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L.V.E.P. Holdings Limited
(Incorporated in the BVI with limited liability)

MS GROUP HOLDINGS LIMITED
萬成集團股份有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1451)

JOINT ANNOUNCEMENT

- (1) COMPLETION OF THE SALE AND PURCHASE OF
THE SALE SHARES IN MS GROUP HOLDINGS LIMITED;**
**(2) MANDATORY UNCONDITIONAL CASH OFFERS BY
RAINBOW CAPITAL (HK) LIMITED FOR AND ON BEHALF OF
L.V.E.P. HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES
OF, AND TO CANCEL ALL THE OUTSTANDING OPTIONS OF,
MS GROUP HOLDINGS LIMITED (OTHER THAN THE EXCLUDED
SHARES AND THE EXCLUDED OPTIONS);**
(3) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER;
AND
(4) RESUMPTION OF TRADING

Financial adviser and offer agent to the Offeror



Independent Financial Adviser to the Independent Board Committee

MESSIS 大有融資

THE SALE AND PURCHASE AGREEMENT

The Board has been informed that, on 20 April 2026 (after trading hours), Mr. Chau and Ching Wai Holdings (as vendors), and Mr. Chung and L.V.E.P. (as purchasers) entered into the Sale and Purchase Agreement, pursuant to which Mr. Chau shall procure Ching Wai Holdings to sell, and Ching Wai Holdings shall sell as legal and beneficial owner, and Mr. Chung shall procure L.V.E.P. to purchase, and L.V.E.P. shall purchase, the Sale Shares, being 75,000,000 Shares, representing approximately 36.69% of the total issued share capital of the Company as at the date of this joint announcement, free from all Encumbrances and third party rights and together with all rights attached thereto as at Completion, for a total cash Consideration of HK\$60,000,000, equivalent to HK\$0.80 per Sale Share

MANDATORY UNCONDITIONAL CASH OFFERS

Immediately prior to Completion, the Offeror, Mr. Chung and Mr. Leonard Chung were interested in an aggregate of 72,572,000 Shares, representing approximately 35.50% of the issued share capital of the Company. Immediately following Completion and as at the date of this joint announcement, the Offeror, Mr. Chung and Mr. Leonard Chung are interested in an aggregate of 147,572,000 Shares, representing approximately 72.20% of the issued share capital of the Company.

In addition, as at the date of this joint announcement, Mr. Chung and Mr. Leonard Chung hold Mr. Chung's Options and LC's Options, respectively, which entitle them to subscribe for a total of 1,960,000 new Shares, representing approximately 0.96% of the issued share capital of the Company as at the date of this joint announcement.

Pursuant to Rules 13.1, 13.5 and 26.1 of the Takeovers Code, the Offeror is therefore required to make mandatory unconditional cash offers to acquire all of the Offer Shares and to cancel all the Offer Options. The Offers will be made to the Offer Shareholders and Offer Optionholders.

The Offers will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Offer Options to be cancelled.

I. The Share Offer

As at the date of this joint announcement, the Company has 204,400,000 Shares in issue. Excluding the Excluded Shares, a total of 56,828,000 Shares will be subject to the Share Offer.

Rainbow Capital will, for and on behalf of the Offeror and in compliance with the Takeovers Code, make the Share Offer to acquire all of the Offer Shares on the following basis:

Offer price for each Offer Share HK\$0.80 in cash

The Share Offer will be extended to all Offer Shareholders in accordance with the Takeovers Code.

The Offer Shares to be acquired under the Share Offer shall be fully paid and free from all Encumbrances and together with all rights and benefits attaching thereto as at the date of the Composite Document or subsequently becoming attached to them, including but not limited to the right to receive in full all dividends, distributions and any return of capital, if any, which may be made or declared or agreed to be made or declared, and the record date of which falls on or after the date on which the Offers are made, being the date of despatch of the Composite Document.

II. The Option Offer

As at the date of this joint announcement, the Company has a total of 11,600,000 outstanding Options (including the Excluded Options), comprising: (i) 1,600,000 Options with an exercise price of HK\$0.68 each; and (ii) 10,000,000 Options with an exercise price of HK\$1.02 each.

As at the date of this joint announcement, excluding the Excluded Options, there is a total of 9,640,000 Offer Options subject to the Option Offer, comprising:

- (i) 1,400,000 vested Options with an exercise price of HK\$0.68 each;
- (ii) 3,296,000 vested Options with an exercise price of HK\$1.02 each; and
- (iii) 4,944,000 unvested Options with an exercise price of HK\$1.02 each.

Rainbow Capital will, for and on behalf of the Offeror, make the Option Offer to the Offer Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all Offer Options in exchange for cash on the following basis:

In respect of the Offer Options with an exercise price of HK\$0.68 each:

**“See-through” cancellation price
for each such Offer Option HK\$0.12 in cash**

In respect of the Offer Options with an exercise price of HK\$1.02 each:

Cancellation price for each such Offer OptionHK\$0.0001 in cash

Under the Option Offer, the Offeror will offer the Offer Optionholders the “see-through” cancellation price (being the Share Offer Price minus the relevant exercise price of the Offer Options) for the cancellation of every Offer Option (whether vested or unvested). In respect of Offer Option with an exercise price higher than the Share Offer Price, the cancellation price is at a nominal amount of HK\$0.0001.

