
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser. Capitalised terms used herein shall have the same meanings as those defined in the section headed “Definitions” in this Prospectus, unless otherwise stated.

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

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed “16. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG” in Appendix III to this Prospectus, have been registered by 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 SFC take no responsibility for the contents of any of the Prospectus Documents.

You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the section headed “Letter from the Board – Warning of the Risks of Dealing in the Shares and/or the nil-paid Rights Shares” in this Prospectus.

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 both their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC and you should consult a stockbroker or other registered securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of the 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 trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC 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 the Prospectus Documents.

Shareholders with registered addresses in any jurisdiction outside Hong Kong or beneficial owners of the Shares who are residents outside Hong Kong should refer to the important information set out in the section headed “Notices” and the paragraph headed “Rights of Overseas Shareholders and Non-Qualifying Shareholders” under the section headed “Letter from the Board” in this Prospectus.

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong and the distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of this Prospectus (including, without limitation, agents, custodians, nominees and trustees) should acquaint themselves with and observe any such restrictions. Any failure to comply with those restrictions may constitute a violation of the securities laws of any such jurisdiction for which the Company will not accept any liability. In particular, subject to certain exceptions as determined by the Company, the Prospectus Documents should not be distributed, forwarded to or transmitted in, into or from any jurisdiction where such release or distribution might be unlawful.

HSC Resources Group Limited

鴻盛昌資源集團有限公司

(Formerly known as WINDMILL Group Limited 海鑫集團有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1850)

RIGHTS ISSUE ON THE BASIS OF FOUR (4) RIGHTS SHARES FOR EVERY ONE (1) ADJUSTED SHARE HELD AT THE CLOSE OF BUSINESS ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Financial adviser to the Company

ADVENT
宏智融資
Advent Corporate Finance Limited

Placing Agent

ADVENT
宏智證券(香港)
Advent Securities (Hong Kong) Limited

The Shares have been dealt in on an ex-rights basis from Wednesday, 6 August 2025. The nil-paid Rights Shares will be dealt in from Tuesday, 19 August 2025 to Tuesday, 26 August 2025 (both days inclusive). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any person contemplating dealing in the nil-paid Rights Shares during the period from Tuesday, 19 August 2025 to Tuesday, 26 August 2025 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the nil-paid Rights Shares should therefore exercise caution, and is recommended to consult his/her/its own professional adviser(s) if in any doubt about his/her/its own position.

The Rights Issue is on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Unsubscribed Rights Shares together with the NQS Unsold Shares will be placed on a best effort basis by the Placing Agent to independent placees under the Placing. Any Unsubscribed Rights Shares or NQS Unsold Shares which are not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. The Cayman Islands legal adviser of the Company has confirmed that there is no minimum subscription amount required to be raised from the Rights Issue under the laws of Cayman Islands. The Rights Issue is subject to the fulfilment of the conditions of the Rights Issue as set out in the section headed “Letter from the Board – Rights Issue – Conditions of the Rights Issue” in this Prospectus at or prior to the latest time for the Rights Issue to become unconditional (which is currently expected to be 4:00 p.m. on Wednesday, 17 September 2025). If the conditions of the Rights Issue are not fulfilled at or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares up to the date when all the conditions to which the Rights Issue is subject are fulfilled. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

The Latest Time for Acceptance is 4:00 p.m. on Friday, 29 August 2025. The procedures for acceptance and payment and/or transfer are set out on pages 21 to 22 of this Prospectus.

15 August 2025

NOTICES

The Rights Issue is conditional upon the fulfilment of the conditions of the Rights Issue as set out in the section headed “Letter from the Board – Rights Issue – Conditions of the Rights Issue” in this Prospectus.

Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed.

EXCEPT AS OTHERWISE SET OUT HEREIN, THE RIGHTS ISSUE DESCRIBED IN THIS PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS WITH REGISTERED ADDRESSES IN JURISDICTIONS OUTSIDE HONG KONG AND NEITHER IS THE RIGHTS ISSUE BEING MADE TO INVESTORS WHO ARE LOCATED OR RESIDING IN ANY OF THE JURISDICTIONS OUTSIDE HONG KONG, UNLESS AN OFFER OF RIGHTS SHARES AND NIL-PAID RIGHTS SHARES INTO SUCH JURISDICTIONS COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER LEGAL OR REGULATORY REQUIREMENTS OR THE OFFER IS MADE IN RELIANCE ON ANY EXEMPTION OR WHERE COMPLIANCE IS NOT UNDULY BURDENSOME.

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to the nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer, invitation or solicitation is unlawful. None of the nil-paid Rights Shares, the fully-paid Rights Shares, this Prospectus and the PAL have been or will be registered or filed under the securities laws of any jurisdiction or with any securities commission or similar regulatory authority in any jurisdiction other than in Hong Kong and none of the nil-paid Rights Shares, the fully-paid Rights Shares, this Prospectus and the PAL will qualify for distribution under any of the relevant securities laws of any of the jurisdictions outside Hong Kong (other than pursuant to any applicable exceptions as agreed by the Company). Accordingly, the nil-paid Rights Shares and the fully-paid Rights Shares may not be offered, sold, pledged, taken up, resold, renounced, transferred or delivered, directly or indirectly, into or within any jurisdictions outside Hong Kong absent registration or qualification under the respective securities laws of such jurisdictions other than in Hong Kong, or exemption from the registration or qualification requirements under applicable rules of such jurisdictions.

Shareholders with registered addresses in, and investors who are located or residing in, any of the jurisdictions outside Hong Kong or who hold Shares on behalf of persons with such addresses should refer to the section headed “Letter from the Board – Rights Issue – Rights of Overseas Shareholders” in this Prospectus.

NOTICES

Each person acquiring the nil-paid Rights Shares and/or Rights Shares under the Rights Issue will be required to confirm, or be deemed by his acquisition of the nil-paid Rights Shares and/or Rights Shares to confirm, that he is aware of the restrictions on offers and sales of the nil-paid Rights Shares and/or Rights Shares described in this Prospectus.

DISTRIBUTION OF THE PROSPECTUS DOCUMENTS

Distribution of the Prospectus Documents (including this Prospectus) in jurisdictions other than Hong Kong may be restricted by law. Persons (including, without limitation, Shareholders and beneficial owners of the Shares, agents, custodians, nominees and trustees) in possession of the Prospectus Documents should inform themselves of and observe any such restrictions. Any failure to comply with those restrictions may constitute a violation of the securities laws of any such jurisdiction. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to the nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. This Prospectus has not been lodged or registered with any of the relevant authorities in any jurisdiction other than Hong Kong.

None of the Prospectus Documents will be registered under the securities laws of any jurisdiction other than Hong Kong and none of the Prospectus Documents will qualify for distribution under any of the relevant securities laws of any of the jurisdictions other than Hong Kong (save for any applicable exceptions as agreed by the Company). Accordingly, the Rights Shares in both nil-paid and fully-paid forms may not be offered, sold, pledged, taken up, resold, renounced, transferred or delivered, directly or indirectly, into or within any jurisdictions other than Hong Kong absent registration or qualification under the respective securities laws of such jurisdictions other than Hong Kong, or exemption from the registration or qualification requirement under applicable rules of such jurisdictions.

Shareholders with registered addresses in, and investors who are located or resident in, any of the jurisdictions other than Hong Kong should refer to the paragraph headed “Rights of the Overseas Shareholders” under the section headed “Letter from the Board” in this Prospectus. For a description of certain restrictions regarding the taking up of the nil-paid Rights Shares for, and the offering and sale of, the Rights Shares in jurisdictions other than Hong Kong, please see the notices below.

FORWARD-LOOKING STATEMENTS

All statements in this Prospectus other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements may be identified by the use of words such as “might”, “may”, “could”, “would”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue”, “illustrate”, “illustration”, “projection” or similar expressions and the negative thereof. Forward-looking statements in this Prospectus include, without limitation, statements in respect of the Group’s business strategies, service offerings, market position, competition, financial prospects, performance, liquidity and capital

NOTICES

resources, as well as statements regarding trends in the relevant industries and markets in which the Group operates, technological advances, financial and economic developments, legal and regulatory changes and their interpretation and enforcement.

The forward-looking statements in this Prospectus are based on management's present expectations about future events. Management's present expectations reflect numerous assumptions regarding the Group's strategy, operations, industry, developments in the credit and other financial markets and trading environment. By their nature, they are subject to known and unknown risks and uncertainties, which could cause actual results and future events to differ materially from those implied or expressed by forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to be incorrect, the Group's actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Group or that the Group does not currently consider material could also cause the events and trends discussed in this Prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realised.

Prospective investors are cautioned that forward-looking statements speak only as at the date of publication of this Prospectus. Except as required by applicable law, the Group does not undertake, and expressly disclaims, any duty to revise any forward-looking statement in this Prospectus, be it as a result of new information, future events or otherwise.

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DEFINITIONS

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

“Adjusted Share(s)”	the ordinary share(s) of par value HK\$0.01 each in the share capital of the Company immediately upon the Capital Reorganisation becoming effective
“Announcement”	the announcement of the Company dated 19 December 2024 in relation to, among other matters, the Capital Reorganisation, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day(s) (excluding Saturday, Sunday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“Capital Reduction”	the reduction of the issued share capital of the Company whereby (i) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; and (ii) the par value of each issued Consolidated Share will be reduced from HK\$1.00 to HK\$0.01 by cancelling the paid-up share capital of the Company to the extent of HK\$0.99 on each issued Consolidated Share
“Capital Reorganisation”	the capital reorganisation of the issued share capital of the Company which has become effective on 5 August 2025, details of which were set out in the Circular of the Company
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC

DEFINITIONS

“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 amended from time to time
“Circular”	the circular of the Company dated 14 March 2025 in relation to, among other matters, the Capital Reorganisation, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder
“Company”	HSC Resources Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1850)
“Compensatory Arrangement”	the compensatory arrangements pursuant to Rule 7.21(1)(b) of the Listing Rules as described in the paragraph headed “Procedures in respect of the Unsubscribed Rights Shares and the NQS Unsold Shares and the Compensatory Arrangements” in this Prospectus
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Consolidated Share(s)”	ordinary share(s) of par value HK\$1.00 each in the share capital of the Company immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Subdivision becoming effective
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company held on Monday, 7 April 2025 to consider and, if thought fit, to approve, among other things, the Capital Reorganisation, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder
“Existing Share(s)”	ordinary share(s) of par value HK\$0.20 each in the share capital of the Company, prior to the Capital Reorganisation becoming effective

DEFINITIONS

“Extreme Conditions”	the extreme conditions as announced by any Hong Kong governmental department or body or otherwise, whether or not under or pursuant to the revised “Code of Practice in Times of Typhoons and Rainstorms” issued by the Labour Department in June 2019, in the event of serious disruption of public transport services, or government services, extensive flooding, major landslides or large-scale power outage after typhoons or incidents similar in seriousness or nature
“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
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors, which has been established to advise the Independent Shareholders in respect of the Rights Issue and the Placing Agreement
“Independent Financial Adviser”	Messis Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities and the independent financial adviser appointed by the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder
“Independent Shareholder(s)”	Shareholder(s) excluding (i) the controlling shareholder and their associates; (ii) all Directors (excluding the independent non-executive Directors) and their respective associates (as defined under the Listing Rules); (iii) those who are involved in or interested in the Rights Issue and the Placing Agreement (as the case may be); and (iv) those that are required under the Listing Rules to abstain from voting at the EGM

