
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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in AMCO United Holding 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 transferee(s). The Prospectus Documents should not, however, be distributed, forwarded or transmitted to, into or from any jurisdiction where to do so might constitute a violation of the relevant local securities laws or regulations.

A copy of each of the Prospectus Documents, together with the other document(s) specified in the paragraph headed "16. Documents delivered to the Registrar of Companies" 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 as to the contents of any of the Prospectus Documents or any other document(s) referred to above.

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both 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 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 and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited 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.



RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE

Placing Agent to the Company

Suncorp
Securities Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in this Prospectus.

The latest time for acceptance and payment for the Rights Shares is 4:00 p.m. on Monday, 16 January 2023. The procedures for acceptance and transfer of the Rights Shares are set out in the section headed "Procedures for acceptance, splitting of PAL and payment or transfer" in the "Letter from the Board" of this Prospectus.

It should be noted that the Shares have been dealt in on an ex-rights basis from Monday, 5 December 2022. Dealings in the Rights Shares in their nil-paid form will take place from Wednesday, 4 January 2023 to Wednesday, 11 January 2023 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or waived (as applicable), the Rights Issue will not proceed. Any persons contemplating dealings in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled or waived (as applicable), and/or dealings in the nil-paid Rights Shares, are accordingly subject to the risk that the Rights Issue may not become unconditional or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares and is subject to the fulfilment of conditions. Please refer to the section headed "Conditions of the Rights Issue" in this Prospectus. Shareholders and potential investors of the Company should note that: (a) if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed; and (b) 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 Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placées under the Compensatory Arrangements. Any Unsubscribed Rights Shares or ES Unsold Rights Shares remain 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. There are no applicable statutory requirements under the laws of Bermuda regarding minimum subscription levels in respect of the Rights Issue. Accordingly, the Rights Issue and the Placing 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.

* For identification purposes only

CONTENTS

	<i>Page</i>
EXPECTED TIMETABLE	ii
DEFINITIONS	1
LETTER FROM THE BOARD	6
APPENDIX I – FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP	II-1
APPENDIX III – GENERAL INFORMATION	III-1

EXPECTED TIMETABLE

The expected timetable in respect of the Rights Issue is set out below:

Events	2023
First day of dealings in Nil Paid Rights Shares	Wednesday, 4 January 2023
Latest time for splitting of the PAL	4:30 p.m. on Friday, 6 January
Last day of dealings in Nil Paid Rights Shares	Wednesday, 11 January
Latest time to lodge transfer documents of nil-paid Rights Shares in order to qualify for the payment of Net Gain	4:00 p.m. on Monday, 16 January
Latest time of acceptance of and payment for the Rights Shares	4:00 p.m. on Monday, 16 January
Announcement of the number of the Unsubscribed Rights Shares and ES Unsold Rights Shares subject to the Compensatory Arrangements	Thursday, 19 January
Commencement of placing of Unsubscribed Rights Shares and ES Unsold Rights Shares by the Placing Agent	Friday, 20 January
Latest time of placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares by the Placing Agent	6:00 p.m. on Friday, 27 January
Latest time for the Rights Issue and placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares to become unconditional	Monday, 30 January

EXPECTED TIMETABLE

Events**2023**

Announcement of the results of Rights Issue (including results of the placing of Unsubscribed Rights Shares and the ES Unsold Rights Shares and the amount of the Net Gain per Unsubscribed Rights Share and the ES Unsold Rights Shares under the Compensatory Arrangements) to be posted on the Stock Exchange's website and the Company's website	Tuesday, 31 January
Refund cheques, if any, to be despatched (if the Rights Issue does not proceed)	Wednesday, 1 February
Share certificates for fully-paid Rights Shares to be despatched	Wednesday, 1 February
Expected commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Thursday, 2 February
Payment of the Net Gain to relevant No Action Shareholders (if any) or Excluded Shareholders (if any)	Wednesday, 15 February

All times and dates in this Prospectus refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above or in other parts of this Prospectus are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

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 there is a tropical cyclone warning signal no. 8 or above, or a "black" rainstorm warning or "extreme conditions" caused by super typhoon issued by the Hong Kong Observatory:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Monday, 16 January 2023. Instead the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or

EXPECTED TIMETABLE

- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Monday, 16 January 2023. Instead the latest time for acceptance of and payment for the Rights Shares 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. An announcement will be made by the Company in such event as soon as practicable.

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following terms shall have the following meanings:

“Announcement”	the announcement of the Company dated 11 October 2022 in relation to, among other things, the Rights Issue
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and Sunday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or 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 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 general business
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular of the Company dated 10 November 2022 in relation to, among other things, the Rights Issue
“Companies (WUMP) Ordinance”	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	AMCO United Holding Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 630)
“Compensatory Arrangements”	placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by the Placing Agent on a best effort basis pursuant to the Placing Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

DEFINITIONS

“ES Unsold Rights Share(s)”	the Rights Share(s) which would otherwise has/have been provisionally allotted to the Excluded Shareholder(s) in nil-paid form that has/have not been sold by the Company
“Excluded Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary or expedient not to offer the Rights Shares 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
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong special Administrative Region of the People’s Republic of China
“Independent Shareholder(s)”	any Shareholder(s) who are not required to abstain from voting at the SGM under the Listing Rules
“Independent Third Party(ies)”	third party(ies) independent of the Company and any connected person(s) of the Company and not a connected person of the Company
“Intermediary”	in relation to a beneficial owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the beneficial owner’s broker, custodian, nominee or other relevant person who is a CCASS participant or who has deposited the beneficial owner’s shares with a CCASS participant
“Latest Practicable Date”	19 December 2022, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“Last Trading Day”	11 October 2022, being the last full trading day before the release of the Announcement
“Latest Time for Acceptance”	4:00 p.m. on Monday, 16 January 2023, being the latest time for acceptance of the offer of and payment for the Rights Shares

DEFINITIONS

“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nil Paid Rights”	rights to subscribe for Rights Shares before the Subscription Price is paid
“Net Gain”	any premiums paid by the Placees over the Subscription Price for the Unsubscribed Rights Shares and the ES Unsold Rights Shares placed by the Placing Agent under the Compensatory Arrangements
“No Action shareholder(s)”	Qualifying Shareholders or their renounees who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s), or such persons who hold any Nil Paid Rights at the time such Nil Paid Rights lapse
“Optionholder’s Undertaking(s)”	the undertaking(s) by the holders of the Share Options, whereby each of such Share Option holders irrevocably undertake, represent and warrant to the Company that he/she will not exercise such Share Options held by him/her for the period from the date of such undertaking to the Record Date
“Overseas Shareholder(s)”	the Shareholder(s) (whose names appears on the register of members of the Company at the close of business on the Record Date) with registered address(es) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placee(s)”	any individuals, corporate, institutional investor(s) or other investor(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agent(s), who and whose ultimate beneficial owners shall be Independent Third Party(ies), to subscribe for any of the Unsubscribed Rights Shares and the ES Unsold Rights Shares pursuant to the Placing Agreement

DEFINITIONS

“Placing Agent”	Suncorp Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activities under the SFO, being the placing agent appointed by the Company to place any Unsubscribed Rights Shares and the ES Unsold Rights Shares under the Compensatory Arrangements
“Placing Agreement”	conditional placing agreement dated 11 October 2022 entered into between the Company and the Placing Agent in relation to the placing of Unsubscribed Rights Shares and the ES Unsold Rights Shares to the Placee(s) on a best effort basis (as amended and supplemented by a supplemental placing agreement dated 3 November 2022 and a supplemental agreement dated 9 December 2022)
“Placing Arrangement”	the placing arrangement for the Unsubscribed Rights Shares and the ES Unsold Rights Shares as described in the section headed “The Placing Agreement” in this Prospectus
“Poll Results Announcement”	the announcement of the Company dated 1 December 2022 in relation to, among other things, the poll results of the SGM
“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 issued to the Shareholders containing, among other things, details of the Rights Issues
“Prospectus Documents”	the Prospectus and the PAL and any supplementary prospectus or supplementary provisional allotment letter (if required)
“Prospectus Posting Date”	Friday, 30 December 2022 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders
“Qualifying Shareholders”	Shareholders, other than the Excluded Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date

