THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Alpha Professional Holdings Limited, you should at once hand this circular to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Alpha Professional Holdings Limited
阿爾法企業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 948)

MAJOR TRANSACTION IN RELATION TO THE TENANCY AGREEMENTS AND NON-COMPLIANCE WITH THE LISTING RULES

Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular, unless the context requires otherwise.

A letter from the Board is set out on pages 4 to 10 of this circular.

This circular is despatched to the Shareholders for information purpose only, and the written Shareholder's approval has been obtained from the controlling Shareholder pursuant to Rule 14.44 of the Listing Rules in lieu of holding a general meeting of the Company.

22 August 2025

* *For identification purpose only*

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

"ACICA"	the Australian Centre for International Commercial Arbitration
"Alice Trading"	Alice Trading Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"Announcement"	the announcement dated 4 July 2025 published by the Company on the Transactions
"Arbitration(s)"	the arbitrations between Alice Trading or Willis Trading (as the case may be) and IFC
"Arbitration Award(s)"	the awards in the Arbitrations handed down by the ACICA on 28 April 2025
"AUD"	Australian Dollar, the lawful currency of Australia
"Board"	the board of the Directors
"Company"	Alpha Professional Holdings Limited, a company incorporated in Bermuda with limited liability whose Shares are listed on the Main Board of the Stock Exchange (stock code: 948)
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"IFC"	The Infant Food Company Pty Limited
"IFRS"	IFRS Accounting Standard issued by the International Accounting Standards Board
"Landlord"	San Pack Properties Limited, a company incorporated in Hong Kong with limited liability, and the landlord under the Tenancy Agreements

"Latest Practicable Date"	21 August 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Logistics Business"	the provision of warehouse logistics services
"Main Board"	Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Milk Products Business"	the trading of milk powder and foods
"PRC"	the People's Republic of China, and for the purpose of this circular only, excludes Taiwan, Hong Kong and Macau Special Administrative Region of the People's Republic of China
"Property"	the multi-storey industrial building known as Allied Cargo Centre located at Nos. 150-164 Texaco Road, Tsuen Wan, New Territories, Hong Kong
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
"Share(s)"	ordinary share(s) in the issued share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Statutory Demand"	the statutory demand from the solicitors acting on behalf of IFC
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Tenancy Agreement I"	the tenancy agreement dated 17 October 2024 entered into between the Landlord and the Tenant for a term of two years from 1 October 2024 to 30 September 2026 (both days inclusive), pursuant to which the whole of 7th to 12th and 20th Floors together with three lorry parking spaces and three private car parking spaces of the Property was leased by the Landlord to the Tenant
"Tenancy Agreement II"	the tenancy agreement dated 17 October 2024 entered into between the Landlord and the Tenant for a term of two years from 1 October 2024 to 30 September 2026 (both days inclusive), pursuant to which the cubicle nos. 11 to 17 on 13th Floor of the Property was leased by the Landlord to the Tenant
"Tenancy Agreements"	Tenancy Agreement I and Tenant Agreement II
"Tenant"	San Tai Distribution Company Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company and the tenant of the Tenancy Agreements
"Transactions"	the transactions contemplated under the Tenancy Agreements
"Willis Trading"	Willis Trading Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"%"	per cent

In this circular, (i) the terms "close associate(s)", "connected person(s)" and "subsidiary(ies)" have the meanings given to such terms in the Listing Rules, unless the context otherwise requires; and (ii) the English translation of the Chinese name of the relevant entity marked "" is for identification and reference only, and such translation may not be accurate and such entity may not have an official English translation/version of its Chinese name.*

Alpha Professional Holdings Limited
阿爾法企業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 948)

Executive Director:
Mr. Zhao Lei *(Chief Executive Officer)*

Independent Non-Executive Directors:
Mr. Li Chak Hung
Mr. Tu Chunan
Mr. Chen Jianguo

Registered Office:
The Penthouse, 5 Reid Street
Hamilton, HM 11, Bermuda

Head office and principal place of business in Hong Kong:
Room 1902, 19th Floor
Allied Kajima Building
138 Gloucester Road
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Hong Kong

22 August 2025

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION IN RELATION TO THE TENANCY AGREEMENTS AND NON-COMPLIANCE WITH THE LISTING RULES

INTRODUCTION

Reference is made to the Announcement. The purpose of this circular is to provide you with, among other things, further information on the Transactions.

