

---

## THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

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

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

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed “13. 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 and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of the Prospectus Documents.

The attention of Shareholders with registered addresses in, and investors who are located or residing in, any of the jurisdictions outside Hong Kong or holding Shares on behalf of beneficial owners of Shares with such addresses is drawn to the paragraph headed “Rights of Overseas Shareholders” in the “Letter from the Board” in this Prospectus.

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 the Prospectus Documents, make no representation as to their 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.

---

## ZHONGZHENG INTERNATIONAL COMPANY LIMITED

### 中證國際有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 943)**

### RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE

Financial adviser to the Company



Placing Agent



---

Unless the context requires otherwise, capitalised terms used in this cover shall have the same meanings as those defined in this Prospectus.

The Latest Time for Acceptance of the Rights Shares is at 4:00 p.m. on Tuesday, 12 August 2025. 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” in this Prospectus.

It should be noted that the Shares have been dealt in on an ex-rights basis from Friday, 18 July 2025. Dealings in the Rights Shares in their nil-paid form will take place from Thursday, 31 July 2025 to Thursday, 7 August 2025 (both days inclusive). Shareholders and potential investors in the Company should note that the Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. The Underwriting Agreement contains provisions granting the Underwriter the right in its absolute discretion to terminate the obligations of the Underwriter thereunder on the occurrence of certain events. Such events are summarised in the section headed “Termination of the Underwriting Agreement” in this Prospectus. Accordingly, the Rights Issue may or may not proceed. Any persons contemplating dealings in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled, 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. Any Shareholders or other persons contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult their own professional advisers.

29 July 2025

---

## CONTENTS

---

	<i>Page</i>
<b>TERMINATION OF THE UNDERWRITING AGREEMENT</b> .....	1
<b>DEFINITIONS</b> .....	2
<b>EXPECTED TIMETABLE</b> .....	9
<b>LETTER FROM THE BOARD</b> .....	11
<b>APPENDIX I – FINANCIAL INFORMATION OF THE GROUP</b> .....	I-1
<b>APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP</b> .....	II-1
<b>APPENDIX III – GENERAL INFORMATION</b> .....	III-1

---

## TERMINATION OF THE UNDERWRITING AGREEMENT

---

The Underwriter shall be entitled by a notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (a) 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 nature whatsoever which may materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or is materially adverse in the context of the Rights Issue; or
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date thereof) of a political, military, financial, economic or other nature (whether or not of the same kind with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the reasonable opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iii) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or the destruction of any material asset of any member of the Group.

If prior to the Latest Time for Termination any such notice as is referred to above is given by the Underwriter, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine.

**If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed. A further announcement will be made by the Company if the Underwriting Agreement is terminated by the Underwriter.**

---

## DEFINITIONS

---

*In this Prospectus, unless the context otherwise requires, the following expressions have the following meanings:*

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Announcement”	the announcement of the Company dated 15 May 2025 in relation to, among other things, the Share Consolidation, the Share Premium Reduction, the Change in Board Lot Size, the Debt Capitalisation, the Whitewash Waiver and the Rights Issue
“associates”	has the meaning ascribed to it under the Takeovers Code or the Listing Rules (as the case may be)
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“Bye-laws”	the bye-laws of the Company as amended, supplemented or otherwise modified from time to time
“Capitalisation Share(s)”	an aggregate of 504,574,140 Shares issued and allotted by the Company to the Subscribers pursuant to the Debt Capitalisation Agreements
“Capitalisation Issue Price”	HK\$0.20 per Capitalisation Share
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time in effect
“Change in Board Lot Size”	the change in board lot size of the Shares for trading on the Stock Exchange from 8,000 Old Shares to 16,000 Shares
“Circular”	the circular of the Company dated 19 June 2025 in relation to, among other things, the Share Consolidation, the Share Premium Reduction, the Change in Board Lot Size, the Debt Capitalisation, the Whitewash Waiver and the Rights Issue

---

## DEFINITIONS

---

“Company”	Zhongzheng International Company Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 943)
“Compensatory Arrangements”	the arrangement involving the placing of the Unsubscribed Rights Shares, if any, by the Placing Agent on a best effort basis pursuant to the Placing Agreement in accordance with Rule 7.21(1)(b) of the Listing Rules
“concert parties”	has the meaning ascribed to it under the Takeovers Code
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Debt Capitalisation”	the capitalisation of all or part of the outstanding shareholder’s loan owing by the Company to the Subscribers pursuant to the Debt Capitalisation Agreements which was completed on 15 July 2025
“Debt Capitalisation Agreement I”	the agreement dated 15 May 2025 entered into between the Company and Subscriber I in respect of the Debt Capitalisation
“Debt Capitalisation Agreement II”	the agreement dated 15 May 2025 entered into between the Company and Subscriber II in respect of the Debt Capitalisation
“Debt Capitalisation Agreements”	the Debt Capitalisation Agreement I and the Debt Capitalisation Agreement II
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time or any of his delegate(s)
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

---

## DEFINITIONS

---

“Independent Shareholder(s)”	the Shareholders other than the Subscribers and their respective concert parties and those who are involved in, and/or interested in, the Debt Capitalisation Agreements, the Underwriting Agreement and the respective transactions contemplated thereunder including the Share Consolidation, the Specific Mandate and the Whitewash Waiver
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons
“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
“Irrevocable Undertakings”	the irrevocable undertakings given by each of the Subscribers and Mr. Yang in favour of the Company with details set out in the section headed “The Irrevocable Undertakings” in the “Letter from the Board” in this Prospectus
“Last Trading Day”	14 May 2025, being the last trading day of the Shares on the Stock Exchange immediately preceding the date of the Announcement
“Latest Practicable Date”	23 July 2025, being latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“Latest Time for Acceptance”	4:00 p.m. on Tuesday, 12 August 2025, being the latest time for acceptance of the offer of and payment for the Rights Shares
“Latest Time for Termination”	4:00 p.m. on Tuesday, 19 August 2025 or such later time or date as may be agreed between the Underwriter and the Company, being the latest time to terminate the Underwriting Agreement
“Listing Committee”	has the same meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Yang”	Mr. Yang Bin, a Shareholder who was interested in approximately 9.2% of the issued share capital of the Company as at the Latest Practicable Date

---

## DEFINITIONS

---

“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the Placees after deducting the aggregate amount of the Rights Issue Price for the Unsubscribed Rights Shares placed by the Placing Agent under the Placing Agreement) pursuant to the Compensatory Arrangements
“No Action Shareholder(s)”	those Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or their renouncees, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, after making enquiries with the legal advisers in the relevant jurisdictions, consider it necessary or expedient not to offer the Rights Issue to such Overseas 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
“NQS Unsold Rights Share(s)”	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form that has/have not been sold by the Company
“Old Share(s)”	ordinary share(s) of par value of HK\$0.00004 each in the share capital of the Company prior to the Share Consolidation having become effective
“Overseas Shareholder(s)”	the Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placee(s)”	professional, institutional, corporate or other investor(s), who are Independent Third Party(ies) and not acting in concert with the Subscribers and their respective concert parties, procured by the Placing Agent and/or its sub-placing agent(s) to subscribe for any of the Unsubscribed Rights Shares pursuant to the Placing Agreement
“Placing”	the placing of the Unsubscribed Rights Shares on a best effort basis by the Placing Agent to the Placees on the terms and conditions of the Placing Agreement

---

## DEFINITIONS

---

“Placing Agent”	VC Brokerage Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO
“Placing Agreement”	the placing agreement dated 15 May 2025 entered into between the Company and the Placing Agent in relation to the Placing
“PRC”	the People’s Republic of China which, for the purpose of this Prospectus, excludes Hong Kong, the Macao Special Administrative Region and Taiwan
“Proposals”	the proposals comprising (i) the Share Consolidation; (ii) the Share Premium Reduction; (iii) the Change in Board Lot Size; (iv) the Debt Capitalisation; and (v) the Rights Issue;
“Prospectus”	this prospectus
“Prospectus Documents”	the Prospectus and the PAL
“Prospectus Posting Date”	Tuesday, 29 July 2025, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders or the Non-Qualifying Shareholders (as the case may be)
“Qualifying Shareholder(s)”	Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Monday, 28 July 2025 or such other date as may be agreed between the Company and the Underwriter in writing, being the record date for determining the entitlements of the Shareholders to participate in the Rights Issue
“Registrar”	Union Registrars Limited, the Company’s branch share registrar and transfer office in Hong Kong at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Rights Issue”	the proposed issue of the Rights Shares on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date at the Rights Issue Price of HK\$0.20 per Rights Share on the terms and conditions set out in the Prospectus Documents
“Rights Issue Price”	HK\$0.20 per Rights Share



---

## DEFINITIONS

---

“Rights Share(s)”	the new Share(s) to be allotted and issued under the Rights Issue, being in aggregate 572,899,170 Shares (assuming there will be no issue of other new Shares from the Latest Practicable Date up to the Record Date)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company convened and held on 10 July 2025 to consider and approve, among others, the Debt Capitalisation Agreements, the Underwriting Agreement, the Share Consolidation, the Share Premium Reduction, and the respective transactions contemplated thereunder including the Debt Capitalisation, the Share Consolidation, the Specific Mandate and the Whitewash Waiver
“Shares(s)”	ordinary share(s) of par value of HK\$0.0008 each in the share capital of the Company
“Share Consolidation”	the consolidation of every twenty (20) issued and unissued Old Shares in the share capital of the Company into one (1) Share effective on 14 July 2025
“Share Premium Reduction”	the transfer of the entire amount standing to the credit of the share premium account of the Company of approximately HK\$899.1 million to the contributed surplus account of the Company applied towards setting off part of the accumulated losses of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate which was sought from and approved by the Independent Shareholders at the SGM for the allotment and issue of the Capitalisation Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber I” or “Underwriter”	Mr. Low Thiam Herr, a Controlling Shareholder who was interested in approximately 34.9% of the issued share capital of the Company as at the Latest Practicable Date
“Subscriber II”	Mr. Lim Kim Chai, J.P., a Substantial Shareholder and a non-executive Director who was interested in approximately 25.6% of the issued share capital of the Company as at the Latest Practicable Date

---

## DEFINITIONS

---

“Subscribers”	Subscriber I and Subscriber II
“Substantial Shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriting Agreement”	the underwriting agreement dated 15 May 2025 and entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Share(s)”	the Rights Shares underwritten by the Underwriter under the Underwriting Agreement, being a maximum of 173,637,389 Rights Shares, which represents the maximum of 572,899,170 Rights Shares minus 399,261,781 Rights Shares subject to the Irrevocable Undertakings
“Unsubscribed Rights Share(s)”	the Rights Share(s) that are not subscribed by the Qualifying Shareholders and the NQS Unsold Rights Shares (if any)
“Untaken Rights Share(s)”	the Unsubscribed Rights Share(s) that are not placed by the Placing Agent under the Placing Agreement
“Whitewash Waiver”	the waiver granted by the Executive on 3 July 2025 pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code to waive the obligation of Subscriber I and Subscriber II to make a mandatory general offer to the Shareholders in respect of the Shares not already owned or agreed to be acquired by the Subscribers and parties acting in concert with any of them
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

\* *The English translation of the Chinese names in this Prospectus, where indicated, are intended for identification purpose only and should not be regarded as the official English names of such Chinese name.*

---

## EXPECTED TIMETABLE

---

The expected timetable for the Rights Issue set out below is for indicative purposes only and is subject to change, and any changes will be announced by the Company as and when appropriate.

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

Events	Date and time
First day for dealings in nil-paid Rights Shares in new board lot of 16,000 Rights Shares .....	Thursday, 31 July 2025
Latest time for splitting of the PAL .....	4:00 p.m. on Monday, 4 August 2025
Last day for dealings in nil-paid Rights Shares .....	Thursday, 7 August 2025
Latest time for acceptance of and payment for the Rights Shares .....	4:00 p.m. on Tuesday, 12 August 2025
Announcement of the number of the Unsubscribed Rights Shares subject to the Compensatory Arrangements .....	Wednesday, 13 August 2025
Commencement of placing of the Unsubscribed Rights Shares by the Placing Agent, on best effort basis .....	Thursday, 14 August 2025
Temporary counter for trading in the Shares in board lots of 400 Shares (in the form of existing share certificates) closes .....	4:10 p.m. on Friday, 15 August 2025
Parallel trading in the Shares (in the form of both existing share certificates and new share certificates) ends .....	4:10 p.m. on Friday, 15 August 2025
End of placing of the Unsubscribed Rights Shares .....	4:00 p.m. on Monday, 18 August 2025
Latest time to terminate the Underwriting Agreement and for the Rights Issue to become unconditional .....	4:00 p.m. on Tuesday, 19 August 2025
Announcement of the results of the Rights Issue and results of the Compensatory Arrangements .....	Tuesday, 19 August 2025

---

## EXPECTED TIMETABLE

---

Latest time for free exchange of existing share certificates for new share certificates .....	4:00 p.m. on Tuesday, 19 August 2025
Despatch of certificates for fully-paid Rights Shares .....	Wednesday, 20 August 2025
Despatch of refund cheques, if any (if the Rights Issue is terminated) .....	Wednesday, 20 August 2025
Commencement of dealings in fully-paid Rights Shares .....	9:00 a.m. on Thursday, 21 August 2025
Payment of Net Gain to relevant No Action Shareholders (if any) .....	Wednesday, 27 August 2025

### **Effect of bad weather or extreme conditions on the Latest Time for Acceptance and payment for the Rights Shares**

The Latest Time for Acceptance and payment for the Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or “extreme conditions” or a “black” rainstorm warning is:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Latest Time for Acceptance. 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
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Latest Time for Acceptance. 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 of and payment for the Rights Shares does not take place on or before 4:00 p.m. on Tuesday, 12 August 2025, the dates mentioned in this section may be affected. The Company will notify Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

---

## LETTER FROM THE BOARD

---

# ZHONGZHENG INTERNATIONAL COMPANY LIMITED

## 中證國際有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 943)**

*Executive Directors:*

Mr. Tam Lup Wai, Franky

Mr. Liu Liyang

*Non-executive Director:*

Mr. Lim Kim Chai, J.P.

*Independent non-executive Directors:*

Mr. Hau Chi Kit

Mr. Leung Chi Hung

Mr. Li Hon Kuen

Ms. Yang Yan Tung Doris

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place  
of business in Hong Kong:*

Room 1005

Bank of East Asia Harbour View Centre

56 Gloucester Road, Wanchai

Hong Kong

29 July 2025

*To the Qualifying Shareholders*

Dear Sir or Madam,

### **RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE**

#### **INTRODUCTION**

References are made to the Announcement and the Circular in relation to, among other matters, the Rights Issue.