DEFINITIONS

“Record Date”	Tuesday, 13 December 2022 or such other date as may be determined by the Company, being the date by reference to which the Shareholders’ entitlements to the Rights Issue are to be determined
“Registrar”	Tricor Standard Limited
“Rights Issue”	the proposed issue of the Rights Shares by way of rights on the basis of one (1) Rights Share for every one (1) Share held by the Qualifying Shareholders on the Record Date at the Subscription Price pursuant to the Prospectus Documents
“Rights Share(s)”	up to 483,775,896 new Shares
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	an special general meeting of the Company held on 1 December 2022 at which the Rights Issue and the transactions contemplated thereunder were approved
“Share(s)”	the ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Share Options”	85,600,000 outstanding options granted under the Share Options Scheme
“Share Option Scheme”	the share option scheme of the Company adopted on 30 June 2015
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.1 per Rights Share under the Rights Issue
“Substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Unsubscribed Rights Shares”	the Rights Shares that are not subscribed by the Qualifying Shareholders
“%”	per cent.

LETTER FROM THE BOARD



Executive Directors:

Mr. ZHANG Hengxin (*Chairman*)
Mr. JIA Minghui

Independent non-executive Directors:

Mr. CHAN Tsz Keung
Mr. AU YEUNG Ming Yin Gordon
Mr. GUO Zhenhui

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal place of business:

Unit 1104, Crawford House
70 Queen's Road Central
Central
Hong Kong

30 December 2022

*To: the Qualifying Shareholders and,
for information purpose only, the Excluded Shareholders*

Dear Sir or Madam,

**RIGHTS ISSUE ON THE BASIS OF ONE
(1) RIGHTS SHARE FOR EVERY ONE
(1) SHARE HELD ON THE RECORD DATE**

INTRODUCTION

Reference is made to the Announcement, the Circular and the Poll Results Announcement, in relation to, among other matters, the Rights Issue.

On 11 October 2022, the Company proposes to raise up to approximately HK\$48.4 million before expenses by way of a rights issue of 483,775,896 Rights Shares at the Subscription Price of HK\$0.1 each and on the basis of one (1) Rights Share for every one (1) Share held by the Qualifying Shareholders on the Record Date (assuming no change in the issued share capital of the Company on or before the Record Date). The Rights Issue is not underwritten and will not be extended to the Excluded Shareholder(s) (if any).

* For identification purposes only

LETTER FROM THE BOARD

The purpose of this Prospectus is to provide you with, among others, further details on the Rights Issue, certain financial information and other general information on the Group.

PROPOSED RIGHTS ISSUE

The Company proposes to raise up to approximately HK\$48.4 million before expenses by way of a rights issue of 483,775,896 Rights Shares at the Subscription Price of HK\$0.1 each and on the basis of one (1) Rights Share for every one (1) Share held by the Qualifying Shareholders on the Record Date (assuming no change in the issued share capital of the Company on or before the Record Date).

Further details of the Rights Issue are set out below:

Issue statistics

Basis of Rights Issue:	One (1) Rights Share for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price:	HK\$0.1 per Rights Share
Number of Shares in issue as at the Latest Practicable Date:	483,775,896 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue:	Up to 483,775,896 Rights Shares
Aggregate nominal value of the Rights Shares:	Up to HK\$24,188,795
Number of Shares in issue immediately upon completion of the Rights Issue:	Up to 967,551,792 Shares
Maximum funds raised before expenses:	Up to approximately HK\$48.4 million (assuming all the Rights Shares will be taken up)

As at the Latest Practicable Date, there were 85,600,000 outstanding Share Options granted by the Company exercisable into 85,600,000 Shares. Save for the aforesaid, the Group had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares as at the Latest Practicable Date. The Company has no intention to issue or grant any Shares, convertible securities, warranties and/or options on or before the Record Date.

LETTER FROM THE BOARD

The 483,775,896 Rights Shares proposed to be issued pursuant to the terms of the Rights Issue represent: (i) 100% of the total number of issued Shares; and (ii) 50% of the total number of issued Shares as enlarged by the allotment and issue of the Rights Shares (assuming all the Rights Shares will be taken up).

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 Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placees under the Compensatory Arrangements. Any Unsubscribed Rights Shares or ES Unsold Rights Shares remain 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. There are no applicable statutory requirements under the laws of Bermuda regarding minimum subscription levels in respect of 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) may unwittingly incur an obligation to make a general offer for the Shares and Share Options under the Takeovers Code. 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 does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 7.19(5)(b) of the Listing Rules.

The Optionholder's Undertakings

As at the Latest Practicable Date, each of the holders of the Share Options (including Mr. Zhang Hengxin and Mr. Jia Minghui, the executive Directors, Mr. Au Yeung Ming Yin Gordon, the independent non-executive Director, and employees and consultants of the Company) has signed an Optionholder's Undertaking not to exercise the Share Options granted to him/her on or before the Record Date.

Save for the Optionholder's Undertakings, the Company has not received any information or irrevocable undertaking from any Substantial Shareholder of the Company of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue as at the Latest Practicable Date.

LETTER FROM THE BOARD

Subscription Price

The Subscription Price of HK\$0.1 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of 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 discount of approximately 1.96% to the closing price of HK\$0.102 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 16.7% to the closing price of HK\$0.12 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 16.7% to the average closing price of HK\$0.12 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 16.7% to the average closing price of approximately HK\$0.1201 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 9.1% to the theoretical ex-rights price of approximately HK\$0.11 per Share based on the closing price of HK\$0.120 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (vi) a discount of approximately 57.9% to the audited consolidated net asset value per Share of approximately HK\$0.2373 (based on the latest published audited consolidated net asset value of the Group of approximately HK\$114.8 million as disclosed in the annual report of the Company for the year ended 31 December 2021 and 483,775,896 Shares);
- (vii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 8.33% represented by the theoretical diluted price of approximately HK\$0.11 to the benchmarked price of approximately HK\$0.12 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.12 and the average closing price of HK\$0.12 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day).

LETTER FROM THE BOARD

The Subscription Price was determined with reference to, among other things, (i) the recent closing prices of the Shares since 10 June 2022 up to and including the Last Trading Date, the average of which was approximately HK\$0.092; (ii) the prevailing market conditions of the capital market in Hong Kong; and (iii) the amount of funds the Company intends to raise under the Rights Issue as discussed in the section headed “REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS”.

The Directors consider that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The net price per Rights Share is estimated to be approximately HK\$0.096, if fully subscribed.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every one (1) Share held by the Qualifying Shareholder as at the close of business on the Record Date.

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 remittance for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be an Excluded Shareholder on the Record Date.

Qualifying Shareholders who take up their pro-rata entitlement in full 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.**

Rights of Overseas Shareholders (if any)

As at the Record Date, there was no Shareholder with registered address (as shown on the register of members of the Company) which is outside Hong Kong.