* *For identification purpose only*

THE TENANCY AGREEMENTS

On 17 October 2024, the Tenant (an indirect wholly-owned subsidiary of the Company) and the Landlord entered into the Tenancy Agreements in respect of the lease of a portion of the Property, the major terms which are set out below:

Tenancy Agreement I

Date:	17 October 2024
Parties:	(1) The Landlord (as landlord) (2) The Tenant (as tenant)
Premises:	the whole of 7th to 12th and 20th Floors together with three lorry parking spaces and three private car parking spaces of the Property
Usage:	7th to 12th and 20th Floors of the Property – Warehouse and/or industrial use Three lorry parking spaces and three private car parking spaces – Parking of motor vehicles
Term:	1 October 2024 to 30 September 2026 (both days inclusive)
Rental (inclusive of management fee but exclusive of rates):	7th to 12th and 20th Floors of the Property – HK$1,373,890.00 per month for the period from 1 October 2024 to 30 September 2025 – HK$1,446,200.00 per month for the period from 1 October 2025 to 30 September 2026 Three lorry parking spaces and three private car parking spaces – HK$10,800.00 per month The rental shall be payable in advance on the first day of each calendar month throughout the term of the tenancy.

The monthly rental of Tenancy Agreement I was arrived at after arm's length negotiation between the Landlord and the Tenant with reference to the prevailing market conditions, such as (i) the gross domestic product growth rate of Hong Kong in the first half of 2024; and (ii) the trend of the monthly rental of private flatted factories between 2022 and 2024 issued by the Rating and Valuation Department of the Hong Kong Government, the rental levels of similar properties in the vicinity of the Property and the unchanged monthly rental of Tenancy Agreement I as compared to the historical transaction amount under the previous tenancy agreement between the Landlord and the Tenant.

The rental payable under Tenancy Agreement I will be financed by the internal resources of the Tenant.

Tenancy Agreement II

Date:	17 October 2024
Parties:	(1) The Landlord (as landlord) (2) The Tenant (as tenant)
Premises:	cubicle nos. 11 to 17 on 13th Floor of the Property
Usage:	Warehouse and/or industrial use
Term:	1 October 2024 to 30 September 2026 (both days inclusive)
Rental (inclusive of management fee and rates):	– HK$100,994.50 per month for the period from 1 October 2024 to 30 September 2025 – HK$106,310.00 per month for the period from 1 October 2025 to 30 September 2026 The rental shall be payable in advance on the first day of each calendar month throughout the term of the tenancy.

The monthly rental of Tenancy Agreement II was arrived at after arm's length negotiation between the Landlord and the Tenant with reference to the prevailing market conditions, such as (i) the gross domestic product growth rate of Hong Kong in the first half of 2024; and (ii) the trend of the monthly rental of private flatted factories between 2022 and 2024 issued by the Rating and Valuation Department of the Hong Kong Government, the rental levels of similar properties in the vicinity of the Property and the unchanged monthly rental of Tenancy Agreement II as compared to the historical transaction amount under the previous tenancy agreement between the Landlord and the Tenant.

The rental payable under Tenancy Agreement II will be financed by the internal resources of the Tenant.

FINANCIAL IMPACT OF THE TRANSACTIONS ON THE COMPANY

Immediately upon the completion of the Transactions, the present value of the aggregated lease payments made under the Tenancy Agreements in accordance with IFRS 16 amounting to approximately HK$35,206,000 would be recognised as right-of-use assets and the same amount of HK$35,206,000 would also be recognised as lease liabilities.

It is expected that the right-of-use assets will be depreciated over the estimated useful life of 24 months on a straight-line basis, resulting in a monthly depreciation amount of approximately HK$1,467,000. Lease liabilities will decrease upon the settlement of monthly lease payments to the Landlord, and finance costs totalling approximately HK$1,382,000 will be generated during the term of 24 months.