On 15 May 2025, the Company announced the Proposals which comprised, among other things, the proposed Rights Issue on the basis of one Rights Shares for every two Shares held by the Shareholders on the Record Date at the Rights Issue Price of HK\$0.20 per Rights Share to raise gross proceeds before expenses of approximately HK\$114.6 million by issuing 572,899,170 Rights Shares (assuming there will be no issue of other new Shares from the Latest Practicable Date up to the Record Date) to the Qualifying Shareholders. The net proceeds from the Rights Issue after deducting the expenses were estimated to be approximately HK\$112.0 million. The Rights Issue will not be extended to the Non-Qualifying Shareholders.

---

## LETTER FROM THE BOARD

---

The Rights Issue is conditional on, among other things, the Share Consolidation becoming effective, the Independent Shareholders' approval of the Whitewash Waiver, the Debt Capitalisation Agreements and the Underwriting Agreement having been obtained and the Debt Capitalisation having been completed. At the SGM held on 10 July 2025, the relevant resolutions to approve the Whitewash Waiver, the Debt Capitalisation Agreements, the Underwriting Agreement and the respective transactions contemplated thereunder were duly passed. The results of the SGM were announced by the Company on the same date. Accordingly, the Share Consolidation had become effective on 14 July 2025. Besides, the Executive had granted the Whitewash Waiver to the Subscribers on 3 July 2025 and the Debt Capitalisation had also completed on 15 July 2025. Shareholders may refer to the Circular for the details in relation to, among other things, the Share Consolidation, the Debt Capitalisation, the Whitewash Waiver and other information regarding the Proposals.

The purpose of this Prospectus is to provide you with, among other things, (i) further details of the Rights Issue, including the procedures for acceptance of the Rights Shares provisionally allotted to the Qualifying Shareholders; (ii) financial information of the Group; (iii) unaudited pro forma financial information of the Group; and (iv) other information of the Group.

### RIGHTS ISSUE

The Company proposed to implement the Rights Issue on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date at the Rights Issue Price of HK\$0.20 per Rights Share, to raise gross proceeds of up to approximately HK\$114.6 million by issuing 572,899,170 Rights Shares (assuming there will be no issue of other new Shares from the Latest Practicable Date up to the Record Date) to the Qualifying Shareholders. The net proceeds from the Rights Issue after deducting the expenses are estimated to be approximately HK\$112.0 million. The Rights Issue will not be extended to the Non-Qualifying Shareholders.

Details of the Rights Issue are summarised as follows:

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) Shares held on the Record Date
Rights Issue Price	:	HK\$0.20 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	1,145,798,340 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	572,899,170 Rights Shares
Aggregate nominal value of the Rights Shares	:	Approximately HK\$458,319

---

## LETTER FROM THE BOARD

---

Total number of Shares in issue as enlarged by the allotment and issue of the Rights Shares	:	1,718,697,510 Shares
Number of Rights Shares subject to the Irrevocable Undertakings	:	Each of Subscriber I, Subscriber II and Mr. Yang has irrevocably undertaken to the Company that each of them will take up the 199,955,829 Rights Shares, the 146,735,523 Rights Shares and the 52,570,429 Rights Shares, respectively, under each of their entitlements pursuant to the terms of the Rights Issue.
Number of Underwritten Shares	:	173,637,389 Rights Shares, being the total of 572,899,170 Rights Shares minus the aggregate of 399,261,781 Rights Shares subject to the Irrevocable Undertakings
Underwriter	:	Subscriber I
Gross proceeds from the Rights Issue (before expenses)	:	Approximately HK\$114.6 million
Net proceeds from the Rights Issue (after deducting expenses)	:	Approximately HK\$112.0 million

As at the Latest Practicable Date, the Company had no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into the Shares, and the Company had no intention to issue or grant any other Shares, convertible securities, warrants and/or options on or before the Record Date.

Assuming there will be no issue of other new Shares from the Latest Practicable Date up to the Record Date, and that no other new Shares other than the Rights Shares will be allotted and issued on or before completion of the Rights Issue, the 572,899,170 Rights Shares represent (i) 50.0% of the issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 33.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

### **Rights Issue Price**

The Rights Issue Price is HK\$0.20 per Rights Share, and is payable in full by a Qualifying Shareholder upon acceptance of the provisional allotment of the Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Rights Issue Price of HK\$0.20 per Rights Share represents:

- (i) the same price as the theoretical closing price of the Shares of HK\$0.20 based on the closing price of the Old Shares of HK\$0.01 quoted on the Stock Exchange on the Last Trading Day;

---

## LETTER FROM THE BOARD

---

- (ii) the same price as the average of the theoretical closing prices of the Shares of HK\$0.20 based on the average of the closing prices of the Old Shares quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day of HK\$0.01;
- (iii) a discount of approximately 1.0% to the theoretical closing prices of the Shares of HK\$0.202 based on the average of the closing prices of the Old Shares quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day of HK\$0.0101;
- (iv) a discount of approximately 0.7% to the average of the theoretical closing prices of the Shares of approximately HK\$0.201 based on the average of the closing prices of the Old Shares quoted on the Stock Exchange for the last 30 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.01007;
- (v) a discount of approximately 56.2% to the net asset value of the Company per Share as at 30 June 2024 of approximately HK\$0.457 calculated based on the audited consolidated net asset value attributable to the Shareholders as at 30 June 2024 of approximately HK\$293.1 million and 641,224,200 Shares;
- (vi) a discount of approximately 54.5% to the net asset value of the Company per Share as at 31 December 2024 of approximately HK\$0.440 calculated based on the unaudited consolidated net asset value attributable to the Shareholders as at 31 December 2024 of approximately HK\$281.9 million and 641,224,200 Shares;
- (vii) the same price as the benchmarked price (as defined under Rule 7.27B of the Listing Rules) of HK\$0.20 calculated based on the theoretical closing prices of the Shares for the last five consecutive trading days up to and including the Last Trading Day, and there will be no theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules); and
- (viii) a discount of approximately 2.4% to the closing price of the Shares of HK\$0.205 quoted on the Stock Exchange on the Latest Practicable Date.

The Rights Issue Price was determined by the Company to be equally priced as the Capitalisation Issue Price to ensure the Qualifying Shareholders have the opportunity to participate in the Group's future development at the same price as the Subscribers, which have taken into account the prevailing market prices, the thin trading volume of the Shares, as well as the current market conditions as discussed in the section headed "Proposed Debt Capitalisation – Capitalisation Issue Price" in the Circular.

The net Rights Issue Price per Rights Share (after deducting expenses) is estimated to be approximately HK\$0.196 per Rights Share. The Rights Issue Price and the subscription ratio was determined by the Company with reference to the prevailing market prices of the Shares, the current market conditions, the financial condition of the Group and the fund-raising size intended by the Company.



---

## LETTER FROM THE BOARD

---

Having considered the above and taking into account the reasons for the Rights Issue as disclosed in the section headed “Reasons for and benefits of the Rights Issue and use of proceeds” below, the Directors consider that the terms of the Rights Issue (including the Rights Issue Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Status of the Rights Shares**

The Rights Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with all other Shares in issue at the time of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid with a record date falling on or after the date of allotment and issue of the Rights Shares in their fully-paid form.

### **Basis of provisional allotment**

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every two (2) Shares held by the Qualifying Shareholders as at the close of business on the Record Date, which was determined taking into account (i) that the ratio would be non-aggressive to attract minority Shareholders to participate in the Rights Issue and thereby the long-term development of the Group; (ii) the Group’s overall financial position; and (iii) the expected funding requirement for the coming future.

Application for all or any part of a Qualifying Shareholder’s provisional allotment shall be made by completing a PAL and lodging the same with remittance for the Rights Shares accepted with the Registrar by 4:00 p.m. on Tuesday, 12 August 2025.

If a Qualifying Shareholder wishes to accept only a part of, or to renounce or transfer a part of, the Rights Shares provisionally allotted to him/her/it under the PAL, such Qualifying Shareholder will need to split his/her/its PAL into the denominations required. Details as to how to split the PALs will be set out in the section headed “Procedures for acceptance, splitting of PAL and payment or transfer” below in this Prospectus.

### **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 at the close of business on the Record Date and not be a Non-Qualifying Shareholder.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company, and are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date.

In order to be registered as members of the Company at the close of business on the Record Date, transfer documents (together with the relevant share certificate(s)) must be lodged with the Registrar no later than 4:00 p.m. on Monday, 21 July 2025.

---

## LETTER FROM THE BOARD

---

**Qualifying Shareholders who do not take up the Rights Shares to which they are entitled, and Non-Qualifying Shareholders, should note that their shareholdings in the Company will be diluted.**

### **Rights of Overseas Shareholders**

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

As at Latest Practicable Date, there were a total of three Overseas Shareholders. One of them had a registered address situated in the British Virgin Islands, which is interested in 62,993,088 Shares (representing approximately 5.5% of the total issued share capital of the Company); another one had a registered address situated in Mainland China, which is interested in 33,919,355 Shares (representing approximately 3.0% of the total issued share capital of the Company); and the other one had a registered address situated in Taiwan, which is interested in 200,000 Shares (representing less than 0.1% of the total issued share capital of the Company). Save for the above Overseas Shareholders, there was no other Overseas Shareholder based on the register of members of the Company as at the Record Date.

The Company had, in compliance with Rule 13.36(2)(a) of the Listing Rules, made reasonable enquiries of the legal requirements regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. Based on the legal advice provided by the respective legal advisers of the British Virgin Islands, Mainland China and Taiwan engaged by the Company as at the Latest Practicable Date and having considered the circumstances, the Directors are of the view that the relevant overseas legal restrictions and requirements of the relevant regulatory body or the Stock Exchange do not make it necessary or expedient to exclude the Overseas Shareholders with registered addresses in the British Virgin Islands, Mainland China and Taiwan from the Rights Issue. Accordingly, the Rights Issue will be offered to the Overseas Shareholders in those jurisdictions.

As the register of members of the Company had already been closed as at the Latest Practicable Date, there would be no additional Overseas Shareholders, and therefore there would be no Non-Qualifying Shareholder for the purposes of the Rights Issue on the Record Date.

The Prospectus Documents have not been registered or filed under or conformed to any applicable securities legislation of any jurisdictions other than Hong Kong. No action has been taken in any territory or jurisdiction outside Hong Kong, to permit the offering of the Rights Shares or the distribution of any documents in connection with the Rights Issue. No person receiving the Prospectus or the PAL in any territory or jurisdiction outside Hong Kong may treat this as an offer or an invitation to apply for Rights Shares, unless in the relevant jurisdiction such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements.

**It is the responsibility of any person (including, without limitation, a nominee, agent and trustee) receiving the Prospectus Documents outside Hong Kong and wishing to take up the Rights Shares to satisfy himself/herself/itself as to the full and relevant compliance of the laws of the relevant jurisdictions including the obtaining of any governmental or other consents and observing other formalities which may be required in such jurisdictions, and to pay any taxes, duties and other amounts required to be paid in such jurisdictions in connection therewith.**

---

## LETTER FROM THE BOARD

---

**Any acceptance of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that such local laws, regulations and requirements of the relevant territory or jurisdiction have been fully complied with. If you are in any doubt as to your position, you should consult a professional adviser.**

**The Company reserves the right to refuse to accept any application for Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above warranty and representation.**

### **Procedures for acceptance, splitting of PAL and payment or transfer**

Qualifying Shareholder(s) will find enclosed with this Prospectus a PAL which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it 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, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong by not later than 4:00 p.m. on Tuesday, 12 August 2025 (or, under bad weather conditions and/or extreme conditions, such later date as mentioned in the paragraph headed "Effect of Bad Weather or extreme conditions on the Latest Time for Acceptance and payment for the Rights Shares" in the section headed "Expected Timetable" in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "**UNION REGISTRARS LIMITED – CLIENT A/C**" and crossed "Account Payee Only".

It should be noted that unless the PAL, together with the appropriate remittance, have been physically received as described above by no later than 4:00 p.m. on Tuesday, 12 August 2025 (or, under bad weather conditions and/or extreme conditions, such later date as mentioned in the paragraph headed "Effect of Bad Weather or extreme conditions on the Latest Time for Acceptance and payment for the Rights Shares" in the section headed "Expected Timetable" in this Prospectus) whether from the original allottee or any person in whose favour the rights have been validly transferred, the provisional allotment and all rights under the PAL will be deemed to have been declined and will be cancelled. The Company may, at its sole and absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicant(s) at a later stage.

The nil-paid Rights Shares can be traded on the Stock Exchange. A Qualifying Shareholder can accept all of his/her/its provisional allotment of Rights Shares, or sell all of his/her/its provisional allotment on the Stock Exchange or accept only part of his/her/its provisional allotment and sell the remaining part on the Stock Exchange.

---

## LETTER FROM THE BOARD

---

If a Qualifying Shareholder wishes to transfer all of his/her/its rights to subscribe for Rights Shares provisionally allotted to him/her/it under the PAL, he/she/it must complete and sign the Form of Transfer and Nomination in the PAL and hand the PAL to the person(s) to or through whom the Qualifying Shareholder is transferring his/her/its rights. The transferee(s) must then complete and sign the Registration Application Form in the PAL and lodge the PAL intact together with a remittance for the full amount payable on acceptance with the Registrar so as to be received by no later than 4:00 p.m. on Tuesday, 12 August 2025. It should be noted that Hong Kong ad valorem stamp duty is payable in connection with the transfer of the rights to subscribe for the relevant Rights Shares.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer a part of his/her/its right to subscribe for the Rights Shares provisionally allotted under the PAL or to transfer part of his/her/its rights to more than one person, the original PAL must be surrendered by no later than 4:00 p.m. on Monday, 4 August 2025 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 after 9:00 a.m. on the second Business Day after the surrender of the original PAL. This process is commonly known as “splitting” the nil-paid Rights Shares. Having “split” the nil-paid Rights Shares, a Qualifying Shareholder who wishes to accept the provisional allotment of Rights Shares represented by a new PAL should do so in accordance with the instructions given in this section.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of all or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

All cheques and banker’s cashier orders will be presented for payment immediately upon receipt and all interest earned on such monies, if any, will be retained for the benefit of the Company. Completion and return of the PAL together with a cheque or banker’s cashier order in payment for the Rights Shares accepted will constitute a warranty by the applicant that the cheque or banker’s cashier order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect hereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque and/or banker’s cashier order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Qualifying Shareholder(s) must pay the exact amount payable upon application for the Rights Shares, and underpaid application will be rejected.

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

If the conditions of the Rights Issue are not fulfilled, the remittance received in respect of the acceptances of the Rights Shares will be returned to the Qualifying Shareholder(s) or such other person(s) to whom the Rights Shares in their nil-paid form have been validly transferred or, in 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 Shareholder(s) or such other person(s) to their registered addresses on Wednesday, 20 August 2025.