DEFINITIONS

“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of and not connected with the Company and the connected persons of the Company in accordance with the Listing Rules
“Last Trading Day”	19 December 2024, being the last full trading day of the Shares on the Stock Exchange immediately prior to the publication of the Announcement
“Latest Practicable Date”	Monday, 11 August 2025, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information contained herein
“Latest Time for Acceptance”	4:00 p.m. on Friday, 29 August 2025, or such other time and date as the Company may determine, being the latest time and date for acceptance of and payment for the Rights Shares
“Listing Committee”	has the same meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum and Articles”	the memorandum and articles of association of the Company, as amended, restated or supplemented from time to time
“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the placees) after deducting the aggregate amount of the Subscription Price for the Placing Shares placed by the Placing Agent under the Placing Agreement
“No Action Shareholder(s)”	Qualifying Shareholder(s) or renouncee(s) or transferee(s) of nil-paid rights under PAL(s) during the Rights Issue who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s), or such persons who hold any nil-paid rights at the time such nil-paid rights are lapse, or Non-Qualifying Shareholders (as the case may be)

DEFINITIONS

“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) to whom the Directors, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either of restrictions under the laws of the relevant place or the requirements of a relevant regulatory body or stock exchange in that place
“NQS Unsold Rights Share(s)”	the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholder(s) in nil-paid form that have not been sold by the Company
“Overseas Shareholder(s)”	Shareholder(s) with registered addresses (as shown in the register of members of the Company on the Record Date) which are outside Hong Kong
“Placee(s)”	professional, individuals, corporate, institutional or other investor(s), who and whose ultimate beneficial owner(s) shall not be a Shareholder and shall be Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agents to subscribe for the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares on a best-effort basis by the Placing Agent and/or its sub-placing agent(s) to the Placees on the terms and conditions of the Placing Agreement
“Placing Agent”	Advent Securities (Hong Kong) Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) regulated activities as defined under the SFO
“Placing Agreement”	the placing agreement dated 19 December 2024 entered into between the Company and the Placing Agent in relation to the placing of the Placing Shares
“Placing Long Stop Date”	4:00 p.m. on Wednesday, 17 September 2025 or such later date as the Company and the Placing Agent may agree in writing

DEFINITIONS

“Placing Period”	the period from Wednesday, 10 September 2025 up to 4:00 p.m. on Wednesday, 17 September 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 Share(s)”	the Unsubscribed Rights Share(s) and the NQS Unsold Rights Share(s)
“PRC”	the People’s Republic of China, and for the purpose of this Prospectus, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and the Taiwan
“Prospectus”	this prospectus dated Friday, 15 August 2025 to be despatched to the Shareholders by the Company containing details of the proposed Rights Issue
“Prospectus Documents”	the Prospectus and the PAL to be issued by the Company
“Prospectus Posting Date”	Friday, 15 August 2025, or such other date as the Company may determine, for the despatch of the Prospectus Documents
“Provisional Allotment Letter(s)” or “PAL(s)”	the provisional allotment letter(s) in respect of the Rights Issue proposed to be issued to the Qualifying Shareholders
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear on the register of members of the Company at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Thursday, 14 August 2025, or such other date as the Company may determine, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue
“Registrar”	the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed issue by way of rights on the basis of four (4) Rights Shares for every one (1) Adjusted Share held by the Qualifying Shareholders on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents

DEFINITIONS

“Rights Share(s)”	up to 138,240,000 Adjusted Shares to be allotted and issued pursuant to the Rights Issue (assuming no change in the number of Shares in issue on or before 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)
“Share(s)”	the Existing Share(s), the Consolidated Share(s) and/or the Adjusted Share(s), as the case may be
“Share Consolidation”	the consolidation of every five (5) issued Existing Shares of par value of HK\$0.20 each into one (1) Consolidated Share of par value of HK\$1.00 each
“Share Option”	the share option(s) granted by the Company pursuant to the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company pursuant to a written resolution of the Shareholders passed on 27 March 2017
“Share Subdivision”	the subdivision of each of the authorised but unissued Existing Shares of par value of HK\$0.2 each into 20 authorised but unissued Adjusted Shares of HK\$0.01 each
“Shareholder(s)”	holders of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.53 per Rights Share
“substantial Shareholder”	has the same meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC
“Unsubscribed Rights Shares”	the Rights Shares that are not subscribed by the Qualifying Shareholders
“%”	per cent

EXPECTED TIMETABLE

The expected timetable for the Rights Issue and the Placing and the associated trading arrangement is set out below. The expected timetable is subject to the satisfaction of the conditions of the Rights Issue and the Placing and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this Prospectus refer to Hong Kong local times and dates.

Event	Year 2025
First day of dealing in nil-paid Rights Shares in board lot of 10,000 Adjusted Shares	9:00 a.m. on Tuesday, 19 August
Latest time for splitting the PAL.	4:30 p.m. on Thursday, 21 August
Last day of dealing in nil-paid Rights Shares in board lot of 10,000 Adjusted Shares	Tuesday, 26 August
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the Compensatory Arrangements.	4:00 p.m. on Friday, 29 August
Latest Time for Acceptance of and payment for the Rights Shares	4:00 p.m. on Friday, 29 August
Announcement of the number of the Unsubscribed Rights Shares and NQS Unsold Rights Shares subject to the Compensatory Arrangements	Tuesday, 9 September
Commencement of the Placing Period (if there are any Unsubscribed Rights Shares and NQS Unsold Rights Shares available).	Wednesday, 10 September
Latest time of placing of Unsubscribed Rights Shares and NQS Unsold Rights Shares subject to the Compensatory Arrangements.	Tuesday, 16 September
Latest Time for the Rights Issue to become unconditional and the Placing Long Stop Date	4:00 p.m. on Wednesday, 17 September
Rights Issue settlement date and Placing completion date.	Friday, 19 September

EXPECTED TIMETABLE

Event**Year 2025**

Announcement of the results of the Rights Issue (including the results of the Placing and the Net Gain). Wednesday, 24 September

Despatch of share certificates for fully-paid Rights Shares and/or refund cheques if terminated. Thursday, 25 September

Commencement of dealings in fully-paid Rights Share Friday, 26 September

Payment of Net Gain to relevant No Action Shareholders (if any) or Non-Qualifying Shareholders (if any). Friday, 3 October

All times and dates stated above refer to Hong Kong local times and dates. The expected timetable for the Rights Issue set out above and all dates and deadlines specified in this Prospectus are indicative only and may be varied. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

EFFECT OF BAD WEATHER OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE

The Latest Time for Acceptance will not take place as scheduled if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning or Extreme Conditions caused by super typhoons issued by the Hong Kong Observatory:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Latest Time for Acceptance falls. Instead, the Latest Time for Acceptance 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 date of the Latest Time for Acceptance. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warning in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the section headed “EXPECTED TIMETABLE” in this Prospectus may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

LETTER FROM THE BOARD

HSC Resources Group Limited

鴻盛昌資源集團有限公司

(Formerly known as WINDMILL Group Limited 海鑫集團有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1850)

Executive Directors:

Mr. Li Junheng

Mr. Li Shing Kuen Alexander

Ms. Chau Ngai Mo

Independent non-executive Directors:

Mr. Li Ka Chun Gordon

Mr. Fu Wing Kwok Ewing

Mr. Ghanshyam Adhikari

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Head Office and Principal

Place of Business:

Unit 1603, 16/F., Tower 1

Enterprise Square

9 Sheung Yuet Road

Kowloon Bay, Kowloon

Hong Kong

15 August 2025

*To the Qualifying Shareholders and,
for information purposes only, the Non-Qualifying Shareholders,*

Dear Sir or Madam,

**RIGHTS ISSUE ON THE BASIS OF FOUR (4) RIGHTS SHARES
FOR EVERY ONE (1) ADJUSTED SHARE HELD AT
THE CLOSE OF BUSINESS ON THE RECORD DATE
ON A NON-UNDERWRITTEN BASIS**

INTRODUCTION

References are made to the Announcement and the Circular in relation to, among other things, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder.

At the EGM held on Monday, 7 April 2025, the necessary resolutions for approving, among other things, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder were duly passed by the Independent Shareholders.

LETTER FROM THE BOARD

The purpose of this Prospectus is to provide you with, among other things, (i) further details of the Rights Issue, including the procedures for application and payment and/or transfer of the Rights Shares provisionally allotted to you; (ii) certain financial information of the Group; and (iii) other information in respect of the Group.

PROPOSED RIGHTS ISSUE

The Board proposes to conduct the Rights Issue on the basis of four (4) Rights Shares for every one (1) Adjusted Share held by the Qualifying Shareholders as at the Record Date. Details of the Rights Issue are set out below:

Rights Issue statistics

Basis of the Rights Issue:	Four (4) Rights Shares for every one (1) Adjusted Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price:	HK\$0.53 per Rights Share
Net price per Rights Shares (i.e. Subscription Price less cost and expenses incurred in the Rights Issue):	Approximately HK\$0.101 per Rights Share (on the basis that all the Rights Shares will be taken up)
Number of Shares in issue as at the Latest Practicable Date:	34,560,000 Adjusted Shares
Number of Adjusted Shares in issue upon the Capital Reorganisation becoming effective:	34,560,000 Adjusted Shares
Number of Rights Shares (Shares to be issued pursuant to the Rights Issue):	Up to 138,240,000 Adjusted Shares (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)
Total number of Shares in issue upon completion of the Rights Issue:	Up to 172,800,000 Adjusted Shares (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)
Gross proceeds from the Rights Issue (before deducting the necessary expenses):	Up to approximately HK\$73.27 million before expenses (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)

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Net proceeds from the Rights Issue (after deducting the necessary expenses):

Up to approximately HK\$69.80 million after expenses (assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date)

As at the Latest Practicable Date, the Company has outstanding scheme mandate limit under the Share Option Scheme which was approved by a written resolution of the Shareholders passed on 27 March 2017 is 800,000 Adjusted Shares. As no Share Option has been granted, the remaining unutilised scheme mandate limit is 800,000. The Company has no intention to grant or vest any Share Option(s) on or before the Record Date.

Save for the Share Options, the Company has no outstanding warrants, options or convertible securities in issue or other similar rights entitling holders thereof to convert into or exchange into or subscribe for new Shares as at the Latest Practicable Date.

Assuming no change in the number of Shares in issue on or before the Record Date, other than the Capital Reorganisation becoming effective, the aggregate 138,240,000 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 400% of the total number of issued Adjusted Shares upon the Capital Reorganisation becoming effective and approximately 80% of the total number of issued Adjusted Shares as enlarged by the issue of the Rights Shares (assuming full acceptance by the Qualifying Shareholders).

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

As at the Latest Practicable Date, the Board has not received any information from any Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them under the Rights Issue.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares and the nil-paid Right Shares.