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

LETTER FROM THE BOARD

Pursuant to Rule 13.36 of the Listing Rules, the Directors will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholder(s) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, after making such enquiries, the Directors are of the opinion that it would be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place to exclude such Overseas Shareholder(s) from the Rights Issue, no Rights Shares (whether in nil-paid or fully-paid form) will be offered to such Overseas Shareholder(s). In such circumstances, the Rights Issue will not be extended to the Excluded Shareholder(s). The basis for excluding the Excluded Shareholders, if any, from the Rights Issue will be set out in the Prospectus. The Company will send the Prospectus to the Excluded Shareholders (if any) for their information only but will not send any PAL to them. The Company will continue to ascertain whether there are any Overseas Shareholders at the Record Date and will make such further enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholder(s) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in their nil-paid form, to be sold in the market as soon as practicable after dealings in the nil-paid Rights Shares commence, and in any event before the last day for dealings in nil-paid Rights Shares if a premium (net of expenses) can be obtained. Proceeds of each sale, less expenses and stamp duty, of not less than HK\$100 will be paid pro-rata (rounded down to the nearest cent) to the relevant Excluded Shareholder(s) in Hong Kong dollars. In view of administrative costs, the Company will retain individual amounts of less than HK\$100 for its own benefit.

Any ES Unsold Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form, will be placed by the Placing Agent at the price at least equal to the Subscription Price under the Placing Arrangement together with the Unsubscribed Rights Shares. Any Unsubscribed Rights Shares and the ES Unsold Rights Shares remain not placed after completion of the Placing Arrangement will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. For the nil-paid Rights Shares that were sold as described above and the buyer of such nil-paid Rights Shares who will not take up the entitlement, such Unsubscribed Rights Shares will be subject to the Compensatory Arrangements.

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 securities of the Company.

The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Excluded Shareholders should exercise caution when dealing in the Shares.

LETTER FROM THE BOARD

Distribution of the Prospectus Documents

The Prospectus Documents are not intended to be, have not been and will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. The Company will only send this Prospectus accompanied by the other Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date. However, to the extent reasonably practicable and legally permitted, the Company will send this Prospectus, for information purposes only, to the Excluded Shareholders (if any). The Company will not send any PALs to the Excluded Shareholders (if any).

Distribution of this Prospectus and the other Prospectus Documents into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of the Prospectus Documents (including, without limitation, Shareholders and beneficial owners of the Shares, agents, custodians, nominees and trustees) should inform themselves of and observe any such restriction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. Any Shareholder or beneficial owner of the Shares who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay.

Receipt of this Prospectus and/or a PAL or the crediting of Nil Paid Rights to a stock account in CCASS does not and will not constitute an offer in any jurisdiction in which it would be illegal to make an offer and, in those circumstances, this Prospectus and/or a PAL must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, agents, custodians, nominees and trustees) who receive a copy of this Prospectus and/or a PAL or whose stock account in CCASS is credited with Nil Paid Rights should not, in connection with the Rights Issue, distribute or send the same in, into or from, or transfer the Nil Paid Rights to any person in, into or from, any such jurisdiction. If a PAL or a credit of Nil Paid Rights in CCASS is received by any person in any such territory, or by his/her/its agent or nominee, he/she/it should not seek to take up the rights referred to in the PAL or transfer the PAL or transfer the Nil Paid Rights in CCASS unless the Company determines that such action would not violate any applicable legal or regulatory requirements.

Any person (including, without limitation, agents, custodians, nominees and trustees) who does forward this Prospectus or a PAL in, into or from any such jurisdiction (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

No part of the Prospectus Documents should be published, reproduced, distributed or otherwise made available in whole or in part to any other person without the written consent of the Company.

LETTER FROM THE BOARD

Beneficial owners of the Shares who reside outside Hong Kong should note that 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 or fully-paid Rights Shares or to take up any entitlements to Nil Paid Rights or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.

It is the responsibility of the relevant beneficial owners and/or their respective agents, custodians, nominees or trustees wishing to make an application for the Rights Shares to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including obtaining any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects among themselves and with the Shares in issue at the time. 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. Dealings 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.

Fractional entitlements to the Rights Shares

On the basis of provisional allotment of one (1) Rights Share for every one (1) Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

Procedures for acceptance, splitting of PAL and payment or transfer

A PAL is enclosed with this Prospectus 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 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong, by not later than 4:00 p.m. on Monday, 16 January 2023 (or, under bad weather conditions, such later time and/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 cashier’s orders which must be issued by, a licensed bank in Hong Kong and made payable to “**AMCO UNITED HOLDING LIMITED**” and crossed “**ACCOUNT PAYEE ONLY**”. It should be noted that unless the PAL, together with the

LETTER FROM THE BOARD

appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Monday, 16 January 2023, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company 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 the relevant person(s) to complete the incomplete PAL at a later stage. Qualifying Shareholder(s) must pay the exact amount payable upon application for Rights Shares, and any underpaid application will be rejected.

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 entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Friday, 6 January 2023 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day following the surrender of the original PAL. This process is commonly referred to as “splitting” of nil-paid Rights Shares. It should be noted that Hong Kong ad valorem stamp duty is payable in connection with a transfer of rights to subscribe for the Rights Shares. 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 “Conditions of the Rights Issue” in this “Letter from the Board” of this Prospectus is not fulfilled on Monday, 30 January 2023 or such later date as may be considered by the Company, 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 before Wednesday, 1 February 2023.

Cheques and cashier orders

All cheques and cashier’s orders accompanying completed PALs will be presented for payment immediately upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier’s order in payment for the Rights Shares, whether by a Qualifying Shareholder or any nominated transferee, will constitute a warranty by the applicant that the cheque or the cashier’s order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque or cashier’s order is dishonoured on first presentation, and in

LETTER FROM THE BOARD

that event the relevant provisional allotment of Rights Shares and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. You must pay the exact amount payable upon application for Rights Shares, and any underpaid application will be rejected. In the event of an overpaid application, a refund cheque, without interest, will be made out to you only if the overpaid amount is HK\$100 or above. No receipt will be issued in respect of any PAL and/or relevant remittance 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 Shares 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 interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the “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 CCASS, the CCASS Operational Procedures and any other applicable requirements of CCASS.

Procedures in respect of Unsubscribed Rights Shares and the ES Unsold Rights Shares and the Compensatory Arrangements

The Company will make arrangements described in Rule 7.21(1)(b) of the Listing Rule to dispose of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by offering the Unsubscribed Rights Shares and the ES Unsold Rights Shares to independent Places for the benefit of 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.

The Company therefore appointed the Placing Agent to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares after the Latest Time for Acceptance of the Rights Shares to be allotted and issued under the Rights Issue to independent Places on a best effort basis. Any premium over the Subscription Price for those Rights Shares that is realised will be paid to the No Action Shareholders and Excluded Shareholders on a pro-rata basis. The Placing Agent will, on a best effort basis, procure, by not later than 6:00 p.m., on Friday, 27 January 2023, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the ES Unsold Rights Shares if a premium over the Subscription Price and the expenses of procuring such acquirers (including any related commissions and any other related expenses/fees) can be

LETTER FROM THE BOARD

obtained. Any Unsubscribed Rights Shares and the ES Unsold Rights Shares remain not placed after completion of the Placing Arrangement will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) on pro-rata basis (on the basis of all Unsubscribed Rights Shares and ES Unsold Rights Shares) to the No Action Shareholders and the Excluded Shareholders (but rounded down to the nearest cent) as set out below:

- (i) 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 (unless that person is covered by (iii) below);
- (ii) 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 (unless that person is covered by (iii) below);
- (iii) if the Rights Issue is extended to the Overseas Shareholders and where an entitlement to the Rights Shares was not taken up by such Overseas Shareholders, to that Overseas Shareholders.

It is proposed that Net Gain to any of the No Action Shareholder(s) mentioned in (i) to (iii) above of HK\$100 or more will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders and the Excluded Shareholders may or may not receive any Net Gain.