---

## LETTER FROM THE BOARD

---

### **Stamp duty and other applicable fees**

Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be subject to the 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**

The Company has not provisionally allotted or issued, and will not accept applications for, any fraction of a Rights Share and the provisional allotments of Qualifying Shareholders have been rounded down to the nearest whole number. All fractions of Rights Shares will be aggregated. All nil-paid Rights Shares arising from such aggregation will be provisionally allotted (in nil-paid form) to a nominee and sold in the market for the benefit of the Company if a premium (net of expenses) can be obtained, and the Company will retain the proceeds from such sale. Any unsold Rights Shares arising from such aggregation will be first placed by the Placing Agent under the Compensatory Arrangements. Any Unsubscribed Rights Shares remain not placed after completion of the Placing will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

### **Certificates of the Rights Shares and refund cheques for the Rights Issue**

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be sent on Wednesday, 20 August 2025 to those entitled thereto by ordinary post, at their own risk, to their registered addresses. Each allottee will receive one share certificate for all allotted Rights Shares.

If the Underwriting Agreement is terminated or does not become unconditional, refund cheques will be despatched on Wednesday, 20 August 2025 by ordinary post, at the respective Shareholders' own risk, to their registered addresses.

### **Taxation**

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares.

### **The Irrevocable Undertakings**

As at the Latest Practicable Date, Subscriber I was interested in 399,911,658 Shares, representing approximately 34.9% of the issued share capital of the Company. Subscriber I has irrevocably undertaken to the Company that (i) he will subscribe for 199,955,829 Rights Shares which comprise the full amount of provisional entitlements in respect of the 399,911,658 Shares; (ii) he will not dispose of, or agree to dispose of, any of the 399,911,658 Shares, and such Shares will remain beneficially owned by him up to and including the Record Date; and (iii) he will lodge the subscription for the 199,955,829 Rights Shares which will be the number of Rights Shares provisionally allotted (on nil-paid basis) to him under the Rights Issue with the Registrar.

---

## LETTER FROM THE BOARD

---

As at the Latest Practicable Date, Subscriber II was interested in 293,471,047 Shares, representing approximately 25.6% of the issued share capital of the Company. Subscriber II has irrevocably undertaken to the Company that (i) he will subscribe for 146,735,523 Rights Shares which comprise the full amount of provisional entitlements in respect of the 293,471,047 Shares; (ii) he will not dispose of, or agree to dispose of, any of the 293,471,047 Shares, and such Shares will remain beneficially owned by him up to and including the Record Date; and (iii) he will lodge the subscription for the 146,735,523 Rights Shares which will be the number of Rights Shares provisionally allotted (on nil-paid basis) to him under the Rights Issue with the Registrar.

As at the Latest Practicable, Mr. Yang was interested in 105,140,858 Shares, representing approximately 9.2% of the issued share capital of the Company. Mr. Yang has irrevocably undertaken to the Company that (i) he will subscribe for 52,570,429 Rights Shares which comprise the full amount of provisional entitlements in respect of the 105,140,858 Shares; (ii) he will not dispose of, or agree to dispose of, any of the 105,140,858 Shares, and such Shares will remain beneficially owned by him up to and including the Record Date; and (iii) he will lodge the subscription for the 52,570,429 Rights Shares which will be the number of Rights Shares provisionally allotted (on nil-paid basis) to him under the Rights Issue with the Registrar.

### **Application for listing of the Rights Shares**

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

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms as their underlying Shares on the Stock Exchange, or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second 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. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Rights Shares in their nil-paid forms and fully-paid forms will be traded on the Stock Exchange in the same board lots of 16,000 Shares.

---

## LETTER FROM THE BOARD

---

### **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 the Unsubscribed Rights Shares and the Compensatory Arrangements**

Subscriber I, who was a Controlling Shareholder as at the Latest Practicable Date, will act as the Underwriter. Pursuant to Rule 7.21(2) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to Placee(s) who and whose ultimate beneficial owner(s) are Independent Third Party(ies) and are not acting in concert with the Subscribers and their respective concert parties, for the benefit of the relevant No Action Shareholders to whom they were offered under the Rights Issue. As the Compensatory Arrangements are in place, there will be no excess application arrangements in relation to the Rights Issue.

The Company has appointed the Placing Agent to place the Unsubscribed Rights Shares after the Latest Time for Acceptance to independent Placee(s) on a best effort basis, and any premium over the aggregate amount of (i) the Rights Issue Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing (i.e. the Net Gain) will be paid to those No Action Shareholders in the manner set out below. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Monday, 18 August 2025, acquirers of those Unsubscribed Rights Shares at a price not less than the Rights Issue Price. The principal terms and conditions of the Placing Agreement are set out in the section headed “Rights Issue – The Placing Agreement” below. Any unsold Unsubscribed Rights Shares under the Compensatory Arrangements will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.



---

## LETTER FROM THE BOARD

---

Net Gain (if any but rounded down to the nearest cent) will be paid on a pro-rata basis to the No Action Shareholders 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; and
- (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.

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

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon completion of the Debt Capitalisation Agreements and obtaining the Independent Shareholders' approval of the Underwriting Agreement and the Underwriting Agreement becoming unconditional. Details of the conditions of the Underwriting Agreement are set out in the section headed "Rights Issue – The Underwriting Agreement – Conditions of the Underwriting Agreement" below.

As at the Latest Practicable Date, the Debt Capitalisation Agreements had been completed and the Independent Shareholders' approval of the Underwriting Agreement had been obtained, while the Underwriting Agreement had yet to become unconditional.

Based on the current expected timetable, the expected date of commencement of dealings in fully-paid Rights Shares will be on 21 August 2025.



---

## LETTER FROM THE BOARD

---

### The Placing Agreement

After trading hours of the Stock Exchange on 15 May 2025, the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has agreed to procure Placee(s), on a best effort basis, to subscribe for the Unsubscribed Rights Shares. Principal terms of the Placing Agreement are set out below.

Date	:	15 May 2025
Placing Agent	:	VC Brokerage Limited, a licensed corporation carrying out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO
		The Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties, and are independent and not connected with and not acting in concert with the Subscribers and their respective concert parties
Placing commission	:	2.0% of the gross proceeds from the successful placement of the Unsubscribed Rights Shares
Placing price of the Unsubscribed Rights Shares	:	The placing price of the Unsubscribed Rights Shares shall be not less than the Rights Issue Price. The final price will be determined based on the demand for and market conditions of the Unsubscribed Rights Shares at the time of placement
Placees	:	The Unsubscribed Rights Shares shall only be offered by the Placing Agent to Placee(s) who and whose ultimate beneficial owner(s) are Independent Third Party(ies) and are not acting in concert with the Subscribers and their respective concert parties
Ranking of the Unsubscribed Rights Shares	:	The Unsubscribed 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
Placing period	:	Thursday, 14 August 2025 to Monday, 18 August 2025, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Compensatory Arrangements
Placing condition	:	Completion of the Placing is conditional upon the Underwriting Agreement becoming unconditional
Termination	:	The obligations of the Placing Agent under the Placing Agreement will be terminated if all of the Rights Shares have been accepted by the Qualifying Shareholders on or before the Latest Time for Acceptance

---

## LETTER FROM THE BOARD

---

The terms of the Placing Agreement (including the placing commission thereof) were determined after arm's length negotiation between the Company and the Placing Agent with reference to the size of the Rights Issue and the prevailing market rate of commission and are on normal commercial terms. The Directors consider that the terms of the Placing Agreement are fair and reasonable.

Given that the Compensatory Arrangements would provide a compensatory mechanism for the No Action Shareholders, the Directors considered that the Compensatory Arrangements are in the interest of the minority Shareholders.

### **The Underwriting Agreement**

After trading hours of the Stock Exchange on 15 May 2025, the Company and the Underwriter entered into the Underwriting Agreement, pursuant to which the Rights Shares (other than those Rights Shares subject to the Irrevocable Undertakings) will be fully underwritten by the Underwriter in accordance with the terms of the Underwriting Agreement. Principal terms of the Underwriting Agreement are set out below.

Date	:	15 May 2025
Underwriter	:	Subscriber I, who was a Controlling Shareholder as at the Latest Practicable Date. As such, Subscriber I complies with Rule 7.19(1)(b) of the Listing Rules
		It is not in the ordinary course of business of Subscriber I to underwrite securities
Number of Rights Shares to be underwritten by the Underwriter	:	173,637,389 Rights Shares (assuming there will be no issue of other new Shares from the Latest Practicable Date up to the Record Date)
Underwriting commission	:	Nil

Subject to the fulfilment of the conditions under the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms of the Underwriting Agreement, the Underwriter has agreed to subscribe for the Untaken Rights Shares (being any Unsubscribed Rights Shares that are not placed by the Placing Agent under the Placing Agreement) at the Rights Issue Price.

Having considered the terms of the Underwriting Agreement, including that no commission is payable to the Underwriter, the Directors considered that the Underwriting Agreement is on normal commercial terms or better and is fair and reasonable so far as the Shareholders are concerned.

---

## LETTER FROM THE BOARD

---

### *Conditions of the Underwriting Agreement*

The obligations of the Underwriter under the Underwriting Agreement are conditional on the fulfilment of the following conditions:

- (i) the Underwriting Agreement and the transactions contemplated thereunder having been approved by more than 50% of the Independent Shareholders at the SGM by way of poll;
- (ii) all necessary approvals and consents in relation to the Underwriting Agreement and the transactions contemplated thereunder having been obtained by the Company, and the requirements of the Bermuda laws, the Listing Rules and the Takeovers Code having been complied with;
- (iii) completion of the Debt Capitalisation having taken place;
- (iv) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong, respectively, one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong, by no later than the Prospectus Posting Date;
- (v) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date;
- (vi) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Rights Shares, and not having withdrawn or revoked such grant and permission;
- (vii) the Company having complied with and performed all its commitments and obligations in accordance with the terms of the Underwriting Agreement;
- (viii) the Underwriter having complied with and performed all its commitments and obligations in accordance with the terms of the Underwriting Agreement;
- (ix) the Underwriting Agreement not having been terminated in accordance with its terms and conditions; and
- (x) all representations, warranties and undertakings given by the Company in the Underwriting Agreement not having been breached and being true, correct and not misleading in any material respects.

None of the above conditions is capable of being waived. As at the Latest Practicable Date, save for the Independent Shareholders' approval, the Company was not aware of any other approval and consent is required in respect of condition (ii).

---

## LETTER FROM THE BOARD

---

As at the Latest Practicable Date, conditions (i), (ii) and (iii) had been fulfilled, while the other conditions had not been fulfilled.

In respect of condition precedent (i), the relevant resolutions in respect of the Rights Issue and the Underwriting Agreement and the transactions contemplated thereunder were duly passed at the SGM. In accordance with the Listing Rules, the Subscribers and their respective concert parties were required to abstain, and had abstained, from voting on the relevant resolutions to approve the Rights Issue, the Underwriting Agreement and the transactions contemplated thereunder at the SGM. Save as disclosed in this paragraph, no other Shareholder was involved or interested in or had a material interest in the Rights Issue, the Underwriting Agreement and the transactions contemplated thereunder and was otherwise required to abstain from voting on the relevant resolutions to approve the Rights Issue, the Underwriting Agreement and the transactions contemplated thereunder at the SGM.

If any of the conditions precedent are not satisfied by the Latest Time for Termination, the Underwriting Agreement shall terminate and no party will have any claim against any other party save for any antecedent breaches and claims thereof.

### *Termination of the Underwriting Agreement*

The Underwriter shall be entitled by a notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (a) 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 nature whatsoever which may materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or is materially adverse in the context of the Rights Issue; or
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date thereof) of a political, military, financial, economic or other nature (whether or not of the same kind with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the reasonable opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or

---

## LETTER FROM THE BOARD

---

- (iii) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or the destruction of any material asset of any member of the Group.

If prior to the Latest Time for Termination any such notice as is referred to above is given by the Underwriter, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine.

**If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed. A further announcement will be made by the Company if the Underwriting Agreement is terminated by the Underwriter.**

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

#### **Background of the Group**

The Group is principally engaged in the business of manufacturing and sale of healthcare and household products, coal mining business and money lending business. The Group also has a 35%-interest in an associate principally engaged in a property development project in Malaysia.

Over the past few years, the Group faced significant challenges in its business operations, particularly the PRC property development operations, due to adverse market conditions including a severe credit crunch in the PRC property sector, and incurred significant losses. The heavily debt financed PRC property development operations further poised significant burden on the financial position of the Group. In the circumstances, the auditors of the Company issued qualified opinions on five items for the financial year ended 30 June 2024 regarding, among other things, the PRC property development operations. As such, the Company's focus and energy were inevitably driven to exploring means to restructure the business operations of the Group, offloading the financial burden and resolving the auditor's qualified opinions.

After years of efforts, the Group finally disposed the PRC property development operations to Subscriber II in July 2024, and realigned the business segments of the Group, details of which are set out in the circular of the Company dated 28 June 2024. Following the disposal of the PRC property development operations, three out of the five qualified opinions were addressed. The Group also took measures to resolve the other two qualified opinions in May 2024 and March 2025, respectively, and the Company was of the view that all of the five qualified opinions had been fully addressed. The Company is therefore able to shift back its focus to optimising its capital structure, strengthening the financial position of the Group and developing its core business operations. In particular, in view of the depletion of the Group's financial resources by the PRC property development operations over the years, and the adverse impact of the China-United States trade war on, among other things, the Group's business of manufacturing and sale of healthcare and household products, the Company is in need of new capital to support the business development of the Group.

---

## LETTER FROM THE BOARD

---

### Debt Capitalisation

As disclosed in the unaudited consolidated statement of financial position as set out in the interim report of the Company for the six months ended 31 December 2024, as at 31 December 2024, the Group had (i) bank and other borrowings of approximately HK\$29.0 million; and (ii) shareholder's loans owing to the Subscribers comprising loan principal of approximately HK\$298.1 million in aggregate and accrued interest of approximately HK\$20.8 million in aggregate. The gearing ratio (calculated by dividing total debt and borrowings by total equity) as at 31 December 2024 was approximately 116.0%. On the other hand, the Group only had bank and cash balances of approximately HK\$2.3 million as at 31 December 2024, and recorded net current liabilities of approximately HK\$103.2 million, reflecting substantial financial leverage.