Subscription Price

The Subscription Price of HK\$0.53 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue, or where a transferee of the nil-paid Rights applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 33.75% to the closing price of HK\$0.8 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) based on the closing price of HK\$0.8 per Adjusted Share as quoted on the Stock Exchange on the Latest Practicable Date;

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- (ii) a discount of approximately 24.29% to the closing price of HK\$0.7 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) based on the closing price of HK\$0.14 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 23.19% to the theoretical average closing price of approximately HK\$0.69 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) based on the average closing price of HK\$0.138 per Existing Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 23.36% to the theoretical average closing price of approximately HK\$0.6915 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) based on the average closing price of HK\$0.1383 per Existing Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 93.78% to the unaudited consolidated net asset value per Adjusted Share of approximately HK\$8.52 as at 31 October 2024 (based on 172,800,000 Existing Shares in issue as at the Last Trading Day);
- (vi) a discount of approximately 93.75% to the audited consolidated net asset value per Adjusted Share of approximately HK\$293,185,000 as at 30 April 2025 (based on 34,560,000 Adjusted Shares in issue as at 30 April 2025); and
- (vii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of a discount of approximately 19.43%, represented by the theoretical diluted price of approximately HK\$0.564 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) to the theoretical benchmarked price of HK\$0.70 per Adjusted Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of the Adjusted Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average closing price of the Shares as quoted on the Stock Exchange for the five (5) consecutive trading days prior to the date of this Prospectus and adjusted for the effect of the Capital Reorganisation).

The Subscription Price was determined with reference to, among other things, (i) the market price of the Shares under the prevailing market conditions; (ii) the current business performance and financial position of the Group; and (iii) the reasons for and benefits of proposed Rights Issue as discussed in the section head “Reasons for the Rights Issue and the Use of Proceeds”, and the amount of funds the Company intends to raise under the Rights Issue.

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Under the Rights Issue, each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its existing shareholding in the Company. The Company considers that the discount of the Subscription Price to the current market price (taking into account the effect of the Capital Reorganisation) will encourage them to participate in the Rights Issue, minimising dilution impact.

When determining the Subscription Price, the Directors have considered, among other things, the closing prices of the Shares traded on the Stock Exchange from 18 October 2024 to 19 December 2024, being the past three months prior to and including the Last Trading Day (the “**Review Period**”), as a benchmark to reflect the prevailing market conditions and recent market sentiment. The Directors consider that the Review Period is sufficient as it is intended to identify the most prevailing market price and recent trading performance of the Shares under the market conditions and sentiment close enough to that of the Rights Issue. During the period of 20 December 2024 to the Latest Practicable Date, the closing prices of the Shares on the Stock Exchange ranged from HK\$0.12 per Existing Share to HK\$0.19 per Existing Share. The Subscription Price represents a discount of approximately 44.21% to the closing price of HK\$0.95 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) based on the highest closing price of the Shares of HK\$0.19 per Existing Share after the Review Period. The Board is not aware of any specific reasons that may have contributed to the recent rising trend of the closing prices nor significant price fluctuations during such period. The Review Period is not intended to extend further into the past nor any date after the Last Trading Day to cover the Company’s Share price that is under market conditions and sentiment that may be different and therefore not relevant for comparison purpose. Thus, the Directors consider that it is fair and reasonable and in the interests of the Company and its Shareholders to set the Subscription Price with reference to the prevailing market conditions during the Review Period and the other factors as set out above.

During the Review Period, the closing prices of the Shares on the Stock Exchange ranged from HK\$0.132 per Existing Share to HK\$0.222 per Existing Share, with the average closing price during the Review Period being around HK\$0.179 per Existing Share. The Directors noted that there was a general downward trend of the closing prices of the Shares on the Stock Exchange during the Review Period. Additionally, the Board is not currently aware of any specific reasons that may have contributed to the significant price fluctuations during the Review Period.

Furthermore, the unaudited consolidated net asset value of the Group amount to approximately HK\$294.44 million as of 31 October 2024. The latest audited consolidated net asset value of the Group amount to approximately HK\$293.19 million as at 30 April 2025. The Directors observed that the market capitalisation of the Group consistently fell considerably short of its net asset value during the Review Period, where the market capitalisation of the Group during the Review Period ranged from approximately HK\$22.81 million to approximately HK\$38.36 million, which represented a discount of approximately 92.22% and 86.92% respectively to the audited consolidated net asset value

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attributable to the Shareholders. This substantial disparity reflects a lack of market confidence in the Group's financial performance, position, and future prospects. As a result, the market value of the Shares no longer accurately reflects the underlying net asset value.

The Directors have taken into account various factors while deciding on the Subscription Price despite it being lower than the average closing price per Share and the high end of the closing price per Share during the Review Period. The Directors considered the challenge of raising funds through equity due to (i) the Shares' recent market performance, which has been in a downward trend; and (ii) the current market sentiment of the shares of listed companies in Hong Kong.

Given these factors, only a discounted price of the Shares would be attractive to the Qualifying Shareholders to participate in the Rights Issue, enabling the Company to raise sufficient capital.

The Company has also exhaustively conducted a search of recent proposed rights issue exercises, announced by the companies listed on the Main Board of the Stock Exchange within the six months prior to the Last Trading Day to understand the trend of the recent market practice regarding rights issue exercises. The Company has identified a total of 10 rights issue comparables (the "**Comparables**") during the respective period.

Although the Comparables include rights issues in different scale, engaged in different business or have different financial performance and funding needs from the Company, having considered (i) all of the Comparables and the Group are listed on the Main Board of the Stock Exchange; (ii) including transactions conducted by the Comparables with different funding needs and business represents a more comprehensive overall market sentiment in the Company's comparable analysis; (iii) the respective period for the selection of the Comparables has generated a reasonable and meaningful number of sample size of 10 Hong Kong listed issuers to reflect the market practice regarding recent rights issue; and (iv) the 10 Comparables identified during the aforementioned period were exhaustively included without any artificial selection or filtering so the Comparables represent a true and fair view of the recent market trends for rights issue conducted by other Hong Kong listed issuers in the Main Board of the Stock Exchange. Therefore, the Company considers that the Comparables are indicative in assessing the fairness and reasonableness of the terms of the Rights Issue (including the Subscription Price).

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Details of 10 Comparables are set out below:

Stock Code	Company Name	Premium/(discount) of the subscription price over/to the theoretical ex-rights price based on the closing price per share on the last trading day (%)	Premium/(discount) of the subscription price over/to the average closing price for the five consecutive trading days including and up to the last trading day (%)
1468	Kingkey Financial International (Holdings) Ltd	-2.56	-4.28
6829	Dragon Rise Group Holdings Limited	-48.70	-48.20
1676	Gaodi Holdings Ltd	37.90	38.90
1029	IRC Ltd	-15.00	-17.20
727	Crown International Corporation Limited	0.00	12.25
2680	Innovax Holdings Ltd	-67.39	-68.35
639	Shougang Fushan Resources Group Ltd	1.96	2.52
103	Shougang Century Holdings Ltd	8.20	7.84
2339	Beijingwest Industries International Ltd	-13.85	-13.85
1865	Trendzon Holdings Group Ltd	-14.30	-17.40
Average		-11.37	-10.78

The premium/discount of subscription price over/to the theoretical ex-rights price based on the closing price per share on the last trading day prior to the announcement of the respective Comparables generally ranged from a premium of approximately 8.20% to a discount of approximately 67.39% with an average of approximately 11.37%.

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Taking into consideration the discount of the Subscription Price of approximately 24.29% to the closing price of HK\$0.7 per Adjusted Share (after taking into account the effect of the Capital Reorganisation) based on the closing price of HK\$0.14 per Existing Share as quoted on the Stock Exchange on the Last Trading Day falls within the range of that of the Comparables.

The subscription price of the Comparables ranged from a premium of approximately 38.90% to a discount of approximately 68.35%, with an average discount of approximately 10.78% over/to their respective average closing prices per share for the five consecutive trading days including and up to the last trading day. The discount of approximately 23.19% of the Company's Subscription Price of HK\$0.53 per Rights Share to the theoretical average closing price of HK\$0.69 per Adjusted Share for the five consecutive trading days including and up to the Last Trading Day falls within the range of that of the Comparables, the Directors consider that the discount of the Subscription Price is in line with market practice.

The Directors (excluding the members of the Independent Board Committee, whose opinion will be provided after taking into account the advice of the Independent Financial Adviser) consider that the terms of the Rights Issue, including the Subscription Price, are fair, reasonable and in the best interests of the Company and the Shareholders as a whole.

Non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event of an undersubscription of the Rights Issue, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed on a best effort basis by the Placing Agent to independent Placees under the Placing. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares remain not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

There is no minimum amount to be raised under the Rights Issue. There are no applicable statutory requirements under the laws of the Cayman Islands regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, Shareholder who applies to take up all or part of his/her/its entitlement under the PAL may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders (other than HKSCC Nominees Limited) to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 7.19(5)(b) of the Listing Rules.

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Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions being fulfilled:

- (i) the Capital Reorganisation having become effective;
- (ii) the passing by more than 50% of the votes cast by the Independent Shareholders by way of poll of all necessary resolutions to be proposed at the EGM for the transactions contemplated under the Rights Issue to be effective in compliance with the Listing Rules, including but not limited to approving, confirming and/or ratifying the Rights Issue, including the allotment and issue of the Rights Shares in their nil-paid and fully-paid forms;
- (iii) the delivery of the Prospectus Documents to the Stock Exchange and the issue by the Stock Exchange on or before the Posting Date of a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong;
- (iv) the filing and registration of all the Prospectus Documents (together with any other documents required by applicable law or regulation to be annexed thereto) with the Registrar of Companies in 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 grant of listing of the Rights Shares (in both nil-paid and fully paid forms) by the Stock Exchange (either unconditionally or subject only to the allotment and despatch of the share certificates in respect thereof) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange (and such permission and listing not subsequently having been withdrawn or revoked);
- (vii) the Placing Agreement not being terminated pursuant to the terms thereof and remain in full force and effect;
- (viii) all other necessary waivers, consent and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transaction contemplated thereunder having been obtained and fulfilled; and

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- (ix) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the Placing completion date, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of the Placing completion date.

None of the above conditions is capable of being waived. If any of the conditions precedent are not satisfied by the Latest Time for Termination (or where appropriate, the times stipulated above or such later time and/or date as the Underwriters may agree with the Company in writing), the Rights Issue shall terminate and no party will have any claim against any other party for costs, damages, compensations or otherwise.

As at the Latest Practicable Date, save and except for conditions (i) and (ii), none of the conditions have been fulfilled.

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

Undertaking

The Company has not received, as at the Latest Practicable Date, any irrevocable undertaking from any substantial Shareholder of the Company of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue.

Status of the Rights Shares

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

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, Shareholder must be registered as a member of the Company 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

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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.

The Prospectus is being made available and/or despatched (subject to Shareholders' election to receive physical copies) to the Shareholders. Copies of the Prospectus Documents are also available on the website of the Stock Exchange (www.hkex.com.hk) and the Company's website (<https://hscgroup.hk>). The Prospectus only (excluding the PAL) is being made available and/or despatched (as the case may be) to the Non-Qualifying Shareholders for their information purpose only. The Company is sending the PALs to the Qualifying Shareholders individually in printed form. The Company will not send the PAL to the Non-Qualifying Shareholders.

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 (if any)

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

According to the register of members of the Company as at the Latest Practicable Date, there was no other Overseas Shareholder.