THE PLACING AGREEMENT

On 11 October 2022 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement (as amended and supplemented by a supplemental placing agreement dated 3 November 2022 and a supplemental agreement dated 9 December 2022), pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by itself or through its sub-placing agents) to procure independent Placees, on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares. Details of the Placing Arrangement are as follows:

- Date: 11 October 2022 (after trading hours)
- Parties: (i) the Company, as issuer; and
- (ii) the Placing Agent

LETTER FROM THE BOARD

Placing Agent:	<p>Suncorp Securities Limited, appointed as the Placing Agent to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares on a best effort basis.</p> <p>The Placing Agent confirmed that it is independent of and not connected with the Company and its connected person and not a connected person of the Company.</p>
Fees and expenses:	<p>2.5% of the amount which is equal to the placing price multiplied by the Unsubscribed Rights Shares and ES Unsold Rights Shares that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement and reimbursed for the expenses in relation to the placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares, which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion.</p>
Placing price of each of the Unsubscribed Rights Share and/or the ES Unsold Rights Share (as the case may be):	<p>The placing price of each of the Unsubscribed Rights Share and/or the ES Unsold Rights Share (as the case may be) shall be at least equal to the Subscription Price.</p> <p>The final price determination is depended on the demand and market conditions of the Unsubscribed Rights Shares and the ES Unsold Rights during the process of placement.</p>
Places:	<p>Any individuals, corporate, institutional investor(s) or other investor(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agents, who and whose ultimate beneficial owners shall be Independent Third Party(ies), to subscribe for any of the Unsubscribed Rights Shares and the ES Unsold Rights Shares pursuant to the Placing Agreement.</p>
Ranking of the Unsubscribed Rights Shares and the ES Unsold Rights Shares:	<p>The Unsubscribed Rights Shares and the ES Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank <i>pari passu</i> in all respects among themselves and with the Shares then in issue.</p>

LETTER FROM THE BOARD

Termination:

The Placing Arrangement shall end on 1 February 2023 or any other date by mutual written agreement between the Placing Agent and the Company.

The engagement of the Placing Agent may also be terminated by the Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill their respective duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.

If any of the following events occur at any time prior to 10:00 a.m. on the Placing completion date, the Placing Agent may rescind the Placing Agreement which shall thereupon cease to have effect and none of the parties hereto shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the Placing Agreement prior to such termination:

- (a) in the reasonable opinion of the Placing Agent there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or

LETTER FROM THE BOARD

- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (c) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises which would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (d) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

Conditions Precedent:

The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions (the “**Conditions**”) being fulfilled (or being waived by the Placing Agent in writing, if applicable):

- (i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares, including the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares;

LETTER FROM THE BOARD

- (ii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and
- (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof.

The Placing Agent may, in its absolute discretion, waive the fulfillment of all or any or any part of the Conditions (other than those set out in paragraph (i) above) by notice in writing to the Company.

Completion:

Placing completion shall take place within six Business Days after publication of the results of the Rights Issue and fulfillment or waiver (as the case may be) of the conditions precedent to the Placing Agreement or such other date as the Company and the Placing Agent may agree in writing.

The engagement between the Company and the Placing Agent for the placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares was determined after arm's length negotiations between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition. As part of our analysis to assess the fairness and reasonableness of the commission payables, the Company have reviewed the recent rights issue/placing exercises initially announced by companies listed on the Stock Exchange during the period from 1 August 2022 to the date of the Announcement. To the best of our effort, we have identified a total of 25 transactions (the "**Comparables**").

LETTER FROM THE BOARD

Item no.	Name and stock code of the issuer	Date of initial announcement	Amount	Placing/underwriting commission
1	Oriental Payment Group Holdings Limited (8613.HK)	7 October 2022	HK\$24 million	2.5%
2	Farnova Group Holdings Limited (8153.HK)	7 October 2022	HK\$27.2 million	3.5%
3	CCIAM Future Energy Limited (145.HK)	29 September 2022	HK\$24.9 million	2.5%
4	Endurance RP Limited (575.HK)	26 September 2022	HK\$382.23 million	(i) A fixed fee of HK\$150,000 (or approximately US\$19,000) or (ii) 2% of the gross proceeds, whichever is higher, from the successful placement of Unsubscribed Rights Shares
5	Tasty Concepts Holding Limited (8096.HK)	23 September 2022	HK\$41.3 million	2.5%
6	WWPKG Holdings Company Limited (8069.HK)	23 September 2022	HK\$14.4 million	8%
7	Synertone Communication Corporation (1613.HK)	22 September 2022	HK\$12.3 million	2%
8	China Investment Fund Company Limited (612.HK)	21 September 2022	HK\$105 million	3%
9	GBA Holdings Limited (261.HK)	20 September 2022	HK\$19.1 million	2%
10	Wealth Glory Holdings Limited (8269.HK)	16 September 2022	HK\$14.4 million	2.5%
11	China Investment Development Limited (204.HK)	15 September 2022	HK\$37.9 million	1%
12	HG Semiconductor Limited (6908.HK)	13 September 2022	HK\$64 million	2.5%

LETTER FROM THE BOARD

Item no.	Name and stock code of the issuer	Date of initial announcement	Amount	Placing/underwriting commission
13	Jiyi Holdings Limited (1495.HK)	9 September 2022	HK\$36.2 million	1%
14	Smart City Development Holdings Limited (8268.HK)	9 September 2022	HK\$32 million	3.5%
15	New Sparkle Roll International Group Limited (970.HK)	9 September 2022	HK\$50.0 million	1.75%
16	China Demeter Financial Investments Limited (8120.HK)	9 September 2022	HK\$12.5 million	2%
17	CCIAM Future Energy Limited (145.HK)	5 September 2022	HK\$24.9 million	2.5%
18	Milan Station Holdings Limited (1150.HK)	5 September 2022	HK\$16.8 million	2.5%
19	Alco Holdings Limited (328.HK)	29 August 2022	HK\$7.2 million	3.5%
20	Huabang Technology Holdings Limited (3638.HK)	24 August 2022	HK\$21.9 million	1.5%
21	China Investment and Finance Group Limited (1226.HK)	19 August 2022	HK\$16.9 million	2.5%
22	Enterprise Development Holdings Limited (1808.HK)	10 August 2022	HK\$11.4 million	1.5%
23	Smart Globe Holdings Limited (1481.HK)	9 August 2022	HK\$131.0 million	(i) 1.5% of the amount equal to the Placing Price multiplied by the actual number of the Placing Shares successfully placed by such Placing Agent; and (ii) HK\$600,000 as placing commission
24	HG Semiconductor Limited (6908.HK)	5 August 2022	HK\$96.0 million	2.5%
25	Jiyi Holdings Limited (1495.HK)	3 August 2022	HK\$39.7 million	1.5%

We noted that the commission payables of the Comparables ranged from 1% to 8% with an average commission payable of approximately 2.47%. The Directors consider the terms of the Placing Arrangement for the Unsubscribed Rights Shares and the ES Unsold Rights Shares (including the commission payable) are on normal commercial terms.

Given that the Compensatory Arrangements would provide (i) a distribution channel of the Unsubscribed Rights Shares and the ES Unsold Rights Shares to the Company; and (ii) a compensatory mechanism for No Action Shareholders and the Excluded Shareholders, the Directors considers that the Compensatory Arrangements are fair and reasonable and would provide adequate safeguard to protect the interest of the Company's minority Shareholders.

LETTER FROM THE BOARD

Application for listing

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be in the board lots of 10,000 Rights Shares, which are registered in the register of members of the Company, will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy or any other applicable fees and charges in Hong Kong.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and 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 both 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 CCASS and CCASS 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.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy or any other applicable fees and charges in Hong Kong.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposals of, or dealings in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Excluded Shareholders (if any) as regards their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised that

LETTER FROM THE BOARD

none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue as set out below, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Wednesday, 1 February 2023.