Save as the abovementioned, the Directors consider that the Transactions will not have any other material effect on the total assets, total liabilities and earnings of the Group.

INFORMATION ON THE COMPANY, THE TENANT AND THE LANDLORD

1. The Company

The Company is an investment holding company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange.

The Group is principally engaged in (i) the trading of milk powder and foods; (ii) the provision of warehouse logistics service; and (iii) property investment.

2. The Tenant

The Tenant is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company.

The Tenant is principally engaged in the business of bonded warehouse storage, general warehouse storage, devanning and freight forwarder services.

3. The Landlord

The Landlord is a company incorporated in Hong Kong with limited liability. Its principal business activity is property holding.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) the Landlord is a wholly-owned subsidiary of Allied Group Limited, which is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 373); and (ii) the Landlord and its beneficial owners are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Group is principally engaged in, among others, the provision of warehouse logistics services and has been leasing a portion of the Property for the operations of such business segment. The Board is of the view that it would be beneficial to renew the lease of a portion of the Property to avoid relocation costs and unnecessary disruption to its warehouse logistics services business. Furthermore, the rental payable pursuant to the Tenancy Agreements was determined between the Landlord and the Tenant with reference to the prevailing market conditions, the rental levels of similar properties in the vicinity of the Property and the historical transaction amounts.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Tenancy Agreements are fair and reasonable, and the Transactions are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Under Rule 14.22 of the Listing Rules, the transactions contemplated under the Tenancy Agreements are required to be aggregated for the purpose of determining the classification.

Pursuant to IFRS 16, the properties leased under the Tenancy Agreements is recognised as right-of-use assets, in which the aggregate value for recognising the portion of the Property as right-of-use assets pursuant to the Tenancy Agreements would be approximately HK$35,206,000, which is calculated based on the present value of the aggregated lease payments made under the Tenancy Agreements in accordance with IFRS 16. The entering into of the Tenancy Agreements is regarded as the acquisition of assets by the Group under the Listing Rules.

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the value of right-of-use assets under the Tenancy Agreements exceeds 25% but all are less than 100%, the Transactions constitute a major transaction for the Company and is subject to reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDERS' APPROVAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Transactions. Accordingly, pursuant to Rule 14.44 of the Listing Rules, written Shareholders' approval may be accepted in lieu of holding a general meeting for approving the Transactions. The Company has received an irrevocable and unconditional approval in writing for the Transactions from Well Dynasty Investments Limited, holding 193,026,615 Shares (representing approximately 55.26% of the issued share capital of the Company as at the Latest Practicable Date). Accordingly, no general meeting of the Company will be convened for the purpose of approving the Transactions.

The Directors consider that the terms of the Tenancy Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors would recommend to vote in favour of the resolution(s) if the Company was to convene a general meeting for the approval of the Transactions.

REASONS FOR NON-COMPLIANCE WITH THE LISTING RULES

The Directors noted that due to the inadvertent oversight by certain management of the Group, the Company did not comply with the Listing Rules requirements for reporting and announcement and Shareholders' approval requirements as set out in Chapter 14 of the Listing Rules in respect of the Transactions. The Directors have no intention for such non-compliance and were not aware of such non-compliance until the end of June 2025, after perusing the final results of the Company for the year ended 31 March 2025.

The Group has been maintaining regular communications with, and seeking advice from, its advisers on Listing Rules compliance, but has regrettably not done so on this single occasion on a timely basis.