The Company will comply with Rule 13.36(2)(a) of the Listing Rules make enquiries regarding the feasibility of extending the offer of the Rights Issue to Overseas Shareholders, if any. If, based on the legal advice to be provided by the legal advisor of the Company, the Board considers that it would be necessary or expedient not to offer the Rights Shares to Overseas Shareholders on account of either the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in such relevant jurisdiction, the Rights Issue will not be extended to such Overseas Shareholders. In such circumstances, the Rights Issue will not be extended to the Non-Qualifying Shareholders. The basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

The Company will send the Prospectus and a letter explaining the circumstances in which the Non-Qualifying Shareholders are not permitted to participate in the Rights Issue to the Non-Qualifying Shareholders for their information only but will not send the PAL to them.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the Rights Shares in their nil-paid

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form commence and before dealings in the Rights Shares in their nil-paid form end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK\$100 will be paid to the Non-Qualifying Shareholders pro rata to their shareholdings held on the Record Date. In light of administrative costs, the Company will retain individual amounts of HK\$100 or less for its own benefit.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, the Overseas Shareholders should exercise caution when dealing in the Shares.

Procedures for acceptance and payment and/or transfer of the Rights Shares

Qualifying Shareholders 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. As PAL is a form of temporary document of title, it will be despatched to the Qualifying Shareholder(s) in printed form. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PALs, they must lodge the PALs in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Friday, 29 August 2025. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "HSC RESOURCES GROUP LIMITED" and crossed "Account Payee Only".

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Registrar by no later than 4:00 p.m. on Friday, 29 August 2025, whether by the original allottee or any person in whose favour the provisional allotment has been validly transferred, that provisional allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require the relevant person(s) to complete the incomplete PAL at a later stage.

If the Qualifying Shareholders wish to accept only part of the provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or transfer part/all of their rights to more than one person, the original PAL must be surrendered for cancellation by no later than 4:30 p.m. on Thursday, 21 August 2025 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required. The new PALs will be available for collection from the Registrar

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at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong after 9:00 a.m. on the second Business Day after the surrender of the original PAL. 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 to the transferee(s) and the acceptance by the transferee(s) of such rights. The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements. The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders accompanying completed PALs will be presented for payment immediately following 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 with a cheque or a cashier's order will constitute a warranty by such person that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's 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. No receipt will be given in respect of any application monies received.

Basis of provisional allotments

The basis of the provisional allotment shall be four (4) Rights Shares (in nil-paid form) for every one (1) Adjusted Share held by the Qualifying Shareholders as at close of business on the Record Date. There will be no excess application arrangements in relation to the Rights Issue.

Acceptance for all or any part of a Qualifying Shareholder's provisional allotment should be made only by lodging a duly completed PAL with a remittance for the Rights Shares being accepted with the Registrar by the Latest Time for Acceptance.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Shares as a result of the Rights Issue, the Company will appoint a securities firm to provide matching services, on a best effort basis, to those Shareholders who wish to top up or sell their holdings of odd lots of the Shares. Further details in respect of the arrangement of odd lot trading will be set out in the Prospectus.

Shareholders should note that the matching of the sale and purchase of odd lots of Shares is not guaranteed. Shareholders who are in any doubt about the odd lot matching arrangement are recommended to consult their own professional advisers.

To alleviate the difficulties in trading odd lots of the Shares arising from the Rights Issue, the Company will appoint an agent to provide matching services to the Shareholders

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who wish to top up or sell their holdings of odd lots of the Shares during the period from 9:00 a.m. on Tuesday, 19 August 2025 to 4:00 p.m. on Monday, 8 September 2025 (both dates inclusive). Holders of the Shares in odd who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full new board lot may directly or through their broker during such period. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility.

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

The Company will make arrangements described in Rule 7.21(1)(b) of the Listing Rule to dispose of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue. On 19 December 2024, the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent placees on a best effort basis.

Pursuant to the Placing Agreement, the Company appointed the Placing Agent to place the Placing Shares during the Placing Period to independent placees on a best effort basis, any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders and Non-Qualifying Shareholders on a pro rata basis. The Placing Agent will on a best effort basis, procure, by not later than Wednesday, 17 September 2025, placees to subscribe for all (or as many as possible) of those Unsubscribed Rights Shares and the NQS Unsold Rights Shares. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed after completion of the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders as set out below on a pro rata basis (but rounded down to the nearest cent):

- (i) for No Action Shareholders, the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- (ii) for Non-Qualifying Shareholders, the relevant Non-Qualifying Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders or Non-Qualifying Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholders and

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Non-Qualifying Shareholders in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit.

Placing Agreement for Unsubscribed Rights Shares and the NQS Unsold Rights Shares

On 19 December 2024 (after trading hours of the Stock Exchange), 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 and the NQS Unsold Rights Shares. Details of the Placing Agreement are summarised below:

Date:	19 December 2024 (after trading hours)
Issuer:	The Company
Placing Agent:	Advent Securities (Hong Kong) Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activities under the SFO, was appointed as the Placing Agent to procure, on the best effort basis, placees to subscribe for the Unsubscribed Rights Shares and NQS Unsold Rights Shares during the Placing Period. The Placing Agent confirmed that it and its ultimate beneficial owner(s) (i) are not the Shareholder; and (ii) they are Independent Third Parties.
Placing Period:	The period commencing from Wednesday, 10 September 2025 and end at 4:00 p.m. on Wednesday, 17 September 2025.
Commission and Expenses:	The Placing Agent shall be entitled to a commission fee equal to 1.5% of the amount which is equal to the Placing price multiplied by the Placing Shares that have been successfully placed by the Placing Agent.
Placing Price:	The placing price of each of the Placing Shares shall be not less than the Subscription Price. The final price determination will be dependent on the demand and market conditions of the Placing Shares during the process of placement.
Placees:	The Placing Shares are expected to be placed to Placee(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies) such that the Placing will not have any implication under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.

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Ranking of the
Placing Shares: The Placing Shares (when placed, allotted, issued and fully paid), shall rank *pari passu* in all respects among themselves and with the Adjusted Shares in issue at the date of completion of the Placing.

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

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

The Placing Agent may, in its absolute discretion, waive the fulfilment of all or any part of the conditions precedent to the Placing Agreement (other than those set out in paragraph (i) above) by notice in writing to the Company. The Company shall use its best endeavours to procure the fulfillment of such conditions precedent to the Placing Agreement by the Placing Long Stop Date. If any of the conditions precedent to the Placing Agreement have not been fulfilled by the Placing Long Stop Date or become incapable of being fulfilled (subject to the Placing Agent not exercising its rights to waive or extend the time for fulfillment of such conditions), then the Placing will lapse and all rights, obligations and liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine, save in respect of any accrued rights or obligations under the Placing Agreement or antecedent breach thereof.

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Termination: The Placing Agreement shall end on 17 September 2025 or any other date by mutual written agreement between the Placing Agent and the Company.

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

The engagement between the Company and the Placing Agent in respect of the Placing Shares (including the commission and expenses payable) was determined after arm's length negotiation between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market conditions. The Board considers that the terms of Placing Agreement in respect of the Placing Shares (including the commission and expenses payable) are on normal commercial terms.

As explained above, the Unsubscribed Rights Shares and NQS Unsold Rights Shares will be placed by the Placing Agent to Independent Third Parties on a best effort basis for the benefits of the No Action Shareholders. If all or any of the Unsubscribed Rights Shares and NQS Unsold Rights Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders.

The Board considered that the Compensatory Arrangements are fair and reasonable and provide adequate safeguard to protect the interests of the Company's minority Shareholders since the Compensatory Arrangements would provide (i) a distribution channel of the Placing Shares to the Company; (ii) an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Non-Qualifying Shareholders; and (iii) a compensatory mechanism for the No Action Shareholders and the Non-Qualifying Shareholders.

LETTER FROM THE BOARD

Share certificates 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 posted on or before Thursday, 25 September 2025 to those entitled thereto at their registered addresses by ordinary post at their own risk. If the Rights Issue does not become unconditional, refund cheques without interest are expected to be posted on or before Thursday, 25 September 2025 by ordinary post to the respective applicants, at their own risk, to their registered addresses.

No fractional entitlement of the Rights Shares

The Company will not provisionally allot fractions of Rights Shares. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number) and sold by the Company in the open market if a premium (net of expense) can be obtained. Any of these Rights Shares remain not sold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Application for listing of the Rights Shares

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. No part of the equity or debt 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.

The nil-paid and fully-paid Rights Shares will be traded in board lots of 10,000 Shares.

RIGHTS SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

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

LETTER FROM THE BOARD

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

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

The Group is a registered fire service installation contractor engaged in installation, maintenance, repair or inspection of fire safety systems for more than 30 years in Hong Kong.

Fire safety systems mainly consist of fire alarm systems, water and gas expression systems, fire hydrant and hose reel systems, emergency lighting systems and portable fire equipment. The Group's services mainly include (i) design, supply and installation of fire safety systems and other engineering and construction related aspects for buildings under construction or re-development (the **"Installation Projects"**); (ii) maintenance and repair of fire safety systems for built premises (the **"Maintenance Projects"**); and (iii) trading of fire service accessories including branded fire services equipment under a distributorship agreement with an internationally branded fire service equipment supplier. The net proceeds of the Rights Issue (after deduction of expenses) are expected to amount to approximately HK\$69.80 million (assuming no change in the number of Shares in issue on or before the Record Date).

The Group intends to further strengthen its market position in the fire safety system industry in Hong Kong including but not limited to strengthen the financial position by the Rights Issue, which will enable the Company to expand its capital base so that it is able to undertake more sizeable fire safety system projects. The Directors also consider that it is in the interests of the Company and its Shareholders to raise capital to meet the Group's funding requirements by way of the Rights Issue, which will allow all Qualifying Shareholders the opportunity to maintain their respective pro rata shareholding interests in the Company.

LETTER FROM THE BOARD

As at the date of this Prospectus, the Group is currently working on 28 fire safety system projects in Hong Kong, 12 of which require capital funding to be raised from the proposed Rights Issue. These 12 existing projects consists of (i) 10 Installation Projects; and (ii) 2 Maintenance Projects which have been commenced and are expected to contribute approximately HK\$292.59 million and HK\$14.51 million of revenue to the Group respectively in FY2025. The following are the details of the latest status of the Company's existing projects:

Projects	Customers	Background of the customers	Payments to contractors/ subcontractors (For the year ended 30 April 2025)	Estimated upcoming payments to contractors/ subcontractors (For the year ended 30 April 2026)	Payments to suppliers (For the year ended 30 April 2025)	Estimated upcoming payments to suppliers (For the year ended 30 April 2026)	Estimated upcoming payments to suppliers (For the year ended 30 April 2027)	Estimated upcoming payments from customers (For the year ended 30 April 2026)	Estimated upcoming payments from customers (For the year ended 30 April 2027)	Latest status (calculated by revenue recognised/ total contract sum)	Expected completion time	Amount of proceeds from the 2023 Rights Issue allocated	Amount of proceeds from the Rights Issue to be allocated to its customers	Credit terms given by the Company to its customers
			HKS' million	HKS' million	HKS' million	HKS' million	HKS' million	HKS' million	HKS' million			HKS' million	HKS' million	(number of days after payment application)
Project A	Customer A	A Hong Kong incorporated company specializing in civil, building, foundations, electrical and mechanical, facades and interiors works and design	17.6	3.1	-	11.3	2.5	-	34.0	5.0	81% Q4 of 2025	27.1	5.30	45 days
Project B	Customer A	A Hong Kong incorporated company specializing in civil, building, foundations, electrical and mechanical, facades and interiors works and design	94.5	16.3	4.3	72.9	7.7	-	162.0	41.0	92% Q1 of 2026	51.15	6.05	45 days
Project C	Customer B	A subsidiary of a Hong Kong listed company specialises in design, construction and civil engineering works	0.2	0.1	-	0.1	0.0	-	4.4	0.0	100% Q4 of 2025	0.36	0.00	30 days
Project D	Customer C	A Hong Kong incorporated company specializing in electrical, mechanical and building, civil engineering, curtain walls aluminum windows and claddings and interior fitting-out	11.5	2.8	-	9.7	1.8	-	28.4	1.5	98% Q4 of 2025	3.28	0.00	30 days
Project E	Customer D	A subsidiary of a Hong Kong listed company specialising in design and construction of buildings and civil engineering works	8.5	3.0	6.2	6.1	1.6	5.1	2.5	15.2	85% Q1 of 2026	13.32	3.60	30 days
Project F	Customer E	A Hong Kong listed conglomerate which is engaged in railway design, construction, operation, maintenance and investment in Hong Kong, Macau, Mainland China	4.1	2.6	-	3.1	1.6	8.4	-	4.0	86% Q1 of 2026	3.68	0.00	30 days