Each allottee will receive one share certificate for all allotted Rights Shares. If the Rights Issue does not proceed, refund cheques will be despatched on Wednesday, 1 February 2023 by ordinary post, at the respective Shareholders' own risk, to their registered addresses.

Conditions of the Rights Issue

The Rights Issue is conditional upon:

- (i) the passing by the Shareholders or Independent Shareholders (as the case may be) at the SGM of the necessary resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;
- (ii) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, all the Rights Shares (in their nil-paid and fully-paid forms);
- (iii) the delivery to the Stock Exchange and the filing and registration with the Registrar of Companies in Hong Kong respectively one duly certified copy of each of the Prospectus and the PALs (and all other documents required to be attached thereto) in compliance with the Companies (WUMP) Ordinance and the Listing Rules by no later than the Prospectus Posting Date;
- (iv) the posting of the Prospectus Documents to Qualifying Shareholders and the posting of the Prospectus to the Excluded Shareholders, if any, for information purpose only by the Prospectus Posting Date; and
- (v) the Placing Agreement not being terminated.

The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions by the respective dates specified above. As at the Latest Practicable Date, condition (i) above has been satisfied.

LETTER FROM THE BOARD

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

Assuming there is no other change in the issued share capital of the Company before the completion of the Rights Issue, the expected gross proceeds, net proceeds and net price per Rights Share from the Rights Issue are set out below:

	<i>HK\$</i> (approximately)
Gross proceeds	48.4 million
Net Proceeds	46.5 million
Net price per Rights Share	0.096

The Group is principally engaged in (i) manufacture and sale of medical devices products; (ii) manufacture and sale of plastic moulding products; (iii) provision of construction services in building construction, building maintenance and improvement works, project management, renovation and decoration works; (iv) provision of money lending; and (v) investment in securities.

As set out in the annual report of the Company for the year ended 31 December 2021 (the “**Annual Report**”), the Group recorded a net loss of approximately HK\$18.1 million for the year ended 31 December 2021 as compared to a net loss of approximately HK\$35.0 million for the year ended 31 December 2020. As disclosed in the interim report for the six months ended 30 June 2022, the Group recorded a net cash outflow from operating activities of approximately HK\$18.2 million and a net decrease in cash and cash equivalents in the amount of approximately HK\$3.4 million for the six months ended 30 June 2022 as compared to the previous period. In September 2022, the Group received an early repayment request from a bond holder in relation to a bond with principal amount of HK\$30 million and bear 10.5% annual interest rate, which request the Company to repay the bond by 31 December 2022. After further negotiation with the bond holder, both parties agreed to repay by 31 January 2023. In light of the cash position and loss-making performance of the Group, the Company intends to raise funds through the Rights Issue to improve the financial condition of the Group and also reducing its gearing and interest burden.

It is estimated that the Company will raise up to approximately HK\$48.4 million from the Rights Issue and the relevant expenses would be approximately HK\$1.9 million, which includes placing commission and professional fees payable to legal advisors, financial printer and other parties involved in the Rights Issue. Accordingly, the Directors intended to utilize (i) approximately 71.4% or HK\$33.2 million of the net proceeds from the Rights Issue for the repayment of the bond payables; and (ii) approximately 28.6% or HK\$13.3 million of the net

LETTER FROM THE BOARD

proceeds from the Rights Issue for general working capitals of the Group of which (1) approximately HK\$1.8 million for the payment of bond interest for the next 12 months; (2) approximately HK\$5.3 million for the payment of salaries of the Group's employees for the next 12 months; (3) approximately HK\$6.2 million for the working capital for the existing business for the next 12 months.

Apart from the Rights Issue, the Directors have considered other debt or equity fundraising alternatives such as bank borrowings, placing or an open offer. The Directors note that bank borrowings, if available, carry additional interest costs and create pressure to the liquidity of the Company, and placing of new shares dilutes the interests of existing Shareholders without giving them the opportunity to take part in the exercise. As opposed to an open offer, the Rights Issue enables the Shareholders to sell the nil-paid rights in the market. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Group.

The Directors are of the view that the Rights Issue is in the best interests of the Company and the Shareholders as a whole, and that the Rights Issue is an appropriate fundraising method to strengthen the capital base of the Company, which in turn will support the Company's continuing development and business growth, while at the same time allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company. In addition, the Company had preliminarily consulted brokerage companies (including the Placing Agent) for underwriting the Rights Issue but has not received any favourable feedback due to the current capital market situation apart from the Placing Agent who expressed its interest in acting as a placing agent on best effort basis. The Company considers that the placing obligation of the Placing Agent are more or less similar to an underwriter of the Rights Issue (except that the Placing Agent is on best effort basis). As such, the Company subsequently decided to conduct the Rights Issue on non-underwritten basis and to adopt the Placing Arrangement simultaneously in order to ensure sufficient funds could be raised.

Having considered the other fund-raising alternatives, the costs and unfavourable feedback of underwriting services and the proposed terms of the Rights Issue and the Subscription Price, the Board considers that it is in the interests of the Company to proceed with the Rights Issue on a non-underwritten basis.

Based on the above, the Board considers that raising capital through the Rights Issue is fair and reasonable and in the interests of the Company and the Shareholders as a whole. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Excluded Shareholder(s) (if any) should note that their shareholdings will be diluted.**

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURES

Set out below is the shareholding structure of the Company, assuming there is no further issue or repurchase of Shares before completion of the Rights Issue other than the allotment and issue of the Rights Shares pursuant to the Rights Issue, (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders; (iii) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent; and (iv) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent:

Shareholders	As at the Latest Practicable Date		Immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders		Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent		Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Independent Placees	–	0.00	–	0.00	–	0.00	483,775,896	50.00
Gong Hongwei	25,286,000	5.23	50,572,000	5.23	25,286,000	5.23	25,286,000	2.61
Other public Shareholders	458,489,896	94.77	916,979,792	94.77	458,489,896	94.77	458,489,896	47.39
	<u>483,775,896</u>	<u>100.00</u>	<u>967,551,792</u>	<u>100.00</u>	<u>483,775,896</u>	<u>100.00</u>	<u>967,551,792</u>	<u>100.00</u>

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.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company had not conducted any equity fundraising activities in the 12 months immediately preceding the Latest Practicable Date.

LETTER FROM THE BOARD

POSSIBLE ADJUSTMENTS IN RELATION TO OTHER SECURITIES OF THE COMPANY

As at the Latest Practicable Date, there were 85,600,000 outstanding Share Options granted by the Company exercisable into 85,600,000 Shares. Save for the aforesaid, there are no other options, warrants or other convertible securities granted by the Company that are subsisting as at the Latest Practicable Date. Adjustments to the exercise prices and numbers of the Share Options will be required under the Share Option Scheme as a result of the Rights Issue. The auditor of the Company will be appointed to certify the necessary adjustments to the exercise prices and numbers of the Share Options. Further announcement relating to such adjustments will be made by the Company in this regard as and when appropriate.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions 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. Please refer to the section headed “Conditions of the Rights Issue” in this Prospectus. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.

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

Any dealings in the Shares from the Latest Practicable Date up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares and/or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Prospectus.