REMEDIAL MEASURES

The Company regrets its non-compliance with Chapter 14 of the Listing Rules. In order to avoid recurrence of similar incidents and to ensure the Company will fully comply with the requirements under Chapter 14 of the Listing Rules in future, the Company has adopted the following remedial measures:

(i) the Company (a) has circulated the latest Guidance Materials for Listed Issuers issued by the Stock Exchange (the "**Guidance Materials**") to all Directors and management of the Group in early July 2025 for their perusal and reference; (b) has engaged its legal advisers to provide a training to all Directors and management of the Group (including all directors of the Tenant and the chief financial officer of the Company) in late July 2025, covering among other things, definition of transaction and calculation methodology of the percentage ratios relating to notifiable transactions under the Listing Rules, to reinforce their understanding of and to emphasise the importance of compliance with the Listing Rules; and (c) will require the remaining directors of the subsidiaries of the Company to attend an external training or a training to be provided by the legal advisers of the Company by the end of September 2025, on definition of transaction and calculation methodology of the percentage ratios relating to notifiable transactions under the Listing Rules;

(ii) in respect of new directors joining the Company or its subsidiaries, the Company will circulate the Guidance Materials for their perusal and reference, as well as arranging its legal advisers to provide a training to such directors covering among other things, notifiable transactions under the Listing Rules;

(iii) the Company will reinforce its internal control system on transactions, whereby (i) any proposed transactions which may constitute notifiable transactions shall first be reported to an executive Director and the chief financial officer of the Company before execution; and (ii) the subsidiaries of the Company shall first seek advice and confirmation from the Board in relation to compliance with Listing Rules requirements prior to entering into of any transactions (as defined in Chapter 14 of the Listing Rules) which any of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) exceeds 5%. In mid-July 2025 and mid-August 2025, the Company has sent the memoranda to all Directors and management of the Group reminding them of the above arrangements and such measures will be incorporated into the internal control policy of the Group by the end of August 2025. The chief financial officer of the Company shall further assess the proposed transactions and ensure they will be conducted in compliance with the applicable requirements under the Listing Rules;

(iv) the Company will maintain closer cooperation with its professional advisers in relation to regulatory compliance and seek advice from them for all transactions which, if any of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) exceeds 5%, constitute a notifiable transaction for the Company;

(v) in the event that the Company will conduct similar transactions, it will seek advice from its advisers on whether such transactions will trigger any disclosure or compliance requirements under the Listing Rules; and

(vi) the chief financial officer of the Company shall review the monthly management accounts of the subsidiaries of the Group and report to the Board whether any notifiable transactions are identified on a regular basis.

In relation to remedial measure (v), the Company will adopt such measure on an on-going basis, and in the interim, has carried out a review of its operations in mid-July 2025, whereby it was not aware of any similar leasing transactions proposed to be carried out in the remaining period in 2025 which are subject to disclosure requirements under Chapter 14 of the Listing Rules.

The Directors believe that the above remedial measures will strengthen the knowledge of the management of the Group and Directors, improve the regulatory compliance ability of the Company and are sufficient to avoid re-occurrence of similar incidents in future.

ADDITIONAL INFORMATION

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

Yours faithfully,
On behalf of the Board
Alpha Professional Holdings Limited
Zhao Lei
Executive Director and Chief Executive Officer

1. FINANCIAL INFORMATION OF THE GROUP

The Company is required to set out or refer to in this circular the information for the last three financial years ended 31 March 2025 with respect to the profits and losses, financial record and position, set out as a comparative table and the latest published audited balance sheet together with the notes on the annual accounts for the last financial year or period for the Group. The financial information of the Group is disclosed in the following documents which have been published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (www.hk-alpha.com):

- Annual report of the Company for the year ended 31 March 2025 published on 29 July 2025 (pages 57 to 218):

  https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0729/2025072900586.pdf

- Annual report of the Company for the year ended 31 March 2024 published on 29 July 2024 (pages 49 to 186):

  https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0729/2024072900504.pdf

- Annual report of the Company for the year ended 31 March 2023 published on 27 July 2023 (pages 46 to 166):