LETTER FROM THE BOARD

Projects	Customers	Background of the customers	Payments to contractors/subcontractors (for the year ended 30 April 2025)	Estimated upcoming payments to contractors/subcontractors (for the year ended 30 April 2026)	Payments to suppliers (for the year ended 30 April 2025)	Estimated upcoming payments to suppliers (for the year ended 30 April 2026)	Estimated upcoming payments to suppliers (for the year ended 30 April 2027)	Estimated upcoming payments from customers (for the year ended 30 April 2026)	Estimated upcoming payments from customers (for the year ended 30 April 2027)	Latest status (calculated by revenue recognised/ total contract sum)	Expected completion time	Amount of proceeds from the 2023 Rights Issue allocated	Amount of proceeds from the Rights Issue to be allocated to its customers (number of days after payment application)
Project G	Customer B	A subsidiary of a Hong Kong listed company specialises in design, construction and civil engineering works	0.0	3.9	0.2	0.0	2.6	-	0.0	7.3	2.7% Q1 of 2026	N/A	2.57 30 days
Project H	Customer F	A Hong Kong incorporated company specializing in engineering and construction services	0.0	0.4	3.1	0.0	0.3	2.4	0.0	0.8	95% Q1 of 2026	N/A	0.00 30 days
Project I	Customer G	A Hong Kong listed company which is engaged in building construction, maintenance, renovation, plumbing and drainage works, electrical and mechanical works	0.0	45.3	2.9	0.0	30.2	2.1	0.0	6.0	12% Q4 of 2026	N/A	25.58 30 days
Project J	Customer H	A subsidiary of a Hong Kong listed company specialising in maintenance, interior fitting-out works, construction services and property management	0.0	22.1	0.9	0.0	14.8	-	0.0	41.0	4% Q1 of 2027	N/A	8.88 30 days
Project K	Customer I	A subsidiary of a Hong Kong listed conglomerate which is engaged in electricity generation and supply, development and construction services	0.0	2.1	1.4	0.0	1.4	0.2	0.0	3.9	62% Q4 of 2025	N/A	1.20 30 days
Project L	Customer J	A Hong Kong incorporated company specialising in design, construction and maintenance of data centres	0.0	4.8	2.1	0.0	3.2	0.5	0.0	8.8	29% Q1 of 2027	N/A	0.92 30 days
Project M	Customer K	A member of an international contractor headquartered in Hong Kong, specializing in engineering-led construction, mining, services and public private partnerships leader	26.7	15.6	8.4	16.1	11.0	5.3	61.0	32.9	43% Q4 of 2027	N/A	0.0 30 days
Project N	Customer L	A Hong Kong listed company which is engaged in building construction, repair, maintenance, alteration and addition works	0.0	21.6	12.4	0.0	14.4	8.6	40.0	21.3	45% Q4 of 2027	N/A	0.0 30 days

LETTER FROM THE BOARD

Projects	Customers	Background of the customers	Payments to contractors/subcontractors (For the year ended 30 April 2025)	Estimated upcoming payments to contractors/subcontractors (For the year ended 30 April 2026)	Estimated upcoming payments to contractors/subcontractors (For the year ended 30 April 2027)	Payments to suppliers (For the year ended 30 April 2025)	Estimated upcoming payments to suppliers (For the year ended 30 April 2026)	Estimated upcoming payments to suppliers (For the year ended 30 April 2027)	Latest status (calculated by revenue recognised/ total contract sum)	Expected completion time	Amount of proceeds from the 2023 Rights Issue allocated	Amount of proceeds from the Rights Issue to be allocated to its customers (number of days after payment application)
Project O	Customer F	A Hong Kong incorporated company specializing in engineering and construction services	0.0	5.1	11.7	0.0	3.4	7.8	37%	Q4 of 2027	N/A	0.0 30 days
Project P	Customer A	A Hong Kong incorporated company specializing in civil, building, foundations, electrical and mechanical, facades and interiors works and design	0.0	10.0	1.1	0.0	6.7	0.7	65%	Q2 of 2026	N/A	0.0 30 days
Others		Consists of the Installation Projects to customers specialise in design, construction and civil engineering works in Hong Kong and fitting-out projects to customers of casinos hotels in Macau	8.7	7.2	3.1	6.2	6.1	1.5	N/A	During 2027	N/A	N/A N/A
Total			171.8	166.0	57.8	125.5	109.3	42.6				219.5

Notes:

1. Projects J and L are the Maintenance Projects. Apart from Projects J and L, the others are the Installation Projects, which provide services of design, supply and installation of fire safety systems in both public and private sectors, including but not limited to the Three-runway System of the Hong Kong International Airport, MTR stations and power stations.
2. The estimated upcoming payments to contractors/subcontractors (for the year ended 30 April 2027) of HK\$4.3 million and HK\$6.3 million in Project B and E are the retention payment. Retention payments are held back for 1–2 years after completion of the project, depending on the scale of the project, as industry norm to ensure the contractor completes the work to the required standard and to cover any potential defects or outstanding obligations.
3. The expected completion times for Projects C, D, and E have been delayed to Q4 2025, Q4 2025 and Q1 2026 respectively, due to construction progress delays caused by others contractors.

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4. Projects A, B, C, D, E and F are the overlapping projects that the proceeds from the previous rights issue that completed on 28 June 2023 (the “**2023 Rights Issue**”) had previously applied to. Approximately 90.72% of the amount of proceeds from the 2023 Rights Issue (HK\$98.89 million out of HK\$109.00 million) were used to support these projects.
5. The Company will use its own resources to fund the remaining costs of the projects after using up the proceeds from the Rights Issue.

The contract period of the aforesaid 10 Installation Projects ranges from 3 months to 2 years. In respect of the Installation Projects, the Company makes payment applications to its installation customers by reference to the percentage of completion of each individual project. The actual completion of the work varies significantly depending on various factors including the master construction progress of the relevant project. The Company makes payment applications to its maintenance customers regularly in every 3 months. As compared to Installation Projects, Maintenance Projects tend to be relatively long-term and stable. The contract period of the aforesaid 2 existing Maintenance Projects is approximately 2 years.

Among the 12 existing projects, 6 of which are overlapping existing projects that the proceeds from the 2023 Rights Issue had previously applied to. Only 3 of the overlapping projects will utilise the proceeds from the current Rights Issue as the other 3 overlapping projects will be completed shortly or at the final stage of work.

Apart from the current projects, the Group has submitted 7 tenders of potential fire safety system projects with the aggregated contract sum of approximately HK\$308 million. Once the aforesaid tenders are successfully accepted by the potential clients, the potential projects will be commenced by the third quarter of 2025 the earliest. One of the tenders, tender 6 as disclosed in the below table, was delayed in expected start time to October 2025 from July 2025 due to timeline extension from the potential client.

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If the 7 tenders are successfully accepted by the potential customers, the amount of the expected upcoming payments that the Company is required to be made are as follows:

	Expected start time	Expected dates that the tenders would be accepted by potential customers	Expected completion time	Upcoming payments to contractors/ subcontractors upon commencement	Upcoming payments to contractors/ subcontractors within 1-6 months since commencement	Upcoming payments to contractors/ subcontractors within 7-12 months since commencement	Upcoming payments to suppliers within 1-6 months since commencement	Upcoming payments to suppliers within 7-12 months since commencement	Amount of proceeds from the Rights Issue to be allocated
				HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million	HK\$' million
Tender 1	Dec-25	Dec-25	Q3 of 2027	0.2	0.2	5.4	0.2	0.2	0.38
Tender 2	Jan-26	Jan-26	Q3 of 2027	0.3	0.3	5.4	0.2	0.2	0.96
Tender 3	Oct-25	Oct-25	Q4 of 2026	0.3	7.8	16.7	0.2	5.2	0.56
Tender 4	Sep-25	Sep-25	Q3 of 2027	0.3	6.3	7.5	0.2	4.2	0.55
Tender 5	Nov-25	Nov-25	Q4 of 2026	0.4	7.6	24.4	0.2	5.1	0.60
Tender 6	Oct-25	Oct-25	Q4 of 2026	0.4	6.8	25.2	0.2	4.6	0.60
Tender 7	Sep-25	Sep-25	Q4 of 2027	0.9	9.2	18.0	0.6	6.2	1.58
Total				2.8	38.2	102.6	1.8	25.7	5.23

Note: Apart from the above proceeds from the Rights Issue to be allocated among the tenders, the remaining upcoming payments will be funded by the Company's internal resources, taking into account of (i) HK\$43 million of expected payment from the customers (other than Project A to Project L) by September 2025; (ii) the recovery of delayed payments in the sum of HK\$56 million by July 2025 as mentioned below; and the bank balances and cash of the Group of approximately 16 million as at the Latest Practicable Date.

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The bank balances and cash of the Group amounted to approximately HK\$8.8 million as at 30 April 2025. As disclosed in the interim report for the six months ended 31 October 2024 of the Company, the bank balances and cash of the Group amounted to approximately HK\$3.18 million as at 31 October 2024. Despite the Company had approximately HK\$98.43 million of deposits, prepayments and other receivables under its current assets as at 31 October 2024, such amount is required by the subcontractors and/or suppliers before the commencement of the projects to ensure effective project execution which is under normal business operation and the industry norm, for which around 20–30% of project costs shall be deposited. Such amount will be deducted from the project costs once the projects are commenced. Although the Company had conducted two recent fundraising activities, i.e. the 2023 Rights Issue and placing under general mandate on 17 April 2024, the Company still had approximately HK\$76.10 million trade receivables as at 31 October 2024 due to delayed payments from customers and the slight delay on the master construction progress of some Installation Projects (the “**Delayed Projects**”) because of labor shortage. The Directors are of the view that this is a temporary situation of such tight cashflow problem as this situation will be improved and the Company foresees more revenue will be recognised by the second quarter of 2025 based on the current construction progress of the relevant Delayed Projects are back to normal, as well as the final closing of the 3 overlapping projects as mentioned above. Further, to safeguard there will be no delay in the Company’s construction progress of the forthcoming projects, the management of the Company has implemented the following measures: (i) deploying more comprehensive planning on each project before its commencement and reallocating the labour resources efficiently; (ii) using best endeavours to attract and retain appropriate and suitable personnel. The Company assess the available human resources on a continuous basis and recruit additional personnel to cope with the business development from time to time; (iii) delegating part of the labour intensive installation work to selected subcontractors for flexible manpower management and cost effectiveness; and (iv) the project manager in each forthcoming project carries out more frequent site inspections to monitor the work progress and the site technicians are required to conduct monthly review reports and checklists to avoid delay in work progress. Having considered (i) the temporary situation of tight cashflow; and (ii) the safeguarding measures against the construction progress of the projects in order to timely recover the trade receivables, the Directors are of the view that the Rights Issue is fair and reasonable as it represents an opportunity for the Company to raise additional funding for the business operations of the Group without any interest burden and strengthen the Group’s financial position. As at the Latest Practicable Date, the master construction progress of the Delayed Projects are back to normal and approximately HK\$68.9 million of revenue from the Delayed Projects are recognised in the Second quarter of 2025.