For and on behalf of the Board
AMCO United Holding Limited
Zhang Hengxin
Chairman and Managing Director

1. SUMMARY OF FINANCIAL INFORMATION

The audited financial information of the Company are disclosed in the annual reports of the Company for the years ended 31 December 2019 (page 89 to 199), 2020 (page 86 to 199) and 2021 (page 66 to 179), which are published on 23 April 2020, 30 April 2021 and 28 April 2022 respectively. The unaudited financial information of the Company are disclosed in the interim report of the Company for the six months ended 30 June 2022 (page 20 to 21), which is published on 16 September 2022. The above mentioned financial information is available on the website of the Company at www.amco-united.com and the website of the Stock Exchange at www.hkexnews.hk:

- (a) the annual report of the Company for the year ended 31 December 2019 in relation to the financial information of the Group for the same year (<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0423/2020042300464.pdf>);
- (b) the annual report of the Company for the year ended 31 December 2020 in relation to the financial information of the Group for the same year (<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0430/2021043001372.pdf>);
- (c) the annual report of the Company for the year ended 31 December 2021 in relation to the financial information of the Group for the same year (<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042803611.pdf>);
- (d) the interim report of the Company for the six months ended 30 June 2022 in relation to the financial information of the Group for the same period (<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0916/2022091600405.pdf>).

2. STATEMENT OF INDEBTEDNESS

Indebtedness

As at the close of business on 31 October 2022, being the latest practicable date for the purpose of this indebtedness statement the details of the Group's outstanding borrowings were set out as follows:

	<i>HK\$'000</i>
Bond payables (<i>note 1</i>)	60,000
Lease liabilities (<i>note 2</i>)	474

Note:

1. As at 31 October 2022, the Group holds a bond of principal amount of approximately HK\$60,000,000 which carries a fixed coupon interest rate ranged from 5% to 10.05% per annum. The bond is unsecured and will be matured after 3 to 8 years from drawdown date.
2. The Group's lease liabilities of approximately HK\$474,000.

Save as aforesaid or as other wise disclosed herein, and apart from intra-group liabilities, at the close of business on 31 October 2022, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL STATEMENT

The Directors, after due and careful consideration, are of the opinion that, after taking into account the estimated net proceeds from the Rights Issue, its presently available financial resources, including funds internally generated from operation and the available facilities, the Group will have sufficient working capital for its operation for at least the next twelve (12) months from the date of this Prospectus.

4. MATERIAL ADVERSE CHANGES

The Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 31 December 2021, being the date to which the latest published audited consolidated financial statements of the Group were made up, and up to and including the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in (i) sale of medical products; (ii) sale of plastic moulding products; (iii) provision of construction services in building construction, building maintenance and improvement works, project management, renovation and decoration works; (iv) provision of money lending; and (v) investment in securities.

Facing elevated challenges as we step into the year 2022 with the outbreak of COVID-19 and slow down of the economy as well as the highly volatile financial market in Hong Kong and globally, the Group will persist to build on its diversified business portfolio and focus its steps to formulate, evaluate and modify business strategies of our existing businesses in order to facilitate and motivate their business development and stabilise any downturn impact. To cope with the business development of the business segments, the Group will strive to deploy effective and sufficient capital and resources allocation in respect of the different business segments, and actively reallocate its assets, funding and labour force in response to the changing market and industry conditions and business results. The Group will conduct constant and dynamic performance appraisals and assessment to evaluate the ongoing business development. The Group will also concentrate on maintaining liquidity by effectively managing working capital and controlling costs, and leveraging operation efficiency by adhering to its lean organization structure, in light of any difficulties which may be encountered under the uncertainties in the economy and financial market.

Alongside with the continuing evolution and modification of business strategies to develop our existing businesses, the Group will continue to seek optimisation of its business portfolio by adjusting it to adapt to the changing business climate, trend and environment, and at the same time proactively exploring and exploiting every potentially profitable business and investment opportunity as well as new growth potentials, with the ultimate goal of developing its business to generate and maximise shareholders’ value and return and maintain sustainable growth and prosperity.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET
TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE
COMPANY

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2021 (the “**Unaudited Pro Forma Financial Information**”) which has been prepared by the directors of the Company in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) to illustrate the effects of the proposed rights issues on the basis of one rights share for every one existing share on the record date at HK\$0.1 per rights share (the “**Rights Issue**”) on the consolidated net tangible assets of the Group as if the Rights Issue had taken place on 31 December 2021.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Rights Issue.

The following Unaudited Pro Forma Financial Information is prepared based on the consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2021 as extracted from the published annual report of the Company for the year ended 31 December 2021, after incorporating the adjustments described in the accompanying notes.

Audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2021 <i>HK\$'000</i> <i>(Note 1)</i>	Add: Estimated net proceeds from the Rights Issue <i>HK\$'000</i> <i>(Note 2)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2021 upon completion of the Rights Issue <i>HK\$'000</i>
Based on 483,775,896 Rights Shares at subscription price of HK\$0.1 per Rights Share	<u>114,824</u>	<u>46,490</u>
	<u>161,314</u>	<u>161,314</u>

**Unaudited pro
forma adjusted
consolidated net
tangible assets of the
Group per share
attributable to
owners of the
Company as at
31 December 2021**

Unaudited pro forma adjusted consolidated net tangible
assets of the Group per share attributable to owners of the
Company as at 31 December 2021 before the completion of
the Rights Issue (*Note 3*)

HK\$0.237

Unaudited pro forma adjusted consolidated net tangible
assets of the Group per share attributed to owners of the
Company immediately after the completion of the Rights Issue
(*Note 4*)

HK\$0.167

Notes:

- (1) The audited consolidated net tangible assets attributable to owners of the Company as at 31 December 2021 has been extracted from the published annual report of the Company for the year ended 31 December 2021.
- (2) The estimated net proceeds from the Rights Issue is approximately HK\$46,490,000 are based on 483,775,896 Rights Shares to be issued at HK\$0.1 per rights share and after deducting estimated related expenses of approximately HK\$1,888,000.
- (3) The calculation of the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share before the completion of the Rights Issue are calculated based on 483,775,896 shares which were the share in issue as at 31 December 2021.

- (4) The calculation of 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 per share are calculated based on 967,551,792 shares, comprising 483,775,896 consolidated shares and 483,775,896 rights shares to be issued as described in note 2.
- (5) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per share as at 31 December 2021 immediately after the completion of the Rights Issue as if the Rights Issue had been completed on 31 December 2021, but does not take into account any shares which have been or may be issued upon the exercise of options granted under the share option scheme (if any) subsequent to 31 December 2021.
- (6) No adjustment has been made to reflect any trading results or other transactions of the Group subsequent to 31 December 2021.

Set out below is the text of a letter received from Elite Partners CPA Limited, the independent reporting accountant of the Company, to the Board of Directors in respect of the Rights Issue for the purpose of inclusion in this Prospectus.



The Directors,
AMCO United Holding Limited
Unit 1104, Crawford House
70 Queen's Road Central
Central
Hong Kong

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE
COMPILATION OF THE UNAUDITED PRO FORMA FINANCIAL INFORMATION**

TO THE DIRECTORS OF AMCO UNITED HOLDING LIMITED

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information (“**Unaudited Pro Forma Financial Information**”) of AMCO United Holding Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) 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 as at 31 December 2021 and related notes as set out in Appendix II to the Prospectus issued by the Company (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue on the basis of one rights share for every one existing share (the “**Rights Issue**”) held on the record date on the Group's financial position as at 31 December 2021 as if the Rights Issue had taken place as at 31 December 2021. As part of this process, information about the Group's financial position as at 31 December 2021 has been extracted by the Directors from the audited consolidated financial statements of the Group for the year ended 31 December 2021, on which annual report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**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 Control

We have complied with the independence and other ethical requirements 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.

The firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms That Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the 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 have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose 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 Unaudited Pro Forma Financial Information included in an investment circular is solely to illustrate the impact of a significant event or transaction on the unadjusted financial information of the Group as if the event had occurred or the transaction 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 events or transactions as at 31 December 2021 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 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 adjustments give 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 accountant's judgment, having regard to the reporting accountant's 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 on the basis stated;
- b) such basis is consistent with the accounting policies of the Group; and
- c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

Elite Partners CPA Limited

Certified Public Accountants

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 AND OPTIONS

(a) Share capital

Assuming there is no change in the issued share capital of the Company from the Latest Practicable Date to completion of the Rights Issue and full acceptance of the Rights Shares, the authorised and issued share capital of the Company as at the Latest Practicable Date were, and immediately following completion of the Rights Issue will be, as follows:

(I) As at the Latest Practicable Date

	Number of Shares '000	Nominal value of ordinary Shares HK\$'000
Authorised:		
Ordinary Shares of HK\$0.05 each	<u>8,000,000</u>	<u>400,000</u>
Issued and fully paid:		
Ordinary Shares of HK\$0.05 each	<u>483,776</u>	<u>24,189</u>

(II) Immediately following the completion of the Rights Issue (assuming no change in the number of issued Shares and full acceptance of Rights Shares by all Qualifying Shareholders or all Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent)

	Number of Shares '000	Nominal value of ordinary Shares HK\$'000
Authorised:		
Shares of HK\$0.05 each	<u>8,000,000</u>	<u>400,000</u>
Issued and fully paid:		
Shares of HK\$0.05 each	483,776	24,189
Rights Shares to be issued pursuant to the Rights Issue of HK\$0.05 each	<u>483,776</u>	<u>24,189</u>
Shares in issue immediately after completion of the Rights Issue	<u><u>967,552</u></u>	<u><u>48,378</u></u>

All the issued Shares rank *pari passu* with each other in all respects including the rights as to voting, dividends and return of capital. The Rights Shares to be allotted and issued will, when issued and fully paid, rank *pari passu* in all respects with the existing Shares in issue on the date of allotment of the Rights Shares in fully-paid form.

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

(b) Share Options

As at the Latest Practicable Date, there are outstanding Share Options for subscription of an aggregate of 85,600,000 Shares under the Share Option Scheme. The purpose of the Share Option Scheme is for the Group to attract, retain and motivate talented participants, to strive for future developments and expansion of the Group. The Share Option Scheme shall be an incentive to encourage the participants to perform their best in achieving the goals of the Group and allow the participants to enjoy the results of the Group attained through their efforts and contributions. Pursuant to the Share Option Scheme, the Directors may, as its discretion, offer share options to: (i) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, any subsidiary of the Company; (ii) any non-executive directors (including independent non-executive directors) of the Company or any subsidiary of the Company; (iii) any supplier of goods or services to any member of the Group; (iv) any customer of any member of the Group; (v) any person or entity that provides research, development or other technical support to any member of the Group; (vi) any shareholder of any member of the Group or any holder of any securities issued by any member of the Group; (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group; and (viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group; and, for the purposes of the Share Option Scheme, the offer may be made to any company wholly owned by one or more eligible participants. In determining the basis of eligibility of each participant, the Directors would take into account such factors as the Directors may at its discretion consider appropriate.

Details of the outstanding Share Options as at the Latest Practicable Date were as follows:

Category of participants	Date of grant	Number of Share Options outstanding as at the Latest Practicable Date	Exercisable period	Exercise price per share (HK\$)
Executive Directors				
Zhang Hengxin	4 May 2020	3,724,000	5 years	0.435
Jia Minghui	4 May 2020	3,724,000	5 years	0.435
Independent non-executive Directors				
Au Yeung Ming Yin Gordon	4 May 2020	3,724,000	5 years	0.435
Employees of the Company				
	4 May 2020	26,068,000	5 years	0.435
	21 April 2022	48,360,000	5 years	0.360

Save as disclosed above, as at the Latest Practicable Date, the Company did not have any other options, warrants or other convertible securities or rights affecting the Shares and no capital of any member of the Group is under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date.

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

3. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interests in the Company

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 or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”), are as follows:

Long position in the shares of the Company

Name of Director	Capacity/Nature of interest	Number of Shares held/interested in	Approximate percentage of shareholding
Mr. Zhang Hengxin	Beneficial owner	3,724,000 (Note 1)	0.77%
Mr. Jia Minghui	Beneficial owner	3,724,000 (Note 1)	0.77%
Mr. Au Yeung Ming Yin Gordon	Beneficial owner	3,724,000 (Note 1)	0.77%

Note:

1. Mr. Zhang Hengxin, Mr. Jia Minghui and Mr. Au Yeung Ming Yin Gordon were granted the options under the Share Option Scheme of the Company on 4 May 2020 at an exercise price of HK\$0.435 per Share with the exercisable period from 4 May 2020 to 3 May 2025 (both dates inclusive).

Save as disclosed above, none of the Directors and chief executive of the Company has any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Substantial shareholders' interests and short positions in the Shares and underlying Shares of the Company

As at the Latest Practicable Date, so far as known to any Director or chief executive of the Company, shareholders (other than a Director or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register that was required to be kept pursuant to Section 336 of Part XV of the SFO were as follows:

Long position in the shares of the Company

Name of Shareholder	Capacity/nature of interest	Number of Shares held/interested in	Approximate percentage of shareholding
Gong Hongwei	Beneficial owner	25,286,000	5.23%

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

4. DIRECTORS' INTERESTS IN CONTRACT AND ASSET

As at the Latest Practicable Date, none of the Directors, directly or indirectly, had any interest in any assets which had since 31 December 2021 (being the date to which the latest published audited financial statements of the Company were made up) been acquired or disposed of by or leased to the Group, or were proposed to be acquired or disposed of by or leased to the Group. As at the Latest Practicable Date, none of the Directors was materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which will not expire or be determinable by the Group within one year without payment of compensation, other than statutory compensation.

6. COMPETING INTEREST

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors or any of their respective associates had any interest in business which competes with or may compete with the business of the Group or had any other conflict which any person has or may have with the Group.

7. MATERIAL LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, claim or arbitration of material importance and there was no litigation, claim or arbitration of material importance known to the Directors to be pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

The following material contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years preceding the date of the Announcement and up to the Latest Practicable Date and are or may be material:

- (i) the Placing Agreement.

9. EXPERTS AND CONSENTS

The following are the qualification of the expert who has been named in this Prospectus or have given opinions, letters or advices contained in this Prospectus:

Name	Qualification
Elite Partners CPA Limited	Certified Public Accountant

As at the Latest Practicable Date, the above expert had no shareholding, directly or indirectly, in the Company or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Company.

As at the Latest Practicable Date, the above expert had no interest, direct or indirect, in the promotion of, or in any assets which since 31 December 2021, the date to which the latest published audited financial statements of the Company were made up, have been acquired or disposed of by or leased to, the Company, or are proposed to be acquired or disposed of by or leased to the Company.

As at the Latest Practicable Date, the above expert had given and had not withdrawn their written consent to the issue of this Prospectus, with the inclusion of the references to their name and/or their opinion or report in the form and context in which they are included.

10. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Executive Directors	Mr. Zhang Hengxin 1707, Building D Huaqiang Garden, 4 Fu Hong Lu, Futian District Shenzhen City Guangdong The People's Republic of China
	Mr. Jia Minghui 6/F., 454 Hennessy Road Causeway Bay, Hong Kong
Independent non-executive Directors	Mr. Chan Tsz Keung Flat C, 9/F. Chung Ching Building 48-52 Tai Po Road Sham Shua Po, Kowloon Hong Kong
	Mr. Au Yeung Ming Yin Gordon Room 4, 1/F., Oi Wai House Tsz Oi Court, Tsz Wan Shan Kowloon, Hong Kong
	Mr. Guo Zhenhui Room 11C, Block 17 Xing Chen Plaza West District Zhongshan City Guangdong Province The People's Republic of China

Authorised representatives	Mr. Zhang Hengxin Unit 1104, Crawford House 70 Queen's Road Central Central Hong Kong
	Ms. Chan Mei Wah Unit 1104, Crawford House 70 Queen's Road Central Central Hong Kong
Company secretary	Ms. Chan Mei Wah Unit 1104, Crawford House 70 Queen's Road Central Central Hong Kong
Registered office	Clarendon House 2 Church Street Hamilton HM11 Bermuda
Principal place of business in Hong Kong	Unit 1104, Crawford House 70 Queen's Road Central Central Hong Kong
Principal share registrar and transfer office in Bermuda	MUFG Fund Services (Bermuda) Limited 4th Floor North Cedar House 41 Cedar Avenue Hamilton HM12 Bermuda
Branch share registrar and transfer office in Hong Kong	Tricor Standard Limited 17/F Far East Finance Centre 16 Harcourt Road Hong Kong
Principal bankers	Fubon Bank (Hong Kong) Limited Bank of China (Hong Kong) Limited

Independent reporting accountant	Elite Partners CPA Limited <i>Certified Public Accountants</i> 10/F., 8 Observatory Road Tsim Sha Tsui Hong Kong
Stock code	630
Company's website	www.amco-united.com
Placing Agent to the Company	Suncorp Securities Limited Unit 2305, 23/F The Center 99 Queen's Road Central Hong Kong
Legal advisers to the Company as to Hong Kong laws	TANG TSO & LAU Solicitors Room 209, 2/F, China Insurance Group Building, 141 Des Voeux Road Central Hong Kong

11. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY**Executive Directors**

Mr. ZHANG Hengxin, aged 38, joined the Company as an Executive Director on 6 September 2016. He was appointed as the Chairman and Managing Director of the Company and the chairman of the nomination committee of the Company (“**Nomination Committee**”) on 31 January 2017 and a member of the remuneration committee of the Company (“**Remuneration Committee**”) on 1 January 2017. Mr. Zhang is also a director of certain subsidiaries of the Company. He obtained a Bachelor Degree in Human Resources Management from Huazhong Agricultural University in 2006 and Master Degree of Arts in Industrial Relations and Personnel Management from The University of Warwick, United Kingdom in 2007. Mr. Zhang has over 10 years of experience in human resources management in different industries.

Mr. JIA Minghui, aged 31, joined the Company as an Executive Director on 30 September 2016. He is the Vice President of Zhongminjinda Investment Management Limited and also the Vice President and Executive Director of Zhongminjinda International Investment Management Limited. He obtained a Master Degree of Development Economics from the School of Oriental and African Studies, University of London, United Kingdom in 2013. Mr. Jia has extensive experience in the international finance and project management. He had been working in the financial conglomerate in the People’s Republic of China and responsible for client’s project management, projects merger and acquisition activities.

Independent non-executive Directors

Mr. CHAN Tsz Keung, aged 32, joined the Company as an Independent Non-executive Director on 11 October 2017. He was appointed as the chairman of the Remuneration Committee and a member of each of the audit committee of the Company (“**Audit Committee**”) and Nomination Committee on 11 October 2017. He obtained his Bachelor of Arts in Economics from The University of Southern California in the United States in 2011. Mr. Chan had worked as an analyst in the loan administration department of corporate banking division of a French investment bank. He had also worked in a United States listed company and was a sales manager for the Asia Pacific region to handle clients’ listing projects. Mr. Chan has extensive experience in business development, sales and marketing and operation management.

Mr. AU YEUNG Ming Yin Gordon, aged 46, joined the Company as an Independent Non-executive Director on 15 March 2018. He was appointed as the chairman of the Audit Committee and a member of the Remuneration Committee on 15 March 2018. Mr. Au Yeung is the company secretary of China Finance Investment Holdings Limited (stock code: 875) since May 2019, the company secretary of Values Cultural Investment Limited (stock code: 1740) since June 2019. He is also the company secretary of Cocoon Holdings Limited (stock code: 428) since February 2019, and was the chief financial officer and company secretary of Huge China Holdings Limited (now known as Cocoon Holdings Limited) since May 2015 until August 2017. He was also the company secretary of On Real International Holdings Limited (stock code: 8245) since August 2017 until February 2019, and the company secretary of Success Dragon International Holdings Limited (stock code: 1182) since October 2017 until September 2019. Since May 2000, Mr. Au Yeung held management positions in an accounting team in ASR Logistics Holdings Limited (now known as Beijing Sports and Entertainment Industry Group Limited) (stock code: 1803) until January 2015. He has over 20 years of experience in the areas of accounting, taxation, finance and auditing.

Mr. Au Yeung is a member of the Hong Kong Institute of Certified Public Accountants. He obtained a degree in Bachelor of Business (Business Administration) from the RMIT University in Australia and a post-graduate diploma in Professional Accounting from the Hong Kong Baptist University.

Mr. GUO Zhenhui, aged 58, joined the Company as an Independent Non-executive Director on 15 March 2018. He was appointed as a member of each of the Audit Committee and Nomination Committee on 15 March 2018. Mr. Guo held managerial positions of companies incorporated in the People's Republic of China which engage in manufacturing electronic parts. He has over 35 years of experience in manufacturing and management.

Audit committee

The audit committee of the Company (the “**Audit Committee**”) consists of three independent non-executive Directors, namely Mr. Chan Tsz Keung, Mr. Au Yeung Ming Yin Gordon and Mr. Guo Zhenhui. Mr. Au Yeung Ming Yin Gordon is the chairman of the Audit Committee. The duties of the Audit Committee include, among others, (a) making recommendations to the Board on the appointment, re-appointment and removal of the external auditor and approving the remuneration and terms of engagement of the external auditor; (b) reviewing the Company's financial statements, the annual report and accounts, the half-year report and significant financial reporting judgments contained therein; and (c) reviewing the financial controls, internal control and risk management systems.

Company Secretary

Ms. Chan Mei Wah is an associate member of The Hong Kong Institute of Chartered Secretaries and has over 15 years of experience in company secretarial practice.

12. EXPENSES

The expenses in connection with the Rights Issue and the Placing Arrangement, including professional fees, printing, registration, translation, legal and accounting fees, are estimated to be approximately HK\$1.9 million in maximum, and are payable by the Company.

13. MISCELLANEOUS

- (i) The company secretary of the Company is Ms. Chan Mei Wah.
- (ii) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (iii) As at the Latest Practicable Date, the Company has no significant exposure to foreign exchange liabilities.
- (iv) As at the Latest Practicable Date, save as disclosed elsewhere in this Prospectus, 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.
- (v) The English text of the Prospectus Documents shall prevail over the respective Chinese text in the case of inconsistency.

14. LEGAL EFFECT

This Prospectus, the PAL and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong.

15. BINDING EFFECT

This Prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

16. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consent as referred to under the paragraph headed “9. Expert and Consent” in this appendix, have been registered by the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (WUMP) Ordinance.

17. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.amco-united.com>) for 14 days from the date of this Prospectus:

- (i) the annual reports of the Company for the three (3) years ended 31 December 2019, 2020 and 2021;
- (ii) the interim report of the Company for the six (6) months ended 30 June 2022;
- (iii) the letter from the Board, the text of which is set out on pages 6 to 28 of this Prospectus;
- (iv) the letter issued by the independent reporting accountant regarding the unaudited pro forma financial information of the Company as set out in appendix II of this Prospectus;
- (v) the written consents referred to in the paragraph headed “9. Experts and Consents” in this appendix;
- (vi) the material contracts referred to in the paragraph headed “8. Material contracts” in this appendix;
- (vii) the Optionholder’s Undertakings;
- (viii) the Circular; and
- (ix) the Prospectus Documents.