
CONTINUING CONNECTED TRANSACTIONS

OVERVIEW

Prior to the Listing Date, our Group has entered into certain transactions with parties who will, upon the Listing, become connected persons of our Company. Following completion of the Listing, there will be a continuing connected transaction of our Company under the Listing Rules. Details of such transaction are set out below.

As Mr. Ho Cheuk Fai is one of our Controlling Shareholders, his associates, including Karrie International and its subsidiaries, are connected persons of our Company. Accordingly, the transactions our Group has entered into or will enter into with the Remaining Group and/or companies controlled by Mr. Ho Cheuk Fai will constitute connected transactions of our Group.

FULLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

Following completion of the Spin-off, the following transaction will be regarded as continuing connected transactions fully exempt from the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Tenancy Agreement with Cui Feng Robotics

Castfast Industrial, a wholly owned subsidiary of our Group, has entered into a tenancy agreement dated 1 April 2022 (the “**Cui Feng Tenancy Agreement**”) with Guangdong Cui Feng Robotics Technology Co., Limited* (廣東翠峰機器人科技股份有限公司) (“**Cui Feng Robotics**”), pursuant to which Castfast Industrial leased to Cui Feng Robotics part of the land situate at 1-2/F of Phase Four Jiahui Plastic Hardware Factor, 67 Zhentiannan Road, Yantian Village, Fenggang Town, Dongguan City (東莞市鳳崗鎮雁田村鎮田南路67號嘉輝塑膠五金廠四期一、二樓廠房), with a gross floor area of approximately 1,867 sq.m.. The term of the Cui Feng Tenancy Agreement was one year commencing from 1 April 2022 and ending on 31 March 2023, at an aggregate annual rental of RMB246,444 (exclusive of fees such as government rates and foreign exchange deposit, and other tax and utilities outgoings which are payable by the tenant), which was determined after arm's length negotiations between the parties by making reference to the general range of market rental of comparably properties in similar location.

During the Track Record Period, Cui Feng Robotics previously rented the abovementioned premises from Castfast Industrial from 1 April 2019 to 31 March 2022. The historical rental paid by Cui Feng Robotics to Castfast Industrial was RMB246,444 for each of the year ended 31 March 2020, 2021 and 2022 and RMB123,222 for the six months ended 30 September 2022.

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Since Cui Feng Robotics is owned as to 30% by Karrie International, it is therefore an associate of the Controlling Shareholders and thus a connected person of our Company upon Listing.

As the aggregate annual amount receivable under the Cui Feng Tenancy Agreement does not exceed HK\$3 million and none of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect thereof exceeds 5%, and the transaction is conducted on normal commercial terms or better, the transaction contemplated under the Cui Feng Tenancy Agreement will constitute de minimis continuing transaction exempt from the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.