In respect of delayed payments from customers, the Company takes tremendous efforts in safeguarding its working capital by requesting its customers to pay promptly and continuously follow up with outstanding payments from customers, the Group has encountered increased frequency of delayed payments by customers which is mainly attributable to the economic downturn and the prevailing high interest rate environment, which in turn exerted pressure on the working capital of the Group. As at Latest Practicable Date, the HK\$56 million of delayed payments by the relevant customers were fully settled. The Directors are of the view that the delayed payment situation will be improved in the forthcoming period and potential tenders by

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taking into account of (i) the Company's customers are reputable main contractors railways operator, power stations operator or listed companies who have solid financial background and industry experience that the delayed payments are likely to be recovered; (ii) the Company maintains more than 10 years business relationship with its customers and they rely on the Company's professional services to undertake fire services installation work in both public and private sectors; (iii) the Company has been discussing with its customers for a better financial planning and budgeting of the projects to make payment applications regularly as well as shorten the time for payment applications; and (iv) there is proven track record that the Company is capable of debt recovery and the Company has not made any provision for bad debts for the last three years. In order to safeguard there will be no delay in forthcoming payments from customers, the management of the Company has delegated a team responsible for determination of monitoring procedures to make regularly payment applications and also ensure that follow-up action is taken to recover overdue debts. In addition, the management reviews the recoverable amount of each individual trade and retention receivables, deposits and advance to sub-contractors regularly. Also, the Company will suspend its construction works and allocate any resources until the receivables are fully recovered. Therefore, the Directors are of the view that the working capital is improving and is sufficient for business operation.

As disclosed in the annual report of the Company for the year ended 30 April 2024, the proceeds from the 2023 Rights Issue were fully utilized as intended. Approximately 85% of such proceeds were used to support the fire safety systems projects of the Group and the remaining 15% of the proceeds were used for the general working capital of the Group. The financial effect of which was reflected on the substantial increase in the Group's revenue and cost of sales for the year ended 30 April 2024 as compared to those for the year ended 30 April 2023. Taking into consideration the Group's immediately available working capital and the temporary situation of tight cashflow problem the Group is currently encountering as mentioned above, the Board considers that the Group has an imminent funding needs for its business expansion and daily operation.

Assuming full subscription under the Rights Issue, the Company intends to apply the net proceeds of approximately HK\$69.80 million from the Rights Issue as follows:

- (i) approximately HK\$59.33 million (representing approximately 85% of the net proceeds) to support the Group's projects, of which approximately HK\$52.35 million for the payment to contractors in the current projects, approximately HK\$1.75 million for the prepayment to the subcontractors and/or suppliers before the commencement of the forthcoming potential projects and approximately HK\$5.23 million for the initial startup costs of the forthcoming potential projects; and
- (ii) approximately HK\$10.47 million (representing approximately 15% of the net proceeds) for general working capital of the Group, of which approximately HK\$8.38 million for the staff costs and approximately HK\$2.09 million for other office overhead.

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In the event that there is an under subscription of the Rights Issue, the net proceeds will be utilised on a pro rata basis as set out above. In the event that the Rights Issue cannot be proceeded or being terminated, the Company will explore other fundraising alternatives, such as debt financing or seeking for a shareholder's loan.

The Company has considered other fundraising alternatives before resolving to the Rights Issue, including but not limited to debt financing, placing of new Shares and open offer. Debt financing or bank loans would result in additional interest burden to and higher gearing ratio of the Group. Placing of new Shares would only be available to certain placees who were not necessarily the existing Shareholders and would dilute the shareholding of the existing Shareholders in the Company. As for open offer, although it is similar to a rights issue in offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market and accordingly, Shareholders must either participate in the offer or lose the benefit of any discount at which the new shares are offered.

In view of the above, the Board (excluding the members of the Independent Board Committee whose opinion will be rendered after considering the advice from the independent financial adviser) considers that as compared to raising fund by other means, raising funds by way of the Rights Issue, which will allow Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain their respective pro rata shareholding interests in the Company and dealing with the Shares, is an appropriate fundraising method and is fair, cost effective, efficient and beneficial to the Company and its shareholders as a whole.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Save for the placing of new shares under general mandate completed on 17 April 2024, the Company has not conducted any equity fundraising activities in the past 12 months immediately preceding the Latest Practicable Date.

Date of initial announcement	Event	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds as at the date of this Prospectus
17 April 2024	Placing 28,800,000 Shares at the placing price of HK\$0.67 each under General Mandate	HK\$18.517 million	Approximately HK\$3.0 million as repayment of shareholders loan(s), approximately HK\$11.0 million for business expansion and the remainder for general working capital.	All net proceeds have been utilised as intended.

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TAXATION

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

It is emphasised that none of the Company, the Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of, any person resulting from subscribing for, purchasing, holding, exercising, disposing of or dealings in any rights in relation to the Rights Shares in both their nil-paid and fully-paid form.

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

The Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid Rights Shares. Please refer to the section headed “Proposed Rights Issue – Conditions of the Rights Issue” in this Prospectus.

Shareholders and potential investors of the Company should note that each of the Rights Issue and the Placing is subject to the fulfilment of certain conditions. If any of the conditions of the Rights Issue and/or the Placing are not fulfilled, the Rights Issue and/or the Placing will not proceed.

Any Shareholder or other person contemplating transferring, selling, or purchasing Shares is advised to exercise caution when dealing in the Adjusted Shares and/or the nil-paid Rights Shares. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

Any Shareholder or other person dealing in the Adjusted Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled or the Placing Long Stop Date, which is expected to be 4:00 p.m. on Wednesday, 17 September 2025, will accordingly bear the risk that the Rights Issue and/or the Placing may not proceed.

INFORMATION ON THE PARTIES

Information on the Group

The Company is an exempted company incorporated under the laws of the Cayman Islands with limited liability whose shares are listed on the Stock Exchange. The Group is a registered fire service installation contractor engaged in installation, maintenance, repair or inspection of fire safety systems for more than 30 years in Hong Kong.

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Information on the Placing Agent

Advent Securities (Hong Kong) Limited is a licensed corporation to carry out Type 1 (dealing in securities) regulated activities as defined under the SFO.

EFFECTS ON SHAREHOLDING STRUCTURE

To the best knowledge of the Directors, set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the Capital Reorganisation becoming effective and the completion of the Rights Issue (assuming full acceptance by all Qualifying Shareholders under the Rights Issue); and (iii) immediately after the Capital Reorganisation becoming effective and the completion of the Rights Issue (assuming (a) no subscription by the Qualifying Shareholders; and (b) all the Placing Shares are placed to Independent Third Parties under the Placing):

Shareholders	As at the Latest Practicable Date		Immediately after the Capital Reorganisation becoming effective and completion of the Rights Issue (assuming full acceptance by the Qualifying Shareholders under the Rights Issue)		Immediately after the Capital Reorganisation becoming effective and completion of the Rights Issue (assuming (a) no subscription by the Qualifying Shareholders; and (b) all the Placing Shares are placed to Independent Third Parties under the Placing)	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Li Junheng (<i>Note 1</i>)	14,390,000	8.33	14,390,000	8.33	2,878,000	1.67
Public Shareholders						
– Placees (<i>Note 2</i>)	–	–	–	–	138,240,000	80.00
– Other public Shareholders	158,410,000	91.67	158,410,000	91.67	31,682,000	18.33
Sub-total	158,410,000	91.67	158,410,000	91.67	169,922,000	98.33
Total	172,800,000	100.00	172,800,000	100.00	172,800,000	100.00

LETTER FROM THE BOARD

Notes:

1. As at the date of this Prospectus, the Company has no controlling Shareholder as defined under the Listing Rules. Mr. Li Junheng, the executive director, the chairman of the Group and the chief executive of the Company and his respective associates shall abstain from voting in favour of the resolution(s) in relation to the Rights Issue at the EGM.
2. Pursuant to the terms of the Placing Agreement, the Placing Shares are expected to be placed to placee(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies). None of the placees will become a substantial Shareholder of the Company immediately following the Placing and therefore will not trigger any obligation to make a mandatory general offer under the Takeovers Code.

If a Qualifying Shareholder does not accept the Rights Shares provisionally allotted to him/her/it in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

ADDITIONAL INFORMATION

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

By order of the Board
HSC Resources Group Limited
Li Junheng
Chairman

1. SUMMARY OF FINANCIAL INFORMATION

Financial information of the Group for each of the three financial years ended 30 April 2023, 2024 and 2025 were disclosed in the following documents which have been published on the website of the Stock Exchange (www.hkex.com.hk) and the Company's website (<https://hscgroup.hk>):

- annual report of the Company for the year ended 30 April 2023 published on 30 August 2023 (pages 54 to 123);
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0830/2023083000377.pdf>)
- annual report of the Company for the year ended 30 April 2024 published on 30 August 2024 (pages 54 to 121); and
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0830/2024083002500.pdf>)
- annual result announcement of the Company for the year ended 30 April 2025 published on 1 August 2025 (page 1 to 21).
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0801/2025080100007.pdf>)

2. INDEBTEDNESS OF THE GROUP

As at the close of business on 30 June 2025, being the latest practicable date for the purpose of ascertaining information contained in this statement of indebtedness prior to the printing of this Prospectus, the details of the Group's indebtedness are as follows:

Bank borrowings

		As at 30 June 2025
	<i>Notes</i>	<i>HK\$'000</i>
Current liabilities		
Bank borrowings – secured and guaranteed	(a)	18,600
Bank borrowings under supplier finance arrangements	(b)	24,892
		<u>43,492</u>

Notes:

- (a) As at 30 June 2025, bank borrowings were secured by the pledged bank deposits of the Group and corporate guaranteed provided by the Group.
- (b) The Group has entered into certain supplier finance arrangements with banks. Under these arrangements, the banks pay suppliers the amounts owed by the Group. The Group's obligations to suppliers are legally extinguished on settlement by the relevant banks.

Lease liabilities

As at
30 June 2025
HK\$'000

Current	1,517,840
	1,517,840

Other borrowings

As at
30 June 2025
HK\$'000

Other borrowings – unsecured	14,700
	14,700

Contingent liabilities

As at
30 June 2025
HK\$'000

Guarantees in respect of performance bonds in favour of its client	11,661
	11,661

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have at the close of business on 30 June 2025 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 purchases commitments, guarantees or other material contingent liabilities.

3. SUFFICIENCY OF WORKING CAPITAL

The Directors are of the opinion that, taking into consideration the Group's present financial resources and the estimated net proceeds from the Rights Issue, the Group has sufficient working capital for its present requirements for at least the twelve (12) months from the date of this Prospectus in the absence of any unforeseen circumstances.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 30 April 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in design, supply and installation of fire safety systems for buildings under construction or re-development, maintenance and repair of fire safety systems for built premises and trading of fire service accessories.