  https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0727/2023072700515.pdf

2. INDEBTEDNESS

As at the close of business on 30 June 2025, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had outstanding borrowings of approximately HK$49.8 million comprising secured and guaranteed other borrowings of approximately HK$44.8 million with secured and guaranteed outstanding interest payable (including default interest payable) of approximately of HK$1.5 million, unsecured and unguaranteed interest free borrowings of approximately HK$5.0 million from the ultimate controlling party. The secured and guaranteed other borrowings of approximately HK$44.8 million with secured and guaranteed outstanding interest payable of approximately HK$1.5 million were guaranteed by the Company and an indirect wholly-owned subsidiary of the Company, respectively. It was also secured by: (i) debentures created by the Company and an indirect wholly-owned subsidiary of the Company, respectively, of a first fixed and floating charge over each of the Company's and an indirect wholly-owned subsidiary of the Company's undertaking, property and assets as security for the due payment of all monies payable under the facility; (ii) a mortgage entered by an indirect wholly-owned subsidiary of the Company to create the pledge of a property to the lender; (iii) a security deed entered by an indirect wholly-owned subsidiary of the Company to undertake as security for the due payment of the secured money payable under the facility; and (iv) a mortgage entered by an indirect wholly-owned subsidiary of the Company to create the pledge of the shares of another indirect wholly-owned subsidiary of the Company to the lender. As at the close of business on 30 June 2025, the secured and guaranteed other borrowings were defaulted, and the floating charges created under debentures were converted into specific fixed charges as regards all the Group's undertaking, property and assets.

As at the close of business on 30 June 2025, the Group had lease liabilities with the amount of approximately HK$24.2 million, which were unsecured and unguaranteed.

Foreign currency amounts have been translated into Hong Kong dollars at the rates of exchange prevailing at the close of business on 30 June 2025.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, as at the close of business on 30 June 2025, the Group did not have any (i) debt securities issued and outstanding, and authorised or otherwise created but unissued, and (ii) term loans, other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments; (iii) mortgages and charges; and (iv) other contingent liabilities or guarantees.

3. WORKING CAPITAL

Taking into account presently available financial resources including internally generated cash flows, cash and cash equivalents, the interest free line of credit provided by a substantial Shareholder, and the cash flow impact of the Transactions and the expectation that the operations and assets of the Company and the subsidiaries other than Willis Trading and Alice Trading would not be affected by the Statutory Demand and the Arbitration Awards, the Directors, after due and careful enquiry, are of the opinion that the working capital of the Group is sufficient for its present requirements for at least the next 12 months from the date of this circular.

The Company has obtained the relevant confirmation from its auditor as required under Rule 14.66(12) of the Listing Rules.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Set out below are the financial and trading prospects of the Group for the remaining period for the financial year ending 31 March 2026:

The Group completed the acquisitions of Welfit (HK) Limited ("**Welfit**") and Shenyang Jinyi e-commerce Co., Limited*(瀋陽金蟻電子商務有限公司)("**Shenyang Jinyi**") on 11 June 2024 and 27 June 2024, respectively. These acquisitions are expected to strengthen the Group's existing milk products business and logistics business, consolidating the Group's competitive edge. This aligns with the Group's long-standing business strategies of "reinforcing the existing business foundation; strengthening the Group's competitive edge; and actively seeking opportunities for business development and diversification".

For Milk Products Business, to build up the relationship with Australian Dairy Nutritionals Limited ("**Australian Dairy**"), the Group completed the subscription of 48,477,509 shares of Australian Dairy in September 2024. The launch of Australian Dairy's "Future" brand in the PRC in April 2025 has further expanded its presence, with products now available on the Group's e-commerce platform. However, given the situation of the PRC's economic environment and the intense competition from other milk powder brands, the Group will continue its efforts to improve the financial performance in the Milk Products Business, including adopting cost control measures and reviewing its source of supply.

In recent years, the PRC milk product market, particularly the infant milk market, has become increasingly uncertain and challenging. The milk product market in the PRC is facing pressure from the country's low birth rate, increased competition, stricter food regulations, and challenging macroeconomic conditions. While the domestic milk powder market continues to shrink as the number of new births in China continues to decline, several major foreign milk powder brands show that the performance of foreign milk powder brands in China has increased rather than declined, and that major foreign milk powder brands have continued to grow in terms of performance or market share in China in 2024. Recent data suggest that demand on "English Label Products" are growing in China following the COVID period, indicating that Chinese consumers are increasingly seeking high-quality overseas products at a reasonable price. By focusing on high-end products, foreign milk powder brands can generally have higher profit margins, and their customer base tends to have stronger brand loyalty compared to domestic brands.

