be approximately HK\$1.5 million, which are payable by the Company.

13. PARTICULARS OF DIRECTORS OF THE COMPANY

Executive Directors

Ms. Wong Wing Man, aged 48, was appointed as an executive Director with effect from 15 March 2023 and was appointed as the chairperson of the Board and one of the authorised representatives of the Company on 28 June 2024. She is also a member of our Remuneration Committee and Nomination Committee. She is currently a director and sole owner of Century Great, an investment holding company that holds 38,105,500 Shares, representing approximately 6.45% of the issued share capital of the Company as at the Latest Practicable Date. Ms. Wong has more than 13 years of experience in customer relationship management, marketing, human resources management and administration. Ms. Wong holds a Master of business administration degree from Hong Kong Baptist University, a Postgraduate Diploma in Professional Accounting from Hong Kong Baptist University, and a Bachelor of Business Administrative Management from University of South Australia.

Mr. Wong Sui Chi, aged 58, has been an independent non-executive Director since 18 September 2023 and was redesignated as executive Directors since 3 June 2024. Mr. Wong is also the Company's Company Secretary and one of the authorised representative of the Company since 20 November 2024. He was an independent non-executive Director from 18 September 2023 to 2 June 2024. Mr. Wong has over 30 years of extensive experience in finance and accounting, including but not limited to, financial management, corporate management and auditing. He has been serving in international accounting firms, manufacturing and retailing companies, listed property development company, securities and futures brokerage company. He is serving as an independent non-executive director of Hong Kong Entertainment International Holdings Limited (a company listed on the Stock Exchange (stock code: 8291) since February 2017. He was serving as an independent non-executive director of New Amante Group Limited (formerly known as BCI Group Holdings Limited) (a company listed on the Stock Exchange (stock code: 8412)) from March 2017 to February 2021. Mr. Wong was an independent non-executive director of Net-A-Go Technology Company Limited (a company listed on the Stock Exchange (stock code: 1483)) from November 2013 to October 2016. He was also an independent non-executive director of Legend Strategy International Holdings Group Company Limited (a company listed on the Stock Exchange (stock code: 1355)) from December 2012 to July 2015.

Mr. Wong received a Bachelor degree in accountancy from the City Polytechnic of Hong Kong (currently known as City University of Hong Kong) in November 1991, a master degree of science in financial management from the University of London in December 2003 and a certificate in taxation and accounting in the PRC from The Hong Kong Polytechnic University in August 2004. Mr. Wong is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Institute of Chartered Accountants in England and Wales.

Mr. Law Sai Kit, aged 52, has been an executive Director since 3 June 2024. Mr. Law has over 30 years of experience in the transportation and logistics industry. From 1992 to present, he worked as a transport logistics manager at an international logistics company where he is mainly responsible for coordinating and managing the company's transportation department and to develop and implement shipping strategies. Since May 2024, he has been appointed director of Indigo Living Limited, a subsidiary of the Company. Mr. Law is the brother-in-law of Ms. Wong Wing Man, an executive Director who holds 38,105,500 Shares, representing approximately 6.45% of the issued share capital of the Company through Century Great as at the Latest Practicable Date.

Mr. Lam Chun Hin, aged 29, has been an executive Director since 3 June 2024. Mr. Lam received a bachelor degree in economics and business administration from the Northeastern University, Boston, United States of America in August 2019 and a master degree in finance from King's College London, United Kingdom in December 2022. He is currently a sole director and sole owner of Prime Provisions Limited, a trading company incorporated in Hong Kong. Since June 2024, he joined the Group as finance manager of the subsidiary of the Company.

Independent non-executive Directors

Mr. So Alan Wai Shing, aged 58, has been an independent non-executive Director since 23 February 2021. He is also the chairman of the audit committee and a member of each of the remuneration committee and the nomination committee of the Company. He is currently the sole proprietor of Alan So & Co., Certified Public Accountants. He has more than 26 years of experience in audit and accounting field and is currently a registered practicing member of the Hong Kong Institute of Certified Public Accountants. From May 2012 to February 2014, he was the chief financial officer and company secretary of Huazhang Technology Holding Limited (a company then listed on the GEM with stock code 8276, now listed on the Main Board of the Stock Exchange with stock code 1673). From August 2016 to October 2019, he was the chief financial officer of Royale Furniture Holdings Limited (a company listed on the Main Board of the Stock Exchange with stock code 1198). Mr. So holds a bachelor's degree in business majoring in accounting from Edith Cowan University and a master's degree in business administration from The Open University of Hong Kong.