According to the Company's annual report for the year ended 30 April 2025, the Group's revenue for the year ended 30 April 2025 was approximately HK\$374.3 million, representing a decrease of 5.1% as compared with that of the corresponding period in 2024. The profit attributable to owners of the Company approximately HK\$0.768 million (2024: profit of approximately HK\$2.2 million), representing a decrease of 65.22% as compared with that of corresponding period in 2024.

In 2024, the economic environment in Hong Kong, Macau and the PRC, as well as the world is recovering and a rebound of business activities and economic conditions is expected. We anticipate that the aforesaid expected recovery is likely to enhance our business performance, and the Group looks forward to commencing more projects and works ancillary to such projects in Hong Kong, which will help the Group to maintain a stable revenue stream in coming year.

Having said that, we will continue to explore the opportunities to further expand and increase its capacity in providing our services by identifying suitable business opportunities with potential customers and the Group has also committed to undertake new installation and maintenance projects for both fire service installation and other engineering businesses.

In addition, the Group will also continually seek potential opportunities to expand and develop our business further to other markets by seeking strategic and financial partners which can potentially assist the Group in various aspects to achieve this goal. Furthermore, the Group will also continue to look at opportunities to strengthen our investor and shareholder base to support our Group's business and expansion plans.

For illustrative purpose only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group after completion of the Rights Issue. Although reasonable care has been exercised in preparing the unaudited pro forma financial information, Shareholders who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a complete picture of the Group's financial results and positions for the financial periods concerned.

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

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group (the “**Unaudited Proforma Financial Information**”) which has been prepared by the Directors in accordance with Rule 4.29 of the Listing Rules and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” as issued by the Hong Kong Institute of Certified Public Accountants to illustrate the effect of the Rights Issue on the consolidated net tangible assets of the Group attributable to equity holders of the Company as if the Rights Issue had been completed on 30 April 2025. As it is prepared for illustrative purpose only, and because of its hypothetical nature, it may not reflect a true picture of the consolidated net tangible assets of the Group attributable to equity holders of the Company had of the Rights Issue been completed as at 30 April 2025 or at any future date.

The Unaudited Pro Forma Information is prepared based on the audited consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 April 2025 as derived from the Group's published annual results announcement for the year ended 30 April 2025, and is adjusted for the effect of the Rights Issue as if the Rights Issue had been completed as at 30 April 2025.

			Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 April 2025 per Share immediately after the completion of the Rights Issue (Note 3) HK\$
	Audited consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 April 2025 (Note 1) HK\$'000	Estimated net proceeds from the Rights Issue (Note 2) HK\$'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 April 2025 immediately after completion of the Rights Issue HK\$'000
Based on 138,240,000 Consolidated Shares to be issued at the Subscription Price of HK\$0.53 per Consolidated Share	274,119	69,800	343,919
			1.99

Notes:

1. The audited consolidated net tangible assets of the Group attributable to equity holders of the Company of HK\$274,119,000 as at 30 April 2025 is extracted from the audited consolidated financial statements of the Group for the year ended 30 April 2025 set out in the published annual results announcement of the Company.
2. The estimated net proceeds from the Rights Issue are based on 138,240,000 Rights Shares (calculated on the basis of four Rights Shares for every one consolidated share held as at 30 April 2025, details as disclosed in note 3) to be issued at the subscription price of HK\$0.53 per Consolidated Share, after deducting the estimated related expenses of approximately HK\$3,467,000 to be incurred by the Group.
3. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 April 2025 per Share immediately after the completion of the Rights Issue is calculated based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 April 2025 of approximately HK\$343,919,000 divided by 172,800,000 shares in issue upon completion of the Rights Issue, which comprises 34,560,000 Consolidated shares in issue before the Rights Issue and 138,240,000 Consolidated Shares to be issued under the Rights Issue.

The 34,560,000 Consolidated shares in issue is calculated based on the shares in issue of 172,800,000 as at 30 April 2025 which are adjusted for share consolidation whereby every five issued existing shares would be consolidated into one consolidated share as stipulated in the section "Proposed Share Consolidation" in the Letter from the Board of this Prospectus.
4. No adjustments have been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to 30 April 2025.

B. REPORTING ACCOUNTANTS' REPORT ON PRO FORMA FINANCIAL INFORMATION

The following is the text of the independent reporting accountants' assurance report received from Global Link CPA Limited, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this prospectus.



Suite 1604, 16/F, Shun Tak Centre West Tower,
No. 168–200 Connaught Road Central,
Sheung Wan, Hong Kong
General Line: (852) 3580 0885
Fax: (852) 3580 0772
Email: info@globallinkcpa.com
Website: www.globallinkcpa.com

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****The Board of Directors of HSC Resources Group Limited**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of HSC Resources Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 April 2025 and related notes as set out on in appendix II of the prospectus issued by the Company dated 15 August 2025 (the “**Prospectus**”) issued in connection with the proposed rights issue of the Company. The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described in appendix II of the Prospectus.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the proposed rights issue of the Company on the basis of four rights shares for every one adjusted share held on the record date on a non-underwritten basis (the “**Rights Issue**”) on the Group's financial position as at 30 April 2025 as if the Rights Issue had taken place at 30 April 2025. As part of this process, information about the Group's financial position has been extracted by the directors of the Company from the Group's consolidated financial statements for the year ended 30 April 2025, on which an audit report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

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

Our Independence and Quality Management

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

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

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

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

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of the Rights Issue on unadjusted financial information of the Group as if the Rights Issue had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Rights Issue at 30 April 2025 would have been as presented.

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

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

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

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

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and

- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Global Link CPA Limited

Au Yeung Ming Yin Gordon

Practising Certificate Number: P08219

Certified Public Accountants

Hong Kong

15 August 2025

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 Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately following the completion of the Rights Issue will be, as follows:

(a) As at the Latest Practicable Date:

	Number of Shares	Nominal value of Shares HK\$
Authorised	200,000,000	2,000,000
Issued and fully paid	34,560,000	345,600

(b) Immediately following the completion of the Rights Issue:

	Number of Shares	Nominal value of Shares HK\$
Authorised	200,000,000	2,000,000
Issued and fully paid	34,560,000	345,600
Rights Shares to be issued	138,240,000	1,322,400
Shares in issue immediately after the Rights Issue	172,800,000	1,728,000

The Rights Shares, when issued and fully-paid, will be free from all liens, charges, encumbrances and third-party rights, interests or claims of any nature whatsoever and shall rank *pari passu* in all respects with the Shares then in issue, including as to the right to receive all dividends and distributions which may be declared, made or paid on or after the date of allotment of the fully-paid Rights Shares.

As at the Latest Practicable Date, the Company has outstanding scheme mandate limit under the Share Option Scheme which was approved by a resolution of the Shareholders passed on 27 March 2017 is 800,000 Adjusted Shares. As no Share Options has been granted, the remaining unutilised scheme mandate limit is 800,000. The Company has no intention to grant or vest any Share Option(s) on or before the Record Date.

Save for the Share Options, the Company has no outstanding warrants, options or convertible securities in issue or other similar rights entitling holders thereof to convert into or exchange into or subscribe for new Shares as at the Latest Practicable Date.

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

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

As at the Latest Practicable Date, the Company does not hold any treasury shares.

3. DISCLOSURE OF INTERESTS

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

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers (the “**Model Code**”) contained in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange were as follows.

Name	Capacity in which the shares were held	Number of shares – long position	Percentage of the issued share capital of the Company
Mr. Li (<i>Note 1</i>)	Beneficial owner	2,878,000	8.33

Note:

- As at the date of this Prospectus, the Company has no controlling Shareholder as defined under the Listing Rules. Mr. Li, the executive director, the chairman of the Group and the chief executive of the Company and his respective associates shall abstain from voting in favour of the resolution(s) in relation to the Rights Issue at the EGM.

Save as disclosed above, so far as the Directors were aware, as at the Latest Practicable Date, none of the Directors or chief executives of the Company or their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) have to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Interests of substantial Shareholders

So far as the Directors were aware, as at the Latest Practicable Date, there were no other persons who have an interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. MARKET PRICES

The table below shows the closing prices of the Shares as quoted on the Stock Exchange (i) on the last trading day in the Shares took place at the end of each of the calendar months during the Relevant Period, (ii) on the Last Trading Day, and (iii) on the Latest Practicable Date:

	Closing price per Share HK\$
28 June 2024	0.190
31 July 2024	0.224
30 August 2024	0.200
30 September 2024	0.180
31 October 2024	0.217
29 November 2024	0.132
19 December 2024 (the Last Trading Day)	0.140
31 December 2024	0.122
11 August 2025 (the Latest Practicable Date)	0.160

The lowest and highest closing prices per Share recorded on the Stock Exchange during the period commencing on 19 June 2024 (being the date falling six months immediately prior to the date of the Announcement) and ending on the Latest Practicable Date were HK\$0.120 on 24 December 2024 and HK\$0.270 on 17 July 2024 respectively.

5. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS AND ARRANGEMENTS

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

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

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered or was proposing to enter into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

7. COMPETING INTERESTS

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

8. LITIGATION

Neither the Company nor any other member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against the Company or any other member of the Group as at the Latest Practicable Date.

9. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there has been no material adverse change in the financial or trading position of the Group since 30 April 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

10. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has given its opinion, letter or advice which are contained in this Prospectus:

Name	Qualification
Global Link CPA Limited	Certified Public Accountant

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

As at the Latest Practicable Date, (i) the above expert has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion therein of its letter and references to its name and/or its advice in the form and context in which it respectively appears; (ii) the above expert was not beneficially interested in any share of any member of the Group nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (iii) the above expert did not have any direct or indirect interest in any assets which have been acquired, or disposed of by, or leased to any member of the Group, or are proposed to be acquired, or disposed of by, or leased to any member of the Group since 30 April 2024 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

11. MATERIAL CONTRACTS

Save for the Placing Agreement, no material contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or any other its subsidiaries within two years immediately preceding the date of this prospectus and up to the Latest Practicable Date.