China and Hong Kong continue to face economic headwinds, despite government measures to stabilise growth. Hong Kong's economic growth is expected to remain moderate in 2025. The retail markets in Hong Kong appear to be a trend of slowing down affected by the high interest rate maintained by the Federal Reserve of the United States. The enthusiasm for Hong Kong residents to travel abroad and the rising popularity of "northbound consumption" after the lifting of pandemic restrictions, coupled with the changing consumption pattern of visitors to Hong Kong, further impacted Hong Kong's economy and the outlook of the local retail industry. The logistics and warehousing market in Hong Kong is inevitably affected. The recent Sino-United States tariff tensions may disrupt supply chains and increase costs. Despite the United States having temporarily reduced its reciprocal tariffs, the market closely observes the outcome of discussions between China and the United States, hoping for policy adjustments to ease economic uncertainty. To mitigate various adverse economic and political challenges, logistics companies need to continuously improve their service quality and introduce more advanced information technology systems to enhance their efficiency in order to meet customer demands, and thus survive and succeed in an environment of fierce competition and economic slowdown. The Group anticipates that the Logistics Business will remain stable at its current level of operations, and the financial performance of this segment is expected to improve mildly alongside with the expectation of a gradual restoration of Hong Kong's economy.

The Group is looking for any good investment and further development opportunities.

1. RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

2. DIRECTORS' INTERESTS

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were 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 are taken or deemed to have under such provisions of the SFO); or were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange:

Long Positions in the Shares, Underlying Shares and Debentures of the Company

Name of Director	Number of Shares held	Percentage of the issued share capital of the Company *(Note)*	Nature of interests
Chen Jianguo	1,428,000	0.40%	Personal interests (held as beneficial owner)

Note:

The percentage of the total number of issued Shares is based on the 349,280,383 Shares issued as at the Latest Practicable Date.

As at the Latest Practicable Date, the Directors were not aware of any Director who was a director or employee of a company which had an interest in the shares and 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.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors (not being the independent non-executive Directors) or their respective close associates was considered to have interests in any competing businesses of the Group pursuant to the Listing Rules.

5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 March 2025 (being the date to which the latest published audited financial statements of the Group were made up), (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to the business of the Group.

6. LITIGATION

As at the Latest Practicable Date, the Group was engaged in the following litigation, arbitration or claim(s) of material importance:

Arbitration proceedings in Australia and Hong Kong

(a) on 19 July 2023, Willis Trading and Alice Trading noticed that two notices of arbitration from the IFC, a wholly-owned subsidiary of Bubs Australia Limited and the then supplier of the Group, were filed to ACICA for requesting the Arbitrations regarding the outstanding debt due by Willis Trading and Alice Trading, respectively. The Arbitrations were accepted by the ACICA on 26 July 2023. On 28 April 2025, ACICA handed down the Arbitration Awards, whereby it was ordered that, among others: (i) Willis Trading shall pay to IFC an amount of approximately AUD3.7 million (being AUD2.7 million outstanding under the agreement with IFC, costs and pre-award interests, less the amount payable by IFC to Willis Trading) and the post-award interests on the awarded amount up to the date of payment; and (ii) Alice Trading shall pay to IFC an amount of approximately AUD23.0 million (being AUD3.0 million outstanding under the agreement with IFC, damages, costs and pre-award interests, less an amount of approximately AUD3.6 million payable by IFC to Alice Trading) and the post-award interests on the awarded amount up to the date of payment;