Given the Group's liquidity constraints and financial position, in particular the lack of working capital, the net current liabilities position and the high gearing ratio, it is imperative for the Company to resolve the liquidity and funding issue in order for the Group to continue moving forward. Although the repayment dates of the shareholder's loans had not yet been due, the substantial outstanding amounts and the continuous accrual of interest expenses further strain the Group's financial health. Without alleviating these liabilities, the Group's financial position will remain weak and vulnerable. The Company thus proposed the Debt Capitalisation to (i) alleviate the Group's financial burden and the repayment pressure on the outstanding debts; (ii) preserve as much liquidity as possible; (iii) expand the Company's capital base; and (iv) reduce the gearing ratio while improving the net asset position, and thereby strengthen the Group's financial position. The Debt Capitalisation was completed on 15 July 2025. Further details of the Debt Capitalisation are disclosed in the Circular.

### Rights Issue

While the Debt Capitalisation would alleviate debt obligations and financial burden of the Group, it would not fully resolve its structural financial challenges, particularly the net current liabilities position and insufficient working capital for business development. As mentioned earlier, as at 31 December 2024, the Group only had bank and cash balances of approximately HK\$2.3 million and had net current liabilities of approximately HK\$103.2 million. Upon completion of the Debt Capitalisation on 15 July 2025, while the consolidated net assets of the Group was improved, the Group remained in a net current liabilities position as only part of the current liabilities in the amount of approximately HK\$57.9 million attributable to the shareholder's loans and accrued interest thereof owing to Subscriber I was capitalised. The remaining current liabilities mainly comprised trade and other payables and borrowings. Given the bank and cash balances, without additional funding, the Group would not be having sufficient working capital to meet its financial needs. To strengthen the Group's financial position, replenish the working capital and raise funding to improve the Group's liquidity, and thereby provide the Group with the financial flexibility necessary to support the Group's continuous business development particularly under the challenging market conditions amidst the China-United States trade war, the Company thus proposed the Rights Issue. This initiative would establish a permanent equity base, reduce reliance on debt financing and establish a more sustainable capital structure for the Group. Upon completion of the Rights Issue, the Group will raise net proceeds of approximately HK\$112.0 million which will provide the Group with sufficient working capital to meet its financial obligations, provide the cashflow to align the timing and amounts of payments to suppliers with receivables from customers and fund its operations. As at the Latest Practicable Date, the Company had no intention to conduct further equity fund raising activities in addition to the Rights Issue.

---

## LETTER FROM THE BOARD

---

Given the Company's objective is to improve its capital structure, additional debt financing would not support deleveraging efforts. Consequently, the Company believes equity fundraising would be the preferable approach. Compared to a private placement which would bring further dilution to the shareholding of the Shareholders, the Rights Issue would offer the Qualifying Shareholders an opportunity to maintain their proportional interests and participate in the Group's future development. The Irrevocable Undertakings from the Substantial Shareholders, alongside the underwriting commitment from Subscriber I, further demonstrate their confidence in and support for the Group's future development. Additionally, the Rights Issue allows the Qualifying Shareholders who choose not to take up their entitlements to benefit by selling their nil-paid rights.

Based on the above, the Directors consider that raising capital through the Rights Issue is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Intended use of proceeds**

The gross proceeds from the Rights Issue will be approximately HK\$114.6 million and the net proceeds from the Rights Issue after deducting the expenses are estimated to be approximately HK\$112.0 million. The Company intends to apply the entire amount of the net proceeds from the Rights Issue as follows:

- (i) approximately HK\$48.0 million, or 43% of the net proceeds, be applied towards repayment of the outstanding debt of the Group, of which:
  - (a) by August 2025, approximately HK\$15.1 million, or 13% of the net proceeds, be applied towards repayment of an outstanding loan facility and the accrued interest thereof owing to Sky Treasure Group (Development) Limited Ltd, which is an investment holding company and is an Independent Third Party and is not a Shareholder, and has no other relationship (business or otherwise) with the Company and its connected persons. The loan facility is unsecured, carries interest rate of 6% per annum and will be due in July 2025;
  - (b) by December 2025, approximately HK\$32.9 million, or 30% of the net proceeds, be applied towards repayment of an outstanding bank loan and the accrued interest thereof relating to the healthcare and household business. The bank loan is secured by the land use rights and the factory buildings, carries interest rate of 3% per annum and will be due in January 2028. While the bank loan is not yet due, having considered the challenging business environment amidst the China-United States trade war, the Company takes the initiative to minimise the costs for the Group's operations;

---

## LETTER FROM THE BOARD

---

- (ii) approximately HK\$40.0 million, or 35% of the net proceeds, be applied towards strategic adjustment and business transformation for the Group's business of manufacturing and sale of healthcare and household products, of which:
  - (a) by December 2025, approximately HK\$6.0 million, or 5% of the net proceeds, be applied towards the development of diversified markets by establishing sales and marketing teams, with a focus on expanding into Mainland China, the Middle East, Europe and/or Southeast Asia;
  - (b) by December 2025, approximately HK\$6.0 million, or 5% of the net proceeds, be applied towards expanding domestic and/or cross-border e-commerce channels to establish direct sales pathways within Mainland China and/or the overseas market;
  - (c) by June 2026, approximately HK\$28.0 million, or 25% of the net proceeds, be applied towards optimising the products lines, trimming down low margin and loss-making products and developing higher margin products such as shavers or beauty devices for the healthcare and household business;
- (iii) the remaining amount of approximately HK\$24.0 million, or 22% of the net proceeds, be used for general working purposes, of which:
  - (a) approximately HK\$12.0 million, or 11% of the net proceeds, be applied towards the faster payments to suppliers for discounted purchase price of materials; and
  - (b) approximately HK\$12.0 million, or 11% of the net proceeds, be used for payment for administrative expenses.

Taking into account the Debt Capitalisation and proceeds from the Rights Issue, the Company would have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the next twelve months.



## LETTER FROM THE BOARD

### EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) upon completion of the Rights Issue in different scenarios as follows:

- (a) full acceptance of the Rights shares by all Qualifying Shareholders;
- (b) nil acceptance of the Rights Shares by the Qualifying Shareholders (other than Subscriber I, Subscriber II and Mr. Yang pursuant to the Irrevocable Undertakings) and all of the Unsubscribed Rights Shares are fully placed to the Placees under the Compensatory Arrangements; and
- (c) nil acceptance of the Rights Shares by the Qualifying Shareholders (other than Subscriber I, Subscriber II and Mr. Yang pursuant to the Irrevocable Undertakings) and all of the Untaken Rights Shares are taken up by the Underwriter.

Name of Shareholders	(i) As at the Latest Practicable Date		(a) Full acceptance of the Rights Shares by all Qualifying Shareholders		(ii) Upon completion of the Rights Issue, assuming			
					(b) Nil acceptance of the Rights Shares by the Qualifying Shareholders (other than Subscriber I, Subscriber II and Mr. Yang pursuant to the Irrevocable Undertakings) and all of the Unsubscribed Rights Shares are placed to the Placees under the Compensatory Arrangements		(c) Nil acceptance of the Rights Shares by the Qualifying Shareholders (other than Subscriber I, Subscriber II and Mr. Yang pursuant to the Irrevocable Undertakings), and all of the Untaken Rights Shares are taken up by the Underwriter	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Subscriber I	399,911,658	34.9%	599,867,487	34.9%	599,867,487	34.9%	773,504,876	45.0%
Subscriber II	293,471,047	25.6%	440,206,570	25.6%	440,206,570	25.6%	440,206,570	25.6%
<b>Sub-total of the Subscribers and parties acting in concert with any of them</b>	<b>693,382,705</b>	<b>60.5%</b>	<b>1,040,074,057</b>	<b>60.5%</b>	<b>1,040,074,057</b>	<b>60.5%</b>	<b>1,213,711,444</b>	<b>70.6%</b>
Mr. Yang	105,140,858	9.2%	157,711,287	9.2%	157,711,287	9.2%	157,711,287	9.2%
Independent Placees	-	-	-	-	173,637,389	10.1%	-	-
Public Shareholders	347,274,777	30.3%	520,912,166	30.3%	347,274,777	20.2%	347,274,777	20.2%
<b>Total</b>	<b>1,145,798,340</b>	<b>100%</b>	<b>1,718,697,510</b>	<b>100%</b>	<b>1,718,697,510</b>	<b>100%</b>	<b>1,718,697,510</b>	<b>100%</b>

Notes:

- Certain figures and percentage included in the above tables have been subject to rounding adjustments.
- As at the Latest Practicable Date, save for Subscriber II, none of the Directors held any Shares or other relevant securities in the Company.
- The percentage of shareholding in the above table is for illustrative purpose only. The Company will take all appropriate steps to ensure that sufficient public float be maintained in compliance with Rule 8.08 of the Listing Rules.

---

## LETTER FROM THE BOARD

---

### EQUITY FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company had not conducted any equity fund raising activity in the past 12 months immediately preceding the Latest Practicable Date.

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

The Shares have been dealt in on an ex-rights basis from Friday, 18 July 2025. Dealings in the Rights Shares in their nil-paid form will take place from Thursday, 31 July 2025 to Thursday, 7 August 2025 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Shareholders and potential investors in the Company should note that the Rights Issue is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. The Underwriting Agreement contains provisions granting the Underwriter the right in its absolute discretion to terminate the obligations of the Underwriter thereunder on the occurrence of certain events. Accordingly, the Rights Issue may or may not proceed. Any persons contemplating dealings in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled, 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. Any Shareholders or other persons contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult their own professional advisers.

### ADDITIONAL INFORMATION

Your attention is also drawn to the additional information contained in the appendices to this Prospectus.

By order of the Board  
**Zhongzheng International Company Limited**  
**Liu Liyang**  
*Executive Director*

**1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP**

The financial information of the Group for the eighteen months ended 30 June 2022, the two years ended 30 June 2023 and 2024, and the six months ended 31 December 2024 are disclosed in the annual reports of the Company for the eighteen months ended 30 June 2022 and the two years ended 30 June 2023, 2024 and the interim report of the Company for the six months ended 31 December 2024, respectively, which have been published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.zhongzheng.com.hk](http://www.zhongzheng.com.hk)) as follows:

- (i) the audited financial information of the Group for the eighteen months ended 30 June 2022 is disclosed in the annual report of the Company for the eighteen months ended 30 June 2022 (pages 58 to 136)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0531/2023053101216.pdf>;

- (ii) the audited financial information of the Group for the year ended 30 June 2023 is disclosed in the annual report of the Company for the year ended 30 June 2023 (pages 60 to 138)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/1129/2023112900353.pdf>;

- (iii) the audited financial information of the Group for the year ended 30 June 2024 is disclosed in the annual report of the Company for the year ended 30 June 2024 (pages 56 to 134)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/1030/2024103000292.pdf>; and

- (iv) the unaudited financial information of the Group for the six months ended 31 December 2024 is disclosed in the interim report of the Company for the six months ended 31 December 2024 (pages 2 to 30)

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0320/2025032000719.pdf>.

## APPENDIX I

## FINANCIAL INFORMATION OF THE GROUP

Set out below is the consolidated statement of profit or loss and other comprehensive income for the eighteen months ended 30 June 2022 and the two years ended 30 June 2023 and 2024, as extracted from the annual reports of the Company for the eighteen months ended 30 June 2022 and the two years ended 30 June 2023 and 2024, respectively:

	For the year ended 30 June		For the eighteen months ended 30 June
	2024	2023	2022
	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(audited)
Revenue	147,242	869,637	202,822
Interest revenue	1,257	3,273	6,173
<b>Total revenue</b>	148,499	872,910	208,995
Cost of sales	(125,510)	(619,223)	(154,081)
<b>Gross profit</b>	22,989	253,687	54,914
Other income and other gains and losses	12,837	268,633	17,491
Selling and distribution expenses	(2,669)	(36,185)	(6,858)
Administrative expenses	(71,876)	(80,943)	(167,475)
<b>(Loss)/profit from operations</b>	(38,719)	405,192	(101,928)
Reversal of impairment loss on exploration and evaluation assets	31,761	—	—
Impairment loss on exploration and evaluation assets	—	—	(107,970)
Written down of properties under development for sales	(196,443)	—	—
Impairment loss on amount due from an associate	(68,155)	—	—
Impairment loss on interest in an associate	(288,775)	(75,860)	—
Impairment of loan and interest receivables	(6,929)	(4,264)	(30,628)
Impairment of other receivables	(65,934)	(2,481)	—
Share of results of associates	(67,537)	(38,208)	(85,310)
Finance costs	(191,647)	(84,618)	(36,472)
<b>(Loss)/profit before tax</b>	(892,378)	199,761	(362,308)
Income tax credit/(expense)	24,258	(167,247)	(3)
<b>(Loss)/profit for the year</b>	<u>(868,120)</u>	<u>32,514</u>	<u>(362,311)</u>
<b>(Loss)/profit for the year attributable to:</b>			
Owners of the Company	(699,345)	69,131	(347,517)
Non-controlling interests	(168,755)	(36,617)	(362,311)

	For the year ended 30 June		For the eighteen months ended 30 June
	2024	2023	2022
	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(audited)
<b>Other comprehensive (loss)/income:</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations	4,299	(18,279)	(11,332)
Share of associates' exchange differences on translating foreign operations	(6,097)	(68,261)	(39,649)
<i>Items that will not be reclassified to profit or loss:</i>			
Gain on property revaluation	1,403	1,005	4,449
<b>Other comprehensive loss for the year, net of tax</b>	<u>(395)</u>	<u>(85,535)</u>	<u>(46,532)</u>
<b>Total comprehensive loss for the year</b>	<u><u>(868,515)</u></u>	<u><u>(53,021)</u></u>	<u><u>(408,843)</u></u>
<b>Total comprehensive loss for the year attributable to:</b>			
Owners of the Company	(702,092)	(15,817)	(394,046)
Non-controlling interests	<u>(166,423)</u>	<u>(37,204)</u>	<u>(14,797)</u>
	<u><u>(868,515)</u></u>	<u><u>(53,021)</u></u>	<u><u>(408,843)</u></u>
<b>(Loss)/earnings per share</b>			
Basic (cents per share)	<u><u>(5.56)</u></u>	<u><u>0.64</u></u>	<u><u>(3.24)</u></u>
Diluted (cents per share)	<u><u>N/A</u></u>	<u><u>N/A</u></u>	<u><u>N/A</u></u>

Set out below is the condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 31 December 2023 and 2024, as extracted from the interim report of the Company for the six months ended 31 December 2024:

	<b>For the six months ended</b>	
	<b>31 December</b>	
	<b>2024</b>	<b>2023</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
<b>Continuing operations</b>		
Revenue	64,022	47,291
Interest revenue	510	284
<b>Total revenue</b>	64,532	47,575
Cost of sales	(48,232)	(33,415)
<b>Gross profit</b>	16,300	14,160
Other income and other gains and losses	769	892
Selling and distribution expenses	(885)	(638)
Administrative expenses	(26,650)	(27,245)
<b>Loss from operations</b>	(10,466)	(12,831)
Impairment of loan and interest receivables	(2,616)	–
Impairment loss on other receivables	(16,086)	–
Share of results of associates	(357)	(567)
Finance costs	(7,355)	(7,121)
<b>Loss before tax from continuing operations</b>	(36,880)	(20,519)
Income tax expense	(65)	–
<b>Loss for the period from continuing operations</b>	(36,945)	(20,519)
<b>Discontinued operations</b>		
Loss for the period from discontinued operations	(55,670)	(908,541)
<b>Loss for the period</b>	(92,615)	(929,060)
<b>Loss for the period attributable to:</b>		
Owners of the Company		
From continuing operations	(36,945)	(20,519)
From discontinued operations	(52,208)	(673,591)
	(89,153)	(694,210)
Non-controlling interests		
From continuing operations	–	–
From discontinued operations	(3,462)	(234,850)
	(3,462)	(234,850)

	For the six months ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<b>Other comprehensive income/(loss):</b>		
Items that may be reclassified to profit or loss:		
Exchange differences reclassified to profit or loss on disposal of subsidiaries	53,705	–
Exchange differences on translating foreign operations	(3,240)	(4,906)
Share of associates' exchange differences on translating foreign operations	26,405	8,483
	<u>76,870</u>	<u>3,577</u>
<b>Other comprehensive income for the period, net of tax</b>	<u>76,870</u>	<u>3,577</u>
<b>Total comprehensive loss for the period</b>	<u>(15,745)</u>	<u>(925,483)</u>
<b>Total comprehensive loss for the period attributable to:</b>		
Owners of the Company	(11,186)	(685,682)
Non-controlling interests	(4,559)	(239,801)
	<u>(15,745)</u>	<u>(925,483)</u>
<b>Loss per share</b>		
From continuing and discontinued operations		
Basic (cents per share)	<u>(0.70)</u>	<u>(5.62)</u>
Diluted (cents per share)	<u>N/A</u>	<u>N/A</u>
From continuing operations		
Basic (cents per share)	<u>(0.29)</u>	<u>(0.17)</u>
Diluted (cents per share)	<u>N/A</u>	<u>N/A</u>
From discontinued operations		
Basic (cents per share)	<u>(0.41)</u>	<u>(5.45)</u>
Diluted (cents per share)	<u>N/A</u>	<u>N/A</u>

Save as disclosed above, there were no items of any income or expense which are material in respect of (i) the consolidated financial results of the Group for the eighteen months ended 30 June 2022 and the two years ended 30 June 2023 and 2024; and (ii) the consolidated condensed financial results for the six months ended 31 December 2023 and 2024.

The management discussion and analysis of the Company for each of the eighteen months ended 30 June 2022, the two years ended 30 June 2023 and 2024, and the six months ended 31 December 2024 are disclosed in the annual reports of the Company for the eighteen months ended 30 June 2022 and the two years ended 30 June 2023 and 2024, and the interim report of the Company for the six months ended 31 December 2024, respectively.

For each of the eighteen months ended 30 June 2022, the two years ended 30 June 2023 and 2024, and the six months ended 31 December 2024, no dividend or distribution was declared or paid.

The auditors of the Company for the eighteen months ended 30 June 2022 and the two years ended 30 June 2023 and 2024 were ZHONGHUI ANDA CPA Limited. Qualified opinions were given, and material uncertainty related to going concern were reported, by the auditors for each of for the eighteen months ended 30 June 2022 and the two years ended 30 June 2023 and 2024, which are extracted below:

For the eighteen months ended 30 June 2022:

**“BASIS FOR QUALIFIED OPINION**

**1. Exploration and evaluation assets**

*As set out in note 18 to the consolidated financial statements, the mining license (the “Mining License”) of the coal mine has been revoked and declared invalid by the Indonesian Government on 22 April 2022. The Group has submitted the application for reinstatement. The Group has yet to receive the decision from the relevant authorities on its application up to the date of this report. However, the management is in the view that the reinstatement of Mining License is remote. Full impairment of HK\$107,970,000 was recognised for the Period. As the outcome of reinstatement of the Mining License is uncertain, we were unable to obtain adequate and sufficient audit evidence to satisfy ourselves as to appropriateness of the recognition of full impairment loss of HK\$107,970,000 for the Period.*

**2. Interest in an associate and amount due from an associate**

*Included in the consolidated financial statements is interest in an associate, Chengde CITIC Securities Jinyu Investment Development Co., Ltd (the “Associate”) with carrying amount of approximately HK\$494,881,000 as at 30 June 2022 and share of loss of approximately HK\$83,747,000 for the Period. The Associate is engaged in primary land development in the People’s Republic of China (the “PRC”). The Associate incurred significant loss for the Period and had not repaid certain borrowings according to their scheduled repayment dates. The Associate’s continuing as a going concern is subject to the future sales of land and additional financing to be obtained. Due to the change in the condition of the property market in the PRC, we are unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the estimated schedule for sales of land which is the major assumption adopted in the calculation of the value-in-use value of the Associate. As such, the value-in-use value of the Associate cannot be reliably measured. As a result, we are unable to ascertain the recoverable amount of the Associate as at 30 June 2022 and whether any impairment should be made for the Associate and the accuracy of the share of loss during*



*the Period. In addition, we are unable to ascertain that the amount due from the Associate of approximately HK\$332,568,000 as at 30 June 2022 can be recovered in full, whether any expected credit loss should be recognized for the Period and the validity of the interest income of approximately HK\$18,571,000 recognised during the Period.*

**3. Properties under development for sales and prepayments**

*As mentioned in notes 24 and 29 to the consolidated financial statements, subsequent to end of reporting period, a non-wholly owned subsidiary, Nanjing Yuanding Real Estate Co., Ltd (南京源鼎置業有限公司) (“Yuanding”) had defaulted the settlement of bank borrowings and the development of the properties (the “PUD”) was temporarily suspended since August 2022. The carrying amount of the PUD of Yuanding was approximately HK\$1,349,567,000 as at 30 June 2022. In estimating the net realizable value of the PUD, the management assumes that Yuanding is able to obtain further financing from financial institutes or potential investors and resume the development. However, due to the uncertainty in obtaining further financing from financial institute or potential investors, we were unable to evaluate the appropriateness of the estimation of future selling price and the costs to completion of the PUD. Thus, we are unable to determine whether the net realizable value of the PUD is higher than its carrying amount and any write down on PUD should be recognized for the Period. In addition, we are unable to determine the prepayments of approximately HK\$25,947,000 which related to the PUD can be recovered in full.*

**4. Other receivable**

*As set out in note 25 to the consolidated financial statements, there was a consideration receivable (the “Receivable”) of HK\$86,400,000 included in trade and other receivables as at 30 June 2022. As at the date of this report, the Group failed to reach a satisfactory settlement plan with the counterparty. The Group has engaged lawyers to commence legal proceedings to recover the Receivable. Due to the fact that the outcome of the legal actions is uncertain, we were unable to obtain adequate and sufficient audit evidence to satisfy ourselves as to the recoverability of the Receivables as at 30 June 2022, and whether any impairment loss should be made for the Period.*

*Any adjustments to the figures as described from points 1 to 4 above might have consequential effects on the Group’s results and cash flows for the Period and the financial position of the Group as at 30 June 2022, and the related disclosures thereof in the consolidated financial statements.*

*We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.*

**MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

*We draw attention to note 2 to the consolidated financial statements that the Group incurred a loss attributable to owners of the Company of approximately HK\$347,517,000 for the Period and as at 30 June 2022, the Group's current portion of bank and other borrowings amounted to approximately HK\$1,021,135,000, while its cash and bank balances and cash equivalents amounted to approximately HK\$167,450,000. Further, subsequent to the end of reporting period, the Group had not repaid certain borrowings according to their scheduled repayment dates as described in note 29 to the consolidated financial statements. These circumstances along with the situation as set forth in note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter."*

For the year ended 30 June 2023:

**"BASIS FOR QUALIFIED OPINION****1. Exploration and evaluation assets**

*As set out in note 18 to the consolidated financial statements, the mining license (the "Mining License") of the coal mine has been revoked and declared invalid by the Indonesian Government on 22 April 2022. The Group has submitted the application for the reinstatement. On 24 August 2023, the Group was notified by the Indonesian Government that the decision to the revocation of the Mining License has been cancelled. The Mining License has become valid and has legal force subject to the Group confirming its certain commitments to the authorities, including but not limited to that the Group has to carry out mining activities no later than six months after obtaining the approval of the work and budget plan. On 9 September 2023, the Group entered into an exclusive cooperation agreement with a company, which engaged in coal mining activities in Indonesia, to carry out mining production activities at the coal mine. The Group expected that the application of the work and budget plan will be made by December 2023 and actual production of coal shall commence upon the approval of the work and budget plan is obtained.*

*Since the application of the work and budget plan is not yet made and the approval of the work and budget plan is yet to be obtained up to the date of this report so that the final outcome of reinstatement of the Mining License is uncertain, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the accuracy and recoverability of exploration and evaluation assets on the consolidated statement of financial position as at 30 June 2023 and 2022 of approximately HK\$Nil and HK\$Nil respectively, and to appropriateness of the recognition of the related impairment of exploration and evaluation assets on the consolidated statement profit or loss and other comprehensive income of approximately HK\$Nil and HK\$107,970,000 respectively for the year ended 30 June 2023 and for the period from 1 January 2021 to 30 June 2022.*

**2. Interest in an associate and amount due from an associate**

*Included in the consolidated financial statements is interest in an associate, Chengde CITIC Securities Jinyu Investment Development Co., Ltd (the “Associate”) with carrying amount of approximately HK\$347,610,000 and HK\$494,881,000, as at 30 June 2023 and 2022 respectively, impairment loss on interest in an associate of approximately HK\$75,860,000 and HK\$Nil respectively for the year ended 30 June 2023 and for the period from 1 January 2021 to 30 June 2022, share of loss of approximately HK\$37,331,000 and HK\$83,747,000 respectively for the year ended 30 June 2023 and for the period from 1 January 2021 to 30 June 2022 and share of associate’s exchange differences on translating foreign operations of approximately HK\$34,080,000 (loss) and HK\$5,141,000 (income) respectively for the year ended 30 June 2023 and for the period from 1 January 2021 to 30 June 2022. The Associate is engaged in primary land development in the People’s Republic of China (the “PRC”).*

*During the year ended 30 June 2023 and the period from 1 January 2021 to 30 June 2022, the Associate incurred significant loss and had not repaid certain borrowings according to their scheduled repayment dates. The Associate’s continuing as a going concern is subject to the future sales of land and additional financing to be obtained. Due to the change in the condition of the property market in the PRC, we are unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the estimated schedule for sales of land which is the major assumption adopted in the calculation of the value in use of the Associate. As such, the value in use of the Associate cannot be reliably measured. In addition, the Associate temporarily suspended its business operations from February 2023, the management is unable to obtain complete accounting books and records of the Associate. As a result, we are unable to ascertain the recoverable amount of the Associate as at 30 June 2023 and 2022 and the accuracy of the share of loss, share of associate’s exchange differences on translating foreign operations and impairment loss on interest in an associate for the year ended 30 June 2023 and the period from 1 January 2021 to 30 June 2022.*

*In addition, we are unable to ascertain that the amount due from the Associate of approximately HK\$292,616,000 and HK\$317,549,000 respectively as at 30 June 2023 and 2022 can be recovered in full, whether any expected credit loss should be recognised for the year ended 30 June 2023 and for the period from 1 January 2021 to 30 June 2022 and the validity of the interest income of approximately HK\$14,386,000 and HK\$18,571,000 recognised respectively for the year ended 30 June 2023 and for the period from 1 January 2021 to 30 June 2022.*

**3. Properties under development for sales and prepayments**

*As mentioned in notes 24 and 29 to the consolidated financial statements, during the year ended 30 June 2023 and subsequent to the end of reporting period, a non-wholly owned subsidiary, Nanjing Yuanding Real Estate Co., Ltd (南京源鼎置業有限公司) (“Yuanding”) had defaulted the settlement of bank borrowings and the development of the properties under development for sales (the “PUD”) was temporarily suspended since August 2022. The carrying amount of the PUD of Yuanding as at 30 June 2023 and 2022 was approximately HK\$1,249,032,000 and HK\$1,349,567,000 respectively. In estimating the net realisable value of the PUD, the management assumes that Yuanding is able to obtain further financing from financial institutes or potential investors and resume the development. However, due to the uncertainty in obtaining further financing from financial institute or potential investors, we were unable to evaluate the appropriateness of the estimation of future selling price and the costs to completion of the PUD. Thus, we are unable to determine whether the net realisable value of the PUD is higher than its carrying amount and any write down on PUD should be recognised for the year ended 30 June 2023 and for the period from 1 January 2021 to 30 June 2022. In addition, we are unable to determine the prepayments of approximately HK\$35,115,000 and HK\$25,947,000 respectively as at 30 June 2023 and 2022 which related to the PUD can be recovered in full.*

**4. Other receivables**

*As set out in note 25 to the consolidated financial statements, there was a consideration receivable (the “Receivable”) of HK\$86,400,000 included in trade and other receivables as at 30 June 2023 and 2022. As at the date of this report, the Company failed to reach a satisfactory settlement plan with the counterparty. The Group has engaged lawyers to commence legal proceedings to recover the Receivable. Due to the fact that the outcome of the legal actions is uncertain, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of the Receivables as at 30 June 2023 and 2022, and whether any impairment loss should be made for the year ended 30 June 2023 and for the period from 1 January 2021 to 30 June 2022.*

*Any adjustments to the figures as described from points 1 to 4 above might have consequential effects on the Group’s results and cash flows for the year ended 30 June 2023 and for the period from 1 January 2021 to 30 June 2022 and the financial position of the Group as at 30 June 2023 and 2022, and the related disclosures thereof in the consolidated financial statements.*

*We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.*

**MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

*We draw attention to note 2 to the consolidated financial statements that the Group incurred net operating cash outflow of approximately HK\$67,549,000 for the year ended 30 June 2023 and as at 30 June 2023, the Group's current portion of bank and other borrowings amounted to approximately HK\$1,061,812,000, while its cash and bank balances and cash equivalents amounted to approximately HK\$41,427,000. Further, during the year ended 30 June 2023 and subsequent to the end of reporting period, the Group had not repaid certain borrowings according to their scheduled repayment dates as described in note 29 to the consolidated financial statements. These circumstances along with the situation as set forth in note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter."*

For the year ended 30 June 2024:

**"BASIS FOR QUALIFIED OPINION****1. Exploration and evaluation assets**

*As set out in Note 18 to the consolidated financial statements, the mining license (the "Mining License") of the coal mine has been revoked and declared invalid by the Indonesian Government on 22 April 2022. Full impairment of HK\$107,970,000 was recognised for the period from 1 January 2021 to 30 June 2022. The Group has submitted the application for the reinstatement. On 24 August 2023, The Group was notified by the Indonesian Government that the decision to the revocation of the Mining License has been cancelled. The Mining License has become valid and has legal force subject to the Group confirming its certain commitments to the authorities, including but not limited to that the Group has to carry out mining activities no later than six months after obtaining the approval of the work and budget plan. On 9 September 2023, the Group entered into an exclusive cooperation agreement with a company, which engaged in coal mining activities in Indonesia, to carry out mining production activities at the coal mine. On 31 December 2023, the work and budget plan of the coal mining business was approved by the Indonesian Government and the actual coal production and coal sales began in the first half of 2024.*

*No valuation or other evidence was available for us to verify the nil balance of the exploration and evaluation assets as at 30 June 2023. Therefore, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the accuracy and recoverability of exploration and evaluation assets on the consolidated statement of financial position as at 30 June 2023 of Nil and as to appropriateness of the recognition of the impairment of exploration and evaluation assets on the consolidated statement of profit or loss and other comprehensive income of Nil for the year ended 30 June 2023. In consequence, we were unable to ascertain the appropriateness of the reversal of the impairment losses of approximately HK\$31,761,000 made during the year ended 30 June 2024.*

**2. Interest in an associate and amount due from an associate**

*Included in the consolidated financial statements is interest in an associate, Chengde CITIC Securities Jinyu Investment Development Co., Ltd (“Chengde Jinyu”) with carrying amount of approximately Nil and HK\$347,610,000, as at 30 June 2024 and 2023 respectively, share of loss of approximately HK\$59,985,000 and HK\$37,331,000 respectively for each of the years ended 30 June 2024 and 2023, share of associate’s exchange differences on translating foreign operations of approximately HK\$1,150,000 (income) and HK\$34,080,000 (loss) respectively for each of the years ended 30 June 2024 and 2023 and the impairment on interest in an associate of approximately HK\$288,775,000 and HK\$75,860,000 for each of the years ended 30 June 2024 and 2023. Chengde Jinyu is engaged in primary land development in the People’s Republic of China (the “PRC”).*

*During each of the years ended 30 June 2023 and 2024, Chengde Jinyu incurred significant loss and had not repaid certain borrowings according to their scheduled repayment dates. Chengde Jinyu’s continuing as a going concern is subject to the future sales of land and additional financing to be obtained. As a result, Chengde Jinyu incurred severe financial difficulties and temporarily suspended its business operations from February 2023. The management is unable to obtain complete accounting books and records of Chengde Jinyu. We are unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to whether the interest in an associate as at 30 June 2024 and 30 June 2023, share of loss, share of associate’s exchange differences on translating foreign operations and the impairment on interest in an associate for each of the years ended 30 June 2024 and 2023, as well as the related disclosure notes in relation to Chengde Jinyu, as included in the consolidated financial statements of the Group, have been accurately recorded and properly accounted for in the consolidated financial statements.*

*In addition, we are unable to ascertain the accuracy of the amount due from Chengde Jinyu of approximately HK\$235,994,000 and HK\$292,616,000 as at 30 June 2024 and 2023 respectively, whether the impairment loss on amount due from an associate of approximately HK\$68,155,000 have been accurately recorded and properly accounted for in the consolidated financial statements for the year ended 30 June 2024 and whether any impairment loss should be recognised for the year ended 30 June 2023 and the validity of the interest income of approximately HK\$10,403,000 and HK\$14,386,000 recognised for the years ended 30 June 2024 and 2023 respectively.*

**3. Properties under development for sales**

*As mentioned in note 2 to the consolidated financial statements, subsequent to the end of reporting period, the Group completed the disposal of the entire equity interest in Hong Kong Zhongzheng City Investment Limited, which held Chengde Jinyu and the property development projects in Nanjing and Dongguan in the PRC, and the shareholder’s loans due from Shenzhen Zhongzheng Ruifeng Management Co., Ltd. to a substantial shareholder of the Company for a consideration of HK\$53,700,000 (the “Consideration”). In estimating the net realisable value of the properties under development for sales, the Group allocated the Consideration to the assets (other than properties under development for sales) and liabilities disposed of, with the residual value being allocated to the properties under*



development for sales. Therefore, a written down of approximately HK\$196,443,000 was provided for the year ended 30 June 2024. As mentioned in the second and fifth modifications, since we are unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the accuracy of the carrying amounts of interest in Chengde Jinyu, the amount due from Chengde Jinyu and certain bank borrowings as at 30 June 2024, any adjustment to these figures would affect the amount of written down of properties under development for sales. Therefore, we are unable to ascertain the properties under development for sales of approximately HK\$1,049,592,000 and HK\$1,249,032,000 as at 30 June 2024 and 2023 respectively and the written down of properties under development for sales of approximately HK\$196,443,000 and Nil has been accurately recorded in the consolidated financial statements for each of the years ended 30 June 2024 and 2023 respectively.

#### **4. Other receivables**

As set out in Note 25 to the consolidated financial statements, there was a consideration receivable (the “Receivable”) of HK\$20,466,000 and HK\$86,400,000 included in trade and other receivables as at 30 June 2024 and 2023 respectively. As at the date of this report, the Group failed to reach a satisfactory settlement plan with the counterparty. The Group has engaged lawyers to commence legal proceedings to recover the Receivable. However, due to the considerable amount of fees and time involved in the legal proceedings, the Group also considers selling the Receivable to a debt collection company or asset management company. Due to the fact that the outcome of the further actions taken by the management is uncertain, we were unable to obtain adequate and sufficient audit evidence to satisfy ourselves as to the recoverability of the Receivables as at 30 June 2024 and 2023, and whether the impairment loss of HK\$65,934,000 and Nil have been properly made for each of the years ended 30 June 2024 and 2023 respectively.

#### **5. Borrowings**

During each of the years ended 30 June 2023 and 2024 and subsequent to the end of reporting period, a non-wholly owned subsidiary, Yuanding had defaulted the settlement of bank borrowings of RMB319,740,000 (equivalent to approximately HK\$343,659,000) as at 30 June 2024. The bank has initiated legal proceedings at the PRC court against Yuanding to demand repayment of bank borrowings. On 29 December 2023, Yuanding received a judgement from The Intermediate People’s Court of Nanjing, Jiangsu Province, ruled that Yuanding was required to repay the outstanding loan principal, default charges on overdue bank borrowings of approximately HK\$34,627,000, as well as the loans interests and penalty loans interests within 10 days from the effective date of the judgement. It was further noted from a public notice in December 2023 issued by 廣州產權交易所 (Guangzhou Enterprises Mergers and Acquisitions Services) that the debt had been disposed of by the bank as non-performing loans.

*The Group is trying to contact with the bank and the buyer of non-performing loans for enquiring the current status of bank borrowings. Up to date of this report, no feedback is received from the bank and the buyer of non-performing loans. Thus, we are unable to obtain sufficient audit evidence and there are no other satisfactory audit procedures that we could adopt to ascertain the existence, completeness and accuracy of bank borrowings of HK\$343,659,000 as at 30 June 2024 and the completeness and accuracy of finance costs related to bank borrowings of approximately HK\$140,177,000 for the year ended 30 June 2024.*

*Any adjustments to the figures as described from points 1 to 5 above might have consequential effects on the Group's results and cash flows for each of the years ended 30 June 2024 and 2023 and the financial position of the Group as at 30 June 2024 and 2023, and the related disclosures thereof in the consolidated financial statements.*

*We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.*

#### **MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

*We draw attention to note 2 to the consolidated financial statements that the Group incurred net current liabilities of approximately HK\$473,718,000 as at 30 June 2024 and net operating cash outflow of approximately HK\$21,120,000 for the year ended 30 June 2024 and as at 30 June 2024, the Group's current portion of bank and other borrowings amounted to approximately HK\$1,037,595,000, while its cash and bank balances and cash equivalents amounted to approximately HK\$20,135,000. Further, during the year ended 30 June 2024 and subsequent to the end of reporting period, the Group had not repaid certain borrowings according to their scheduled repayment dates as described in note 29 to the consolidated financial statements. These circumstances along with the situation as set forth in note 2, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter."*



## 2. STATEMENT OF INDEBTEDNESS

At the close of business on 30 June 2025, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Prospectus, the indebtedness of the Group comprised the following liabilities:

	<i>HKD'000</i>
Secured and guaranteed:	
Bank borrowings	32,837
Unsecured and unguaranteed:	
Other borrowings	25,157
Shareholders loans	298,100
Lease liabilities	196
	323,453
	356,290

The secured and guaranteed bank borrowings represent loans which are secured by (i) individual guarantee of a related party of a subsidiary and (ii) certain land use rights and the loans are arranged at floating interest rate at 3% per annum.

The unsecured and unguaranteed other borrowings represent loans of approximately HK\$2.38 million which are interest free and repayment on demand and loans of approximately HK\$8.08 million which are interest bearing at 5% per annum and repayable by August 2025 and loans of HK\$14.7 million which are interest bearing at 6% per annum and repayable by July 2025.

The unsecured and unguaranteed shareholders loans of HK\$298.1 million comprised of two shareholder's loans due to Subscriber II in the principal amounts of HK\$230 million and HK\$20 million respectively are interest bearing at 5% and 2.2% per annum respectively and repayable by 31 December 2027, the shareholder's loan due to Subscriber I in the principal amount of HK\$32.6 million is interest bearing at 2.2% per annum and repayable by 31 December 2025 and other four shareholder's loans due to Subscriber I in the aggregate principal amounts of HK\$15.5 million are interest bearing at 5% per annum and repayable by 31 December 2025.

Save as disclosed above, and apart from intra-group liabilities and normal trade payables, the Directors were not aware of the Group having 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 contingent liabilities.

**3. SUFFICIENCY OF WORKING CAPITAL**

The Directors, after due and careful consideration, are of the opinion that, after taking into account the present internal financial resources of the Group and the estimated net proceeds from the Rights Issue, the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of this Prospectus.

**4. MATERIAL ADVERSE CHANGE**

Save as disclosed in the Circular, the Directors confirmed that there had been no material change in the financial or trading position or outlook of the Group since 30 June 2024, 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. BUSINESS TREND AND FINANCIAL AND TRADING PROSPECTS**

The Group is principally engaged in the business of manufacturing and sale of healthcare and household products, coal mining business and money lending business.

*Healthcare and household products business*

The Group has been manufacturing and trading healthcare and household products such as electrical toothbrushes and hair trimming devices. Such finished products are mostly exported to the U.S. being the largest exports market, followed by Germany, Hong Kong and others. The Group has been partnering with global brands and PRC brands as an original equipment manufacturer (the “OEM”) and a manufacturer of private label products. Under the OEM model, the Group produces the products according to the specifications (e.g. design, materials, technique, etc.) required by the customers. Under the private label model, the Group takes charge of the design and production process and sells the finished products to the customers under the customers’ own brands.

In the first half of 2025, the Group strategically expanded its online B2B and B2C operations. Anchored by its B2B platforms, the Group enhanced product competitiveness and global client acquisition, securing enterprise-level orders through AI-driven customization tools and dynamic pricing models tailored to bulk procurement needs. Concurrently, leveraged B2C platforms (e.g., Taobao and direct-to-consumer channels) as a market intelligence lighthouse, establishing real-time communication with end-users in China and the U.S.

Looking ahead, given the uncertainties in the political and economic landscape, such as the tariff policies of the U.S. on Chinese exports and the impacts of geopolitical conflicts and wars, the Group anticipates outlook for the healthcare and household products business will be challenging. To address such uncertainties, the Group will refine its market strategies and adjust its product portfolio by accelerating the phase-out of low-margin products, reducing reliance on the North American market, and exploring new markets in Europe, the Middle East, India, Southeast Asia, and Africa. In addition, the Group will forge a B2B2C ecosystem based on a closed-loop framework. This virtuous cycle will amplify economies of scale while reducing customer acquisition costs. Within the next three to five years, the Group aims to increase the proportion of online sales revenue to 20% or more of its total revenue. Ultimately, the Group's new hybrid model will drive a beneficial synergy between the predictability of institutional procurement and consumer brand equity, offering itself greater potential for innovation and growth in the personal care industry. Furthermore, the Group will gradually introduce its flagship product, sonic-oscillation powered toothbrush, to global markets through integrated online and offline channels to generate new revenue streams and to further sustain innovation in personal care in the coming years.

#### *Coal mining business*

The Group holds a mining license in respect of the coal mine (“**PT Bara Mine**”) in the Republic of Indonesia. On 31 December 2023, the work and budget plan of the coal mining business was approved by the Indonesian Government and the Group commenced its coal production and sales business in the first half of 2024.

However, in light of the recent drop in Indonesian coal prices, the Group maintains a cautious stance toward the near future of the coal mining business. Furthermore, in light of global coal supply surplus and the slowdown in China's coal import growth, Indonesian coal prices are expected to remain at depressed levels in the near future, which will negatively impact its revenue.

#### *Money lending business*

The Group's money lending business involves provision of loans to borrowers, including individuals, and small and medium-sized enterprises. In view of the recent market sentiment, the Group had not granted any new loans in the first half of 2025 and expects no new loans in the near future.

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

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group prepared in accordance with Paragraph 13 of Appendix D1B and Paragraph 29 of Chapter 4 of the Listing Rules is set out below to illustrate the effects of the Share Consolidation, the Debt Capitalisation and the Rights Issue on the consolidated net tangible assets of the Group as if the Share Consolidation, the Debt Capitalisation and the Rights Issue had taken place on 31 December 2024.

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only, based on the judgements and assumptions of the Directors of the Company, and because of its hypothetical nature, may not give a true picture of the financial position of the Group following the Share Consolidation, the Debt Capitalisation and the Rights Issue.