Mr. Lee Kwong Ming, aged 54, has been an independent non-executive Director since 22 April 2021. He is also the chairman of the nomination committee and a member of each of the audit committee and remuneration committee of the Company. He is a fellow member and a practising certificate holder of Hong Kong Institute of Certified Public Accountants. He is also a fellow member of the Association of International Accountants. He was serving as an independent non-executive director of Flydoo Technology Holding Limited (formerly known as WWPKG Holdings Company Limited) (Stock Code: 08069, a company listed on GEM) from 4 July 2022 to 20 March 2024. He is currently full-time practising on his own name and has more than 28 years of experience in audit, tax and company secretarial services.

Mr. Chan Kin Sun, aged 55, has been an independent non-executive Director since 1 December 2023. He is also the chairman of the remuneration committee and a member of each of the audit committee and the nomination committee of the Company. Mr. Chan obtained his Master of Science in Manufacturing Systems Engineering from the University of Warwick, United Kingdom, in 2001. He was awarded the Executive Diploma in Six Sigma Black Belt in 2009. He has been working as the Honorary Advisor in Global Institute of Management since 2012 which is a non-profit making organization promoting academic and professional knowledge of management personnel and contributing to the tertiary education, research and professional training in Hong Kong and the PRC. Mr. Chan has over 21 years of experience in manufacturing engineering, quality control, research and development and procurement in consumer electronics products sector.

Business address of the Directors

The business address of the Directors is the same as the Company's principal place of business in Hong Kong at 6/F, Horizon Plaza, 2 Lee Wing Street, Ap Lei Chau, Hong Kong.

14. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee of the Board comprises all the independent non-executive Directors, namely Mr. So Alan Wai Shing, Mr. Lee Kwong Ming and Mr. Chan Kin Sun. The primary duties of the audit committee include the review of the Group's financial reporting process and the internal control systems as well as risk management of the Group.

15. MISCELLANEOUS

- (i) The company secretary of the Company is Mr. Wong Sui Chi, who joined the Company in June 2024. He received a Bachelor degree in accountancy from the City Polytechnic of Hong Kong (currently known as City University of Hong Kong) in November 1991, a master degree of science in financial management from the University of London in December 2003 and a certificate in taxation and accounting in the PRC from The Hong Kong Polytechnic University in August 2004. Mr. Wong is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Institute of Chartered Accountants in England and Wales.
- (ii) As at the Latest Practicable Date, there was no restriction affecting the remittance of profits or repatriation of capital of the Company into Hong Kong from outside Hong Kong. The Board confirms that the Group will have sufficient foreign exchange to meet its foreign exchange liabilities as they become due, by using the existing cash and cash equivalents and the cash flow generated from ordinary business operation.

- (iii) The Board confirms that to the best of their knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his Shares to a third party, either generally or on a case-by-case basis.
- (iv) The English text of this Prospectus shall prevail over the respective Chinese text in case of inconsistency.

16. DOCUMENTS ON DISPLAY

Copies of the following documents are available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.pacificlegendgroup.com) for at least 14 days from the date of this Prospectus:

- (i) the independent reporting accountants' assurance report on the compilation of unaudited pro forma financial information of the Group set out in Appendix II to this Prospectus;
- (ii) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;
- (iii) As at the Latest Practicable Date, there was no material contract for the hire or hire purchase of plant to or by any member of the Group for a period of over a year which is substantial in relation to the Group's business; and
- (iv) the written consent of the expert referred to in the paragraph headed "Expert and consent" in this appendix.

17. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to the paragraph headed "Expert and Consent" in this appendix, have been registered by the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.