(b) on 2 May 2025, the Federal Court of Australia ("**FCA**") issued a freezing order (the "**Freezing Order**") against Willis Trading, GA Australia Investment Pty Ltd ("**GA Investment**") (a wholly-owned subsidiary of Willis Trading) and GA Australia Trading Pty Ltd (a wholly-owned subsidiary of GA Investment) (collectively, "**Freezing Order Respondent(s)**"), whereby it is ordered that, among others, (i) each Freezing Order Respondent must not remove from Australia or in any way dispose of, deal with or diminish the value of its assets in Australia and throughout the world up to the unencumbered value of the award debt amounting to AUD3.7 million; and (ii) the Freezing Order Respondents shall inform IFC of details of their respective assets within five working days from the date of being served with the Freezing Order. An affidavit verifying the Freezing Order Respondents' respective assets under the Freezing Order was provided by Willis Trading on 19 May 2025. Willis Trading had submitted to the FCA an interlocutory application for an order to vacate the Freezing Order, which was dismissed by the FCA on 19 June 2025;

(c) on 18 June 2025, the solicitors acting on behalf of IFC served a notice to Alice Trading enclosing an order ("**AT Court Order**") by the Court of First Instance of the High Court of Hong Kong ("**HK Court**") dated 16 June 2025, pursuant to which it was ordered that (i) IFC do have leave to enforce the Arbitration Award dated 28 April 2025 in the Arbitration between IFC and Alice Trading in the same manner as a judgment or order of the HK Court to the same effect, and (ii) within 14 days after service of the AT Court Order on Alice Trading, Alice Trading may apply to set aside the AT Court Order, and the award shall not be enforced until after the expiration of that period or, if Alice Trading applies within the period to set aside the AT Court Order, until after the application is finally disposed of;

(d) on 18 June 2025, the solicitors acting on behalf of IFC served a notice to Willis Trading enclosing an order ("**WT Court Order**") by the HK Court dated 16 June 2025, pursuant to which it was ordered that (i) IFC do have leave to enforce the Arbitration Award dated 28 April 2025 in the Arbitration between IFC and Willis Trading in the same manner as a judgment or order of the HK Court to the same effect, and (ii) within 14 days after service of the WT Court Order on Willis Trading, Willis Trading may apply to set aside the WT Court Order, and the Arbitration Award shall not be enforced until after the expiration of that period or, if Willis Trading applies within the period to set aside the WT Court Order, until after the application is finally disposed of; and

(e) on 16 July 2025, the solicitors acting on behalf of IFC served a notice to Alice Trading enclosing an order by the HK Court dated 14 July 2025, and another notice to Willis Trading enclosing another order by the HK Court dated 14 July 2025 (collectively, "**July Court Orders**"). Pursuant to the July Court Orders, the arbitral awards issued by ACICA in the Arbitrations are now enforceable in the same manner as judgments of the HK Court.

Other proceedings

(a) on 7 May 2025, Willis Trading received a demand letter from AP Diamond Limited (the "**Lender**") (via its legal advisers) informing Willis Trading that it failed to pay interest in the amount of approximately HK$0.3 million accrued on the outstanding principal of a loan facility (the "**Loan Facility**"), constituting a default of the Loan Facility, and that the indebtedness and all other sums payable under the Loan Facility shall immediately become due and payable. Accordingly, the Lender demanded Willis Trading to repay the outstanding indebtedness under the Loan Facility as at 7 May 2025, comprising the amounts of AUD6.5 million and approximately HK$10.7 million (collectively, the "**Indebtedness**") by 9 May 2025, failing which the Lender shall proceed with enforcing the securities under the Loan Facility and pursue all necessary actions against Willis Trading as well as any other securing parties for recovery of the Indebtedness together with all legal costs and expenses without further notice. Subsequently, the Lender also issued demand letters to the Company and GA Investment on 7 May 2025 and 9 May 2025 respectively demanding the Company and GA Investment to pay to the Lender the Indebtedness;

(b) on 2 June 2025, Alice Trading received the Statutory Demand pursuant to Sections 178(1)(a) or 327(4)(a) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), demanding Alice Trading to pay, among others, the judgment debt of Alice Trading under the Arbitration Award of the Arbitration between IFC and Alice Trading (the "**AT Arbitration**"), interest and IFC's costs for the AT Arbitration (the "**Debt**"). According to the Statutory Demand, Alice Trading is required to pay the Debt within three weeks from the date of service of the Statutory Demand on 2 June 2025, failing which IFC may present a winding-up petition against Alice Trading;