The following statement of unaudited pro forma adjusted consolidated net tangible assets of the Group is based on the unaudited consolidated net tangible assets of the Group as at 31 December 2024, adjusted as described below:

## APPENDIX II

## UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2024 (Note 1) HK'000		Estimated increase in net tangible assets of the Group upon the Debt Capitalisation (Note 2) HK'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group as at 31 December 2024 immediately after completion of the Debt Capitalisation and before completion of the Rights Issue HK'000	Estimated net proceeds from the Rights Issue (Note 3) HK'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group as at 31 December 2024 immediately after completions of the Debt Capitalisation and the Rights Issue HK'000
250,479		100,915	351,394	111,885	463,279
Unaudited consolidated net tangible assets per Existing Share before implementations of the Share Consolidation, the Debt Capitalisation and the Rights Issue (Note 4)					
					HK\$0.02
Unaudited consolidated net tangible assets per Consolidated Share immediately after the implementation of the Share Consolidation and before completions of the Debt Capitalisation and the Rights Issue (Note 5)					
					HK\$0.39
Unaudited pro forma adjusted consolidated net tangible assets per Consolidated Share immediately after the implementation of the Share Consolidation, immediately after the completion of the Debt Capitalisation and before completion of the Rights Issue (Note 6)					
					HK\$0.31
Unaudited pro forma adjusted consolidated net tangible assets per Consolidated Share immediately after the implementation of the Share Consolidation and completions of the Debt Capitalisation and the Rights Issue (Note 7)					
					HK\$0.27

*Notes:*

1. The unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2024 are based on the consolidated net assets of approximately HK\$281,880,000 as extracted from the published unaudited condensed consolidated statement of financial position of the Group as at 31 December 2024 after deduction of the exploration and evaluation assets of approximately HK\$31,401,000.
2. The estimated increase in the net tangible assets of the Group upon the Debt Capitalisation are based on the capitalisation of all or part of the outstanding shareholders' loans of approximately HK\$57,915,000 and HK\$43,000,000 owing by the Company to Subscriber I and Subscriber II respectively pursuant to the Debt Capitalisation Agreements.
3. The estimated net proceeds from the Debt Capitalisation and the Rights Issue are based on 572,899,170 Rights Shares at the Subscription Price of HK\$0.20 per Rights Share, after deduction of the underwriting fees and other share issue related expenses payable by the Company of approximately HK\$2,695,000.
4. Based on 12,824,484,010 Existing Shares in issue as at 31 December 2024 before implementation of the Share Consolidation, the Debt Capitalisation and Right Issue.
5. Based on 641,224,200 Consolidated Shares immediately before completions of the Debt Capitalisation and the Rights Issue, assuming that the Share Consolidation had become effective as at 31 December 2024.
6. Based on 1,145,798,340 Consolidated Shares, on which 504,574,140 Capitalisation Shares were in issue as at 31 December 2024, assuming that the Share Consolidation and Debt Capitalisation had been completed on 31 December 2024.
7. Based on 1,718,697,510 Consolidated Shares, on which 504,574,140 Capitalisation Shares and 572,899,170 Rights Shares were in issue as at 31 December 2024, assuming that the Share Consolidation, Debt Capitalisation and Rights Issue had been completed on 31 December 2024.
8. Save as disclosed above, no adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2024.

**B. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report, prepared for the sole purpose of inclusion in this prospectus, from the independent reporting accountant, ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong.



ZHONGHUI ANDA CPA Limited  
Certified Public Accountants

29 July 2025

The Board of Directors  
Zhongzheng International Company Limited  
Room 1005, 10/F,  
Bank of East Asia Harbour View Centre,  
56 Gloucester Road, Wanchai, Hong Kong

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of Zhongzheng International Company Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the pro forma adjusted consolidated net tangible assets as at 31 December 2024 as set out on pages II-1 to II-3 of the Prospectus issued by the Company. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are described on pages II-1 to II-3.

The pro forma financial information has been compiled by the directors to illustrate the impact of the Share Consolidation, the Debt Capitalisation and the Rights Issue on the Group’s net tangible assets as at 31 December 2024 as if the transaction had been taken place at 31 December 2024. As part of this process, information about the Group’s net tangible assets has been extracted by the directors from the Group’s interim condensed consolidated financial statements as included in the interim report for the six months ended 31 December 2024, on which no audit or review report has been published.

**Directors’ Responsibility for the Pro Forma Financial Information**

The directors are responsible for compiling the pro forma financial information in accordance with paragraph 13 of Appendix D1B and paragraph 29 of Chapter 4 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 (“**AG**”) 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

**Our Independence and Quality Management**

We have complied with the independence and other ethical 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 Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Reporting Accountant's Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the 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 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 accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the 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 pro forma financial information.

The purpose of pro forma financial information included in the Prospectus is solely to illustrate the impact of a significant event or transaction on 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 event or transaction at 31 December 2024 would have been as presented.



A reasonable assurance engagement to report on whether the 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 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 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 pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We make no comments regarding the reasonableness of the amounts of the Debt Capitalisation and net proceeds from the Rights Issue, the application of those net proceeds, or whether such use will actually take place as described under "Reasons for and benefits of the rights issue and use of proceeds" set out on page 27 of the Prospectus.

### **Opinion**

In our opinion:

- (a) the 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 pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,

**ZHONGHUI ANDA CPA Limited**  
*Certified Public Accountants*  
Hong Kong

## 1. RESPONSIBILITY STATEMENT

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

## 2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date is; and (ii) upon completion of the Rights Issue (assuming no further issue or repurchase of the Shares on or before completion of the Rights Issue) will be as follows:

### (i) As at the Latest Practicable Date

*Authorised share capital:* HK\$

1,250,000,000,000 Shares of HK\$0.0008 each	1,000,000,000.00

*Issued and paid-up share capital:*

1,145,798,340 Shares of HK\$0.0008 each	916,638.67

### (ii) Immediately following completion of the Rights Issue (assuming no further issue or repurchase of the Shares on or before completion of the Rights Issue)

*Authorised share capital:* HK\$

1,250,000,000,000 Shares of HK\$0.0008 each	1,000,000,000.00

*Issued and paid-up share capital:*

1,145,798,340 Shares of HK\$0.0008 each	916,638.67
572,899,170 Rights Shares of HK\$0.0008 each to be allotted and issued pursuant to the Rights Issue	458,319.34
1,718,697,510 Shares of HK\$0.0008 each immediately following completion of the Rights Issue	1,374,958.01

All Shares rank *pari passu* with each other in all respects including the rights as to dividends, voting and return of capital. The Company had not issued any Shares since 30 June 2024, being the end of the last financial year of the Company, and up to the Latest Practicable Date.

The Rights Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares then in issue. Holder of the Rights Shares in their fully-paid form will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

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

As at the Latest Practicable Date, the Company had no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Shares, as the case may be. The Company had no intention to issue or grant any convertible securities, warrants and/or options on or before the Record Date.

The Rights Shares to be issued will be listed on the Stock Exchange. 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 the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

### **3. DISCLOSURE OF INTERESTS**

#### **(a) Directors' and chief executives' interests in the Shares and underlying Shares**

As at the Latest Practicable Date, except for Subscriber II, a non-executive Director of the Company, none of the Directors and chief executive of the Company nor their associates had any interests and short positions in any Shares, underlying Shares and debenture of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.

The interests of Subscriber II in the Shares as at the Latest Practicable Date is disclosed in the section headed "Substantial Shareholders' interests in the Shares and underlying Shares" below in this appendix.

**(b) Substantial Shareholders' interests in the Shares and underlying Shares**

As at the Latest Practicable Date, so far as was known to the Directors and chief executive of the Company, other than the interests of the Directors and chief executive of the Company as disclosed in the section headed "Directors' and chief executives' interests in the Shares and underlying Shares" above in this appendix, the following persons had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

***Long positions of Substantial Shareholders in the Shares and underlying Shares***

<b>Name of Shareholders</b>	<b>Capacity</b>	<b>Number of Shares held</b>	<b>Approximate % of shareholding<sup>1</sup></b>
Low Thiam Herr	Beneficial owner	399,911,658	34.90%
Lim Kim Chai, J.P. <sup>2</sup>	Beneficial owner	293,471,047	25.61%
Yang Bin <sup>3</sup>	Beneficial owner	105,140,858	9.18%
Qiu Qing <sup>4</sup>	Interest of controlled corporation	62,993,088	5.50%
CITIC Securities Co., Ltd <sup>5</sup>	Interest of controlled corporation	33,919,355	2.96%

***Notes***

1. Based on 1,145,798,340 Shares in issue as at the Latest Practicable Date.
2. Mr. Lim Kim Chai, J.P. is the non-executive Director of the Company and Subscriber II.
3. On 1 August 2023, the Company and Mr. Yang Bin entered into an agreement, pursuant to which, among others, the Company agreed to allot and issue, and Mr. Yang Bin has agreed to subscribe for an aggregate of 2,102,817,178 Old Shares at the issue price of HK\$0.01 per Old Share. The amount of the total consideration was fully set off against the other loan principal and accrued interest of approximately HK\$21,028,000 owed by the Company to Mr. Yang Bin. The debt capitalisation was completed on 11 August 2023. For details, please refer to the announcements of the Company dated 1 August 2023 and 11 August 2023.
4. The 62,993,088 Shares were held by Hong Kong Zhongzheng Investment Co. Ltd., which was controlled as to 38.46% by 深圳天基南聯投資合夥企業(有限合夥), which was in turn controlled as to 64% by Mr. Qiu Qing. Accordingly, Mr. Qiu Qing is deemed to be interested in the Shares by virtue of Part XV of the SFO.
5. CITIC Securities Co., Ltd. holds 100% direct interest in GoldStone Investment Co., Ltd\* (金石投資有限公司) and accordingly deemed to have an interest in the Shares held by GoldStone Investment Co., Ltd\* by virtue of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, no other person had any interest or short position in the shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

**4. COMPETING BUSINESS**

As at the Latest Practicable Date, none of the Directors or their respective associates had any interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group, other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or the Group.

**5. DIRECTORS' SERVICE CONTRACTS**

Saved as disclosed below, as at the Latest Practicable Date, (i) none of the Directors had entered or proposed to enter into a service contract with the Company or any of its subsidiaries or associated companies which (a) (including both continuous and fixed term contracts) had been entered into or amended within 6 months before the date of the Announcement; (b) were continuous contracts with a notice period of 12 months or more; or (c) were fixed term contracts with more than 12 months to run irrespective of the notice period; and (ii) none of the Directors had any existing or proposed service contract with any member of the Group which is not expiring or determinable by such member of the Group within one year without payment of compensation (other than statutory compensation):

Ms. Yang Yan Tung Doris has entered into a service contract with the Company on 29 November 2024 as an independent non-executive Director for an initial term of 3 year commencing from the conclusion of the annual general meeting held on 29 November 2024 with a remuneration of HK\$180,000 per annum, which shall continue thereafter until terminated by either party by one month's notice. Save as disclosed above, Ms. Yang is not entitled to any variable remuneration under her service agreement.

**6. INTERESTS IN THE GROUP'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP**

As at the Latest Practicable Date, save for:

- (a) the loan agreement dated 5 August 2019 (as amended and supplemented by the extension letter dated 4 November 2022, 31 October 2023 and 22 July 2024, respectively) entered into between Subscriber II and the Company pursuant to which, among others, Subscriber II has agreed to grant a loan facility to the Company with a principal amount of HK\$20,000,000, bearing interest at a rate of 2.2% per annum and with the present due date falling on 31 December 2027; and
- (b) the loan agreement dated 11 November 2019 (as amended and supplemented by the extension letters dated 4 November 2022, 31 October 2023 and 22 July 2024, respectively) entered into between Subscriber II and the Company pursuant to which Subscriber II has agreed to grant a loan facility to the Company with a principal amount of HK\$230,000,000, bearing interest at a rate of 5% per annum and with the present due date falling on 31 December 2027,

there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to any business of the Group.

As at the Latest Practicable Date, none of the Directors and their respective associates had any direct or indirect interest in any assets which had been or are proposed to be acquired, disposed of by or leased to, any member of the Group, since 30 June 2024, being the date to which the latest published audited consolidated accounts of the Group were made up.

## 7. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and, no litigation or claims of material importance is pending or threatened by or against the Company or any of its subsidiaries.

## 8. MATERIAL CONTRACTS

During the two years preceding the date of the Prospectus and up to the Latest Practicable Date, the Group entered into the following contracts, not being contracts entered into in the ordinary course of business of the Group carried on or intended to be carried on by the Group, and which are, or may be, material:

- (a) the extension letters dated 3 November 2022 and 3 August 2023, respectively entered into between the Company and Mr. Leung Chung Shan (“**Mr. Leung**”), pursuant to which, among others, Mr. Leung has agreed to extend the loan in the amount of HK\$300 million owed to him to 31 December 2024; the novation agreement dated 17 November 2023 entered into among the Company, Mr. Leung and Subscriber I, pursuant to which, among others, the then outstanding balance of the said loan in the amount of HK\$32.6 million together with interest accrued thereon of approximately HK\$8.2 million was assigned to Subscriber I; and the extension letter dated 23 September 2024 entered into between the Company and Subscriber I, pursuant to which, among others, Subscriber I has agreed to extend the said loan in the amount of HK\$32.6 million together with interest accrued thereon of approximately HK\$8.9 million to 31 December 2025;
- (b) the subscription agreement dated 1 August 2023 between the Company and Mr. Yang relating to, among others, the capitalisation of the outstanding loan principal and the interests accrued thereof owing by the Company to Mr. Yang in the sum of approximately HK\$21.0 million, details of which are set out in the announcement of the Company dated 1 August 2023;
- (c) the extension letters dated 31 October 2023 and 22 July 2024, respectively entered into between the Company and Subscriber II, pursuant to which, among others, Subscriber II has agreed to extend the loans in the aggregate amount of HK\$250 million to 31 December 2027, details of which are set out under the section headed “6. INTERESTS IN THE GROUP’S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP” above;

- (d) the conditional sale and purchase agreement dated 6 May 2024 entered into among the Company, Grand Prominent International Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company as at the time of that agreement and Subscriber II as the purchaser in relation to, among others, the disposal of the entire issued share capital of Hong Kong Zhongzheng City Investment Limited at consideration of approximately HK\$53.7 million by way of offsetting the relevant shareholder's loans owed by the Group to Subscriber II, details of which are set out in the announcement of the Company dated 6 May 2024;
- (e) the loan agreements dated 28 May 2024, 23 July 2024, 20 September 2024 and 20 November 2024, respectively, entered into between the Company and Subscriber I, respectively, pursuant to which, among others, Subscriber I has agreed to grant the loans to the Company in an aggregate principal amount of HK\$15.5 million; and the extension letter dated 23 September 2024 to extend the said loans to 31 December 2025;
- (f) the loan agreement dated 7 January 2025 entered into between the Company and Sky Treasure Group (Development) Limited, pursuant to which, among others, Sky Treasure Group (Development) Limited has agreed to grant a loan facility to the Company in a principal amount of HK\$27 million;
- (g) the Debt Capitalisation Agreements;
- (h) the Underwriting Agreement; and
- (i) the Placing Agreement.

## 9. EXPERT AND CONSENT

The following is the name and qualification of the expert who has given its opinions and advice which are included in this Prospectus:

Name	Qualification
ZHONGHUI ANDA CPA Limited	Certified Public Accountants

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

The above expert has given and has not withdrawn its written consent to the issue of this Prospectus, with the inclusion of the references to its name and/or its opinion in the form and context in which they are included.