12. CORPORATE INFORMATION

Executive Directors	Mr. Li Junheng Mr. Li Shing Kuen Alexander Ms. Chau Ngai Mo
Independent Non-executive Directors	Mr. Li Ka Chun Gordon Mr. Fu Wing Kwok Ewing Mr. Ghanshyam Adhikari
Authorised Representatives	Mr. Li Sing Kuen Alexander Mr. Yau Yan Yuen

Company Secretary	Mr. Yau Yan Yuen
Business address of Directors, senior management	Unit 1603, 16/F., Tower 1 Enterprise Square 9 Sheung Yuet Road Kowloon Bay, Kowloon Hong Kong
Registered office	Cricket Square Hutchins Drive P. O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal place of business in Hong Kong	Unit 1603, 16/F., Tower 1 Enterprise Square 9 Sheung Yuet Road Kowloon Bay, Kowloon Hong Kong
Branch share registrar and transfer office in Hong Kong	Tricor Investor Services Limited 17th Floor, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal Bankers	<p>The Hong Kong and Shanghai Banking Corporation Limited HSBC Main Building 1 Queen's Road Central Hong Kong</p> <p>DBS Bank (Hong Kong) Limited 16th Floor, The Center 99 Queen's Road Central Central Hong Kong</p>
Auditor	Global Link CPA Limited <i>Certified Public Accountants</i> Unit 21A, 15/F, Star House 3 Salisbury Road Tsim Sha Tsui, Kowloon Hong Kong

13. PARTIES INVOLVED IN THE RIGHTS ISSUE

Company	HSC Resources Group Limited Unit 1603, 16/F., Tower 1 Enterprise Square 9 Sheung Yuet Road Kowloon Bay, Kowloon Hong Kong
Legal Advisors to the Company	<i>As to Hong Kong law</i> ZM Lawyers 20th Floor, Central 88 Nos. 88–98 Des Voeux Road Central Hong Kong <i>As to Cayman Islands law</i> Conyers Dill & Pearman 29th Floor, One Exchange Square 8 Connaught Place Central Hong Kong
Reporting accountant of the Company	Global Link CPA Limited <i>Certified Public Accountants</i> Unit 21A, 15/F, Star House 3 Salisbury Road Tsim Sha Tsui, Kowloon Hong Kong
Financial adviser to the Company	Advent Corporate Finance Limited Unit A–C, 11/F Kee Shing Centre 74–76 Kimberley Road Kowloon, Hong Kong
Placing Agent	Advent Corporate Finance Limited Unit A–C, 11/F Kee Shing Centre 74–76 Kimberley Road Kowloon, Hong Kong

14. DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY**Executive Directors**

Mr. Li Junheng (李俊衡), aged 60, was appointed as an executive Director of the Company on 26 July 2023. He has over 26 years' experience in corporate investment and business management, particularly comprehensive logistics, port cargo internet and large-sale commodity trading digital platforms in China, Asia and Europe. Mr. Li Junheng is currently an executive deputy director of the China Port Logistics Association. He has significant involvements in the countries along the Belt and Road in respect of planning and layout of ports, road and railway and sea transportation network, and planning of warehousing. Mr Li Junheng is currently an executive director of Kazakhstan Potash Corporation Limited which is listed on the Australia Stock Exchange.

Mr. Li Shing Kuen Alexander (李誠權), aged 64, is an executive Director, chairman of our Board and our chief executive officer. Mr. Li Shing Kuen Alexander is responsible for the strategic planning and overall management of business operations and development of our Group. Mr. Li Shing Kuen Alexander founded our Group when he acquired Windmill Engineering Company Limited on 30 June 1985. Mr. Li Shing Kuen Alexander was appointed as a Director on 25 August 2016, and re-designated as an executive Director and appointed as chairman of the Board on 29 November 2016. He is also the sole director of Success Chariot Limited, Golden Chariot International Limited and Windmill Engineering Company Limited.

Mr. Li Shing Kuen Alexander has over 33 years of managerial experience in the fire services installation and maintenance industry gained from managing and developing our Group's business. He oversees the project planning, project management and execution of our fire services installation and maintenance projects, directs our business development and acts as a representative in our Group's communications with industry associations, key customers, government representatives and regulatory agencies. Mr. Li Shing Kuen Alexander was awarded the Chief Executive's Commendation for Community Service in 2007, the Medal of Honour (MH) by The Chief Executive of the HKSAR in 2012 and Bronze Bauhinia Star (BBS) by The Chief Executive of the HKSAR in 2019 for his outstanding and dedicated community service in Wan Chai District.

He was appointed as the Chairman of District Fire Safety Committee (Wan Chai District) of the Home Affairs Department from 2010 to 2013, a non-official member of the Advisory Committee under the Fire Safety (Buildings) Ordinance (Chapter 572 of the Laws of Hong Kong) appointed by the Director of Fire Services from 2011 to 2017 and the Chairman of the District Fight Crime Committee (Wan Chai District) of the Home Affairs Department from 2014 to 2019.

Ms. Chau Ngai Mo (鄒藝斌), aged 40, was appointed as an independent non-executive Director of the Company on 10 April 2024 and redesignated to an executive Director of the Company on 22 April 2024. She holds a master degree in science

international marketing from Sheffield Hallam University, U.K. and also a bachelor's degree in English for business and professional communication from The Hong Kong Polytechnic University. She has over 10 years of experience in strategic planning, business development, and creative solutions.

Independent Non-executive Directors

Mr. Li Ka Chun Gordon (李家俊), aged 32, was appointed as an independent non-executive Director of the Company on 17 March 2022. Mr. Li obtained his bachelor's degree in Accounting from The University of Hull. Mr. Li has over 8 years of experience in the areas of accounting and financial management in financial institutions and corporations, and led several large audit and financing projects.

Mr. Fu Wing Kwok Ewing (傅榮國), aged 56, was appointed as an independent non-executive Director of the Company on 9 April 2024. He is currently the financial controller and company secretary of CT Vision S.L. (International) Holdings Limited (stock code: 994). Mr. Fu worked for a number of international accounting firms and listed companies in Hong Kong. He holds a master degree of business administration from Anglia Ruskin University, U.K. and also a bachelor's degree in science with major in accounting from Bemidji State University, USA. He is a fellow member of Hong Kong Institute of Certified Public Accountants and a member of American Institute of Certified Public Accountants. He has over 30 years of experience in finance, auditing and accounting field.

Mr. Ghanshyam Adhikari, aged 44, was appointed as an independent non-executive Director of the Company on 5 June 2024. He obtained his Master Degree in Education from Tribhuvan University and Bachelor's Degree in British Literature from Mahendra Multiple Campus. Mr. Adhikari has over 15 years of experience in corporate management, marketing and public relations management.

Senior Management

Ms. Ma Man Chi (馬敏姿), aged 38, has been our financial controller since May 2019, responsible for financial reporting, financial planning and analysis, treasury, taxation, internal controls and compliance with financial regulations. Ms. Ma joined the Group in November 2018 as Assistant Financial Controller. She has extensive experience in accounting and auditing, specifically more than 10 years of experience from the engineering and construction industry. Prior to joining the Group, Ms. Ma served PricewaterhouseCoopers and has leaded audit engagements and capital market transactions for multinational corporations and sizable listed companies in Hong Kong. Ms. Ma is a fellow member of the Hong Kong Institute of Chartered Public Accountants and holds a bachelor's degree of Business Administration in Accounting from the Open University of Hong Kong.

Mr. Tang Wai Yin (鄧偉賢), aged 51, has been our head of Project since October 2020. Mr. Tang joined our Group as a project manager in March 2016 and was promoted to

the position of construction manager in March 2018. Mr. Tang is primarily responsible for overall project management which includes quality control, master progress monitoring, value enhancement, overall site administration and site safety.

Mr. Tang graduated from the Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) with a Higher Certificate in Mechanical Engineering in November 1993. Mr. Tang has over 17 years of experience in the fire engineering field. Mr. Tang is a holder of the Construction Industry Safety Training Certificate. Mr. Tang joined our Group in February 1996 as a project engineer and was responsible for handling various systems of fire services installation, site supervision, design, testing and commissioning. Mr. Tang left our Group in August 2007 and worked for Thorn Security (Hong Kong) Limited as project engineer and senior project engineer from September 2008 to September 2013. Mr. Tang was our project manager from October 2013 to 2014. He worked for Tyco Fire, Security & Services (Macau) Limited as an assistant project manager from May 2014 to December 2015.

Mr. Lam Tai Ming (林泰銘), aged 54, has been a senior project manager of the Group since April 2014. Mr. Lam is primarily responsible for project execution which includes site supervision, and liaison with customers and relevant site agents, etc..

Mr. Lam has over 21 years of experience in the fire engineering field. Mr. Lam joined the Group in January 1995 as an assistant engineer and he was promoted to his current position in April 2014. Mr. Lam obtained from the Vocational Training Council an Ordinary Certificate in Electrical Engineering in September 1999 and a Higher Certificate in Building Services Engineering in July 2005. Mr. Lam is a holder of the Certificate for Safety and Health Supervisor (Construction) awarded by the Occupational Safety & Health Council in November 1999. He is a Class 3 Registered Fire Service Installation Contractor registered with the Fire Services Department since June 2012, an electrical worker (Grade B) registered with the Electrical and Mechanical Services Department (EMSD). Mr. Lam received from the Labour Department an Attendance Certificate in legal requirements of working in confined space in August 1996 and an Attendance Certificate in construction sites safety regulations in November 1996.

Mr. Sin Kam Hung (冼錦雄), aged 56, has been a project manager of the Group since June 2014. Mr. Sin is primarily responsible for project execution which includes site supervisory, liaison with customers and relevant site agents. Mr. Sin obtained a Higher Certificate in Building Services Engineering from the Vocational Training Council in July 2001. He is an electrical worker (Grade H) registered with the Electrical and Mechanical Services Department (EMSD).

Mr. Sin has over 21 years of experience in fire engineering field. Mr. Sin joined the Group in June 1989 as a technician and he was promoted to project engineer in 1995. Mr. Sin had left the Group in December 2001 and worked for Guardian Property Management Limited as a technical supervisor from February 2002 to October 2005 and The Hong Kong Jockey Club as a technical services engineer from November 2005 to May 2014.

Ms. Leung Wan Yi (梁尹儀), aged 56, has been an administration manager of the Group since November 2016. Ms. Leung is primarily responsible for overseeing daily support operations and performing administrative duties. She joined our Group in October 1986 as a junior accounts clerk and was promoted to accounts clerk in February 1989. She was the account manager from January 2012 to October 2016.

Ms. Leung completed a 9-month full-time business secretarial studies course and received a diploma in business secretarial studies from the Professional & Business Youth Department of the Hong Kong Young Women's Christian Association in May 1986. She attended a higher accounting course organised by Caritas Adult Educational Centre from July 1986 to January 1987. She obtained a Certificate of Internal QMS Auditor from SGS United Kingdom Limited in April 2003 and a Certificate of Achievement – Integrated Management System: Internal Auditor for ISO 9001, ISO 14001 and OHSAS 18001 from SGS Hong Kong Limited in July 2012.

Company Secretary

Mr. Yau Yan Yuen (邱欣源), aged 37, was appointed the company secretary of the Company on 17 March 2022. Being the Company Secretary, Mr. Yau plays an important role in supporting the Board by ensuring good information flow within the Board and that Board policy and procedures are followed. Mr. Yau is responsible for advising the Board on corporate governance matters and should also facilitate induction and professional development of Directors. Mr. Yau is a member of the Hong Kong Institute of Certified Public Accountants.

Business address of the Directors and Senior Management

The business address of the Directors, senior management and authorised representatives is the same as the Company's headquarters and principal place of business in Hong Kong at Unit 1603, 16/F., Tower 1, Enterprise Square, 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.

15. EXPENSES

The expenses in connection with the Rights Issue, including financial advisory fees, placing commission (assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and the placing of all Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent), printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$3.47 million, which are payable by the Company.

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

A copy of each of the Prospectus Documents, and the written consent as referred to in the paragraph headed “10. QUALIFICATION AND CONSENT OF EXPERT” in this appendix, have been delivered to the Registrar of Companies in Hong Kong for registration as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

17. DOCUMENTS ON DISPLAY

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

- (i) the letter issued by the reporting accountants regarding the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (ii) the material contracts referred to in the paragraph headed “11. MATERIAL CONTRACTS” in this appendix; and
- (iii) the written consent from the expert as referred to in the paragraph headed “10. QUALIFICATION AND CONSENT OF EXPERT” in this appendix.

18. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance thereof, of rendering all persons concerned bound by all 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.

19. MISCELLANEOUS

- (i) 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.
- (ii) As at the Latest Practicable Date, the Group had no exposure to foreign exchange liabilities.
- (iii) In the event of any inconsistency, the English texts of this Prospectus and the accompanying form of proxy shall prevail over their respective Chinese texts.