(c) on 18 July 2025, pursuant to a deed of appointment of receiver entered into between the Lender and Mr. Mohammad Najjar ("**Mr. Najjar**") of Vanguard Insolvency Australia, Mr. Najjar has been appointed by the Lender as receiver and manager to (i) all of the property of Willis Trading and GA Investment charged in favour of the Lender; and (ii) the land parcel at 152 Milperra Road, Revesby, NSW 2212, New South Wales, Australia; and

(d) on 25 July 2025, Willis Trading received a notice from the Lender (via its legal advisers from Australia) dated 23 July 2025 informing Willis Trading that Mr. Najjar has been appointed as a receiver over the following collaterals, namely, (i) the shares of GA Investment ("**GA Shares**") in which the Willis Trading has a right to grant a security interest; (ii) any rights of Willis Trading in connection with the GA Shares; (iii) any financial accommodation made available by Willis Trading to GA Investment; and (iv) any proceeds of the collaterals set forth above.

Save as disclosed above, no member of the Group was engaged in any litigation, arbitration or claim(s) of material importance and no litigation, arbitration or claim(s) of material importance is known to the Directors to be pending or threatened against any member of the Group as at the Latest Practicable Date.

7. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within two years immediately preceding the issue of this circular and are or may be material:

(a) a sale and purchase agreement entered into between Vantage Edge Investments Limited ("**Vantage Edge**", as purchaser) and Allied Services Holding Limited ("**Allied Services**", as vendor) on 11 June 2024, pursuant to which (i) Vantage Edge shall acquire, and Allied Services shall sell, the entire issued share capital of Smart Front Developments Limited ("**Smart Front**"), a company which holds 80% of the issued shares of Welfit; and (ii) the shareholder's loan in the principal amount of approximately HK$17,278,000.00 due to Allied Services by Smart Front shall be assigned by Allied Services to Vantage Edge, at the total consideration of HK$17,500,000.00;

(b) a sale and purchase agreement entered into between Vantage Edge and Mr. Chow Pok Yu Augustine ("**Mr. Chow**") on 11 June 2024, pursuant to which Vantage Edge shall acquire, and Mr. Chow shall sell, 700,000 ordinary shares of Welfit, representing 20% of the issued shares of Welfit, at the consideration of HK$4,375,000.00;

(c) a debt settlement agreement entered into among Willis Trading, Hangzhou Mingandi E-commerce Co., Ltd.*(杭州明安迪電子商務有限公司)("**Hangzhou Mingandi**"), Prime Global Trading Pty Ltd ("**Prime Global**") and Mr. Zhang Xuekun ("**Mr. Zhang**") on 27 June 2024, pursuant to which Mr. Zhang agreed to transfer (i) 70% of the economic benefit of Shenyang Jinyi to be acquired by Hangzhou Mingandi; and (ii) the rights of the shareholder's loan, owed by Shenyang Jinyi to Mr. Zhang, to Hangzhou Mingandi, in consideration of Willis Trading agreeing to discharge the trade debts in the sum of AUD5,057,000.00 owed by Prime Global to Willis Trading;

(d) an acceptance letter entered into by the Company on 5 September 2024, pursuant to which it accepted to undertake to subscribe for 48,477,509 shares of Australian Dairy at the consideration of AUD969,551.00; and

(e) the Tenancy Agreements.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save for the legal proceedings described in the section headed "Litigation" in this Appendix, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2025, being the date to which the latest published audited financial statements of the Group were made up.

9. GENERAL

(a) The registered office of the Company is The Penthouse, 5 Reid Street, Hamilton, HM 11, Bermuda.

(b) The head office and principal place of business in Hong Kong of the Company is Room 1902, 19th Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong.

(c) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited of 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

(d) The company secretary of the Company is Mr. Chan Chun Hong, who is a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales.

10. DOCUMENTS ON DISPLAY

Copies of the Tenancy Agreements will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (www.hk-alpha.com) for a period of 14 days from the date of this circular.