As at the Latest Practicable Date, the above expert had no direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 30 June 2024, being the date to which the latest published audited financial statements of the Group were made up.

**10. EXPENSES**

The expenses payable by the Company in connection with the Rights Issue, the Placing Agreement, the Underwriting Agreement and the Whitewash Waiver, including printing, registration, translation, legal, financial advisory, accounting and other professional fees, are estimated to be approximately HK\$2.6 million.

**11. DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY**

<b>Name</b>	<b>Address</b>
<i><b>Executive Directors</b></i>	
Mr. Tam Lup Wai, Franky	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong
Mr. Liu Liyang	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong
<i><b>Non-executive Directors</b></i>	
Mr. Lim Kim Chai, J.P.	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong
<i><b>Independent non-executive Directors</b></i>	
Mr. Hau Chi Kit	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong
Mr. Leung Chi Hung	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong
Mr. Li Hon Kuen	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong



Name	Address
Ms. Yang Yan Tung Doris	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong

*Senior management*

Mr. Sugahara Toshio	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong
---------------------	--

Mr. Wong Sze Yat, Robert	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong
--------------------------	--

Mr. Situ Min	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong
--------------	--

*Executive Directors*

*Mr. Tam Lup Wai, Franky*

Mr. Tam, aged 77, was appointed as an executive Director of the Company on 17 December 2001 and the Chairman of the Board on 21 July 2011. He was also appointed as a member of the remuneration committee of the Company (the “**Remuneration Committee**”) on 3 July 2007 and the chairman of the Nomination Committee on 29 March 2012. Mr. Tam was re-designated as the deputy chairman of the Board and ceased to be the chairman of the Nomination Committee with effect from 18 January 2018. He is also the director of the following subsidiaries of the Company, namely, Smart Guard Limited, Big Advanced Holdings Limited, Dongguan Weihang Electrical Product Co. Limited, eForce Management Limited, Fairform Group Limited, Fairform Manufacturing Co. Limited, Qesco International (HK) Limited, and Fairform Innovation Technology Company Limited. Mr. Tam holds a BA in Applied Mathematics from the University of California at Berkeley, USA. He has diversified management experiences in the fields of property, retail and technology. He also specializes in formulating and executing business strategies for companies and has experience in the investment of technology start-up. He was previously an administration director of a conglomerate comprises four listed companies in Hong Kong and directly oversaw the administration of the group and responsible in managing several subsidiaries’ operations, including properties acquisition, strategic investments and hotel start-up project. Mr. Tam also served as executive director of a Hong Kong publicly listed fashion retail chain store with over 200 outlets in Hong Kong and China and was instrumental in setting up the franchise operation in the PRC before joining the Company in 2001.

*Mr. Liu Liyang*

Mr. Liu, aged 64, was appointed as an executive Director, deputy chairman of the Board, the CEO and a member of the Remuneration Committee on 19 August 2010. He was further appointed as a member of the Nomination Committee on 29 March 2012. He ceased to be the deputy chairman of Board with effect from 18 January 2018. And he ceased to be the CEO and a member of each of the Remuneration Committee and the Nomination Committee with effect from 16 July 2020. He is also the director of the following subsidiaries of the Company, namely Yixin Holdings Limited, Fastport Investment Holdings Limited, Access Sino Investment Limited and Vision South Limited. Mr. Liu has 17 years of experience in the investment banking industry. Before joining the Company, he was the co-head of the China Investment Banking of Nomura International (HK) Limited. He had also worked in the Merrill Lynch (Asia Pacific) Limited, China International Capital Corporation Limited and Morgan Stanley & Co. Inc. Mr. Liu holds an MBA degree from Columbia University. Mr. Liu was an independent non-executive director of Beautiful China Holdings Company Limited (stock code: 706), a company listed on the Main Board of the Stock Exchange, before February 2022.

*Non-executive Directors**Mr. Lim Kim Chai, J.P.*

Mr. Lim, aged 57, was appointed as a non-executive Director of the Company on 20 December 2019. He has over 19 years of experience in investment and property development business. He is the founder and the chairman of Yuk Tung Group, which focuses on the property development in Malaysia. Since the founding of the Yuk Tung Group in 2005, Mr. Lim has been the director of each of Yuk Tung Properties Sdn. Bhd., Yuk Tung Development Sdn. Bhd., Yuk Tung Land Sdn. Bhd., Yuk Tung Construction Sdn. Bhd., Home Marketing Sdn. Bhd. and Pacific Memory Sdn. Bhd. (“**Pacific Memory**”) respectively, primarily responsible for the overall management and strategic development of the Yuk Tung Group. Mr. Lim was also appointed as Justice of the Peace (JP) in Malaysia in 2007.

*Independent non-executive Directors**Mr. Hau Chi Kit*

Mr. Hau, aged 53, was appointed as an independent non-executive director and a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company on 7 March 2014. Mr. Hau was a barrister-at-law in private practice in Hong Kong SAR from 2001 to 2008. Prior to becoming a barrister, Mr. Hau worked at the Securities and Futures Commission. Mr. Hau is a solicitor.

Mr. Hau was an independent non-executive director of hmvod Limited (formerly known as Trillion Grand Corporate Company Limited) (stock code: 8103), a company listed on GEM of the Stock Exchange, between March 2016 and August 2022, an independent non-executive director of Fresh Express Delivery Holdings Group Co Ltd (stock code: 1175), a company listed on the Main Board of the Stock Exchange between January and August 2022, and an independent non-executive director of China Zenith Chemical Group Limited (formerly known as Xinyang Maojian Group Limited) (stock code: 362), a company listed on the Main Board of the Stock Exchange between December 2013 and April 2025.

*Mr. Leung Chi Hung*

Mr. Leung Chi Hung, aged 69, was appointed as an independent non-executive director of the Company and a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee on 13 December 2013. Mr. Leung Chi Hung was further appointed as the chairman of the Remuneration Committee on 4 June 2018. Mr. Leung Chi Hung commenced his accountancy professional training since 1976 and is a fellow of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Leung Chi Hung is also a fellow of The Taxation Institute of Hong Kong and a Certified Tax Adviser and a member of the Society of Registered Financial Planners in Hong Kong. Mr. Leung Chi Hung is a Certified Public Accountant (Practising) in Hong Kong and a director of Philip Leung & Co. Limited (CPA).

Mr. Leung Chi Hung was an independent non-executive director of WT Group Holdings Limited (stock code: 8422) between December 2017 and May 2022, and of Finet Group Limited (stock code: 8317) between February 2011 and October 2022, both being listed on GEM of the Stock Exchange; and he was also an independent non-executive director of Evergreen International Holdings Limited (stock code: 238) between October 2020 and January 2022, which was a companies listed on the Main Board of the Stock Exchange. Currently, he is an independent non-executive director of Daido Group Limited (stock code: 544), and REF Holdings Limited (stock code: 1631), both of which are companies listed on the Main Board of the Stock Exchange.

*Mr. Li Hon Kuen*

Mr. Li, aged 58, was appointed as an independent non-executive director, the chairman of the Audit Committee and a member of each of the Remuneration Committee and Nomination Committee on 19 July 2013. Mr. Li is a Certified Public Accountant (Practising) in Hong Kong with general assurance experience in clients operating in a variety of industries, including textile, construction, property development, freight forwarding, golf club, jewelry manufacturing and trading, application software development and installation, website design and development, manufacturing and ATM operation business. Moreover, Mr. Li has extensive experience in public listings and due diligence in Hong Kong. Mr. Li had worked in Deloitte and as senior audit manager in RSM Nelson Wheeler before setting up Alfred H.K. Li & Co., CPA, in 2013.

*Ms. Yang Yan Tung Doris*

Ms. Yang, aged 55, was appointed as an independent non-executive director on 29 November 2024. Ms. Yang has substantial experiences in handling company secretarial and internal control matters of listed companies in Hong Kong. She is a fellow member of The Hong Kong Institute of Chartered Secretaries with practitioner's endorsement, a fellow member of The Chartered Governance Institute and a member of ACCA (the Association of Chartered Certified Accountants). She holds the Certificate in Risk Management Assurance designation granted by the Institute of Internal Auditors. Ms. Yang is currently a director of Bloomy Corporate Consultant Limited, a company mainly engaged in providing company secretarial and management consultancy services, and a director of CWY Group Company Limited, a company incorporated in Hong Kong and engaged in trading of food and beverages. Ms. Yang was an independent non-executive director of each of Kontafarma China Holdings Limited (stock code: 1312) from December 2011 to July 2014 and Kaisa Capital Investment Holdings Limited (stock code: 936) from December 2014 to November 2019, both companies listed on the main board of the Stock Exchange.

Ms. Yang graduated from University of Leicester, England with a Bachelor of Science (Economics) in 1993 and then obtained her Master of Science from the Chinese University of Hong Kong in 2003.

*Senior Management**Mr. Sugahara Toshio*

Mr. Sugahara, aged 61, joined the Group in 2007. Mr. Sugahara is the General Manager of Fairform Manufacturing Company Limited, a wholly owned subsidiary of the Group, and is responsible for the overall production management and quality control of the Group's manufacturing of health and household products. Mr. Sugahara has obtained a Bachelor's Degree in Mechanical Engineering from the University of Brighton (UK) and a Master Degree of Business Administration from the University of South Australia. He is a member of the Institution of Engineering and Technology (UK) and has extensive working experience in project engineering, product research and development and production management.

*Mr. Wong Sze Yat, Robert*

Mr. Wong, aged 61, joined the Group in 1998. Mr. Wong is the marketing director of Fairform Manufacturing Company Limited and is responsible for sales and marketing function of the Group's manufacturing and sales of health and household products. Mr. Wong has a Diploma in Business Studies from the Salford Technology College (UK). Mr. Wong has over 20 years of working experience in marketing small household electrical appliances and household products.

*Mr. Situ Min*

Mr. Situ, aged 55, is currently the Company Secretary and Chief Financial Officer of the Company. Before he joined the Company in June 2019, Mr. Situ served respectively as director of investment and Chief Financial Officer of China Traditional Chinese Medicine Holdings Co. Limited (Stock Code: 570) from October 2013 to December 2018. From September 2001 to February 2013, he served as the executive director and Chief Financial Officer for the same company with former name of Wing Shan International Limited and Winteam Pharmaceutical Group Limited. Mr. Situ is a fellow member of the Association of Chartered Certified Accountants and is also a member of Chinese Institute of Certified Public Accountants. He has extensive experience in financial management, corporate finance and corporate governance.

## 12. CORPORATE INFORMATION AND PARTIES TO THE RIGHTS ISSUE

<b>Registered office</b>	Clarendon House 2 Church Street Hamilton HM 11 Bermuda
<b>Head office and Principal place of business in Hong Kong</b>	Room 1005 Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai, Hong Kong
<b>Principal share registrar and transfer office</b>	Appleby Global Corporate Services (Bermuda) Limited Canon's Court 22 Victoria Street PO Box HM 1179 Hamilton HM EX Bermuda
<b>Hong Kong branch share registrar and transfer office</b>	Union Registrars Limited Suites 3301-04, 33/F Two Chinachem Exchange Square 338 King's Road North Point, Hong Kong
<b>Company secretary</b>	Mr. Situ Min

**Authorised representatives**

Mr. Tam Lup Wai Franky  
Room 1005  
Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai, Hong Kong

Mr. Liu Liyang  
Room 1005  
Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai, Hong Kong

**Principal bankers**

Hang Seng Bank Limited  
Head Office Business Banking Centre  
6th Floor  
83 Des Voeux Road Central  
Central, Hong Kong

The Hongkong and Shanghai Banking Corporation  
Limited  
HSBC Main Building  
1 Queen's Road Central  
Central, Hong Kong

**Auditors and reporting accountants**

ZHONGHUI ANDA CPA Limited  
23/F, Tower 2  
Enterprise Square Five  
38 Wang Chiu Road  
Kowloon Bay, Hong Kong

**Financial adviser to the Company**

Optima Capital Limited  
Room 2101, 21/F  
Shui On Centre  
6-8 Harbour Road  
Wanchai, Hong Kong

**Legal adviser to the Company as to  
Hong Kong laws**

KS NG Law Office  
Room 2502, 25/F  
China Insurance Group Building  
141 Des Voeux Road  
Central, Hong Kong

**Legal adviser to the Company as to  
Bermuda laws**

CONYERS DILL & PEARMAN  
29th Floor  
One Exchange Square  
8 Connaught Place  
Central, Hong Kong

**Placing Agent**

VC Brokerage Limited  
6th Floor  
Centre Point  
181-185 Gloucester Road  
Wanchai, Hong Kong

**The Underwriter**

Mr. Low Thiam Herr  
Room 1005  
Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai, Hong Kong

**Subscriber II**

Mr. Lim Kim Chai, *J.P.*  
Room 1005  
Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai, Hong Kong

**13. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES**

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed “Expert and Consent” in this appendix, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

**14. MISCELLANEOUS**

- (a) The company secretary of the Company is Mr. Situ Min who is a fellow member of the Association of Chartered Certified Accountants and a member of Chinese Institute of Certified Public Accountants.
- (b) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (c) This Prospectus has been prepared in both English and Chinese. In the case of any discrepancies, the English text of this Prospectus shall prevail over the Chinese text.

**15. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection (i) at the principal place of business of the Company in Hong Kong at Room 1005, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong during normal business hours from 9:30 a.m. to 12:30 p.m. and from 2:30 p.m. to 5:30 p.m. on any weekday, except Saturday, Sunday and public holidays; and (ii) on the website of the Company ([www.zhongzheng.com.hk](http://www.zhongzheng.com.hk)), for a period of 14 days from the date of this Prospectus:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for the year ended 30 June 2023 and the year ended 30 June 2024;
- (c) the interim report of the Company for the six months ended 31 December 2024;
- (d) the report by ZHONGHUI ANDA CPA Limited on the unaudited pro forma financial information of the Group as set out in Appendix II to this Prospectus;
- (e) the letter of consent as referred to in the paragraph headed “9. EXPERT AND CONSENT” in this appendix;
- (f) the service contract as referred to in the paragraph headed “5. DIRECTORS’ SERVICE CONTRACTS” in this appendix;
- (g) the material contracts as referred to in the paragraph headed “8. MATERIAL CONTRACTS” in this appendix;
- (h) the Irrevocable Undertakings;
- (i) the Circular; and
- (j) the Prospectus Documents.

**16. BINDING EFFECT**

The Prospectus Documents, 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. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions, other than the penal provisions, of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), so far as applicable.