LC’s Irrevocable Undertaking

On 20 April 2026, Mr. Leonard Chung executed the LC’s Irrevocable Undertaking in favour of the Offeror, pursuant to which he has irrevocably agreed and undertaken to the Offeror and Rainbow Capital that, at any time during the period between the date of the LC’s Irrevocable Undertaking and the end of the offer period of the Offers, he will not: (a) whether directly or indirectly, offer, sell, transfer, pledge, encumber, grant any right over or otherwise dispose of any of the Shares or Options owned by him; (b) exercise any of the Options held by him under the terms of the Share Option Scheme; and (c) accept the Offers in respect of any of his Shares or Options, even if the Offers are extended to him. In addition, his Shares and Options referred to in the first paragraph of this subsection above shall remain registered in his name or the name(s) of his nominee(s) (as applicable) prior to the completion, termination or withdrawal of the Offers.

FINANCIAL RESOURCES AVAILABLE TO THE OFFEROR

The maximum potential total cash consideration payable by the Offeror under the Offers would be HK\$51,197,047.2. The Offeror intends to finance the consideration payable under the Offers in full by its own internal resources. Rainbow Capital, the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the consideration payable in case of full acceptance of the Offers.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, which comprises all the independent non-executive Directors who have no direct or indirect interest in the Offers (other than as the Offer Optionholders), namely Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak, has been established to make a recommendation to the Offer Shareholders and Offer Optionholders as to whether the Offers are fair and reasonable and as to the acceptance of the Offers, pursuant to Rule 2.1 of the Takeovers Code.

Messis Capital has been appointed as the Independent Financial Adviser by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

The advice of the Independent Financial Adviser and the recommendations of the Independent Board Committee will be included in the Composite Document to be despatched to the Offer Shareholders and Offer Optionholders.

DESPATCH OF THE COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company to combine the offer document and the offeree's board circular in the Composite Document to be posted. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, (i) further details of the Offer; (ii) a letter of recommendation from the Independent Board Committee to the Offer Shareholders and Offer Optionholders in relation to the Offers; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers and as to the acceptance of the Offers; and (iv) the relevant form(s) of acceptance and transfer, will be despatched to the Shareholders no later than 21 days after the date of this joint announcement. Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

The Offer Shareholders and Offer Optionholders are encouraged to read the Composite Document carefully, including the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser as to whether the Offers are fair and reasonable so far as the Offer Shareholders and Offer Optionholders are concerned and their acceptance before deciding whether or not to accept the Offers.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 21 April 2026 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on Wednesday, 6 May 2026.

WARNING

Shareholders, Optionholders and potential investors of the Company are advised to exercise caution when dealing in the Shares during the Offer Period. If the Shareholders, Optionholders and potential investors of the Company are in any doubt about their position, they should consult their professional advisers.

INTRODUCTION

The Board has been informed that, on 20 April 2026 (after trading hours), Mr. Chau and Ching Wai Holdings (as vendors), and Mr. Chung and L.V.E.P. (as purchasers) entered into the Sale and Purchase Agreement, pursuant to which Mr. Chau shall procure Ching Wai Holdings to sell, and Ching Wai Holdings shall sell as legal and beneficial owner, and Mr. Chung shall procure L.V.E.P. to purchase, and L.V.E.P. shall purchase, the Sale Shares, being 75,000,000 Shares, representing approximately 36.69% of the total issued share capital of the Company as at the date of this joint announcement, free from all Encumbrances and third party rights and together with all rights attached thereto, for a total cash Consideration of HK\$60,000,000, equivalent to HK\$0.80 per Sale Share.

THE SALE AND PURCHASE AGREEMENT

Set out below are the principal terms of the Sale and Purchase Agreement.

Date

20 April 2026 (after trading hours).

Parties

- (i) the Vendors (namely, Mr. Chau and Ching Wai Holdings, as the vendors of the Sale Shares); and
- (ii) the Purchasers (namely, Mr. Chung and L.V.E.P., as the purchasers of the Sale Shares).

Subject of the Sale and Purchase Agreement

Pursuant to the Sale and Purchase Agreement, Mr. Chau shall procure Ching Wai Holdings to sell, and Ching Wai Holdings shall sell as legal and beneficial owner, and Mr. Chung shall procure L.V.E.P. to purchase, and L.V.E.P. shall purchase, the Sale

Shares, being 75,000,000 Shares, representing approximately 36.69% of the total issued share capital of the Company as at the date of this joint announcement, for a total cash Consideration of HK\$60,000,000, equivalent to HK\$0.80 per Sale Share.

The Sale Shares were sold free from all Encumbrances and third party rights and together with all rights attached thereto as at Completion, including the right to all dividends and distributions which may be declared, paid or made at any time at or after the Completion Date.

Consideration for the Sale Shares

The Consideration for the Sale Shares is HK\$60,000,000 (or HK\$0.80 per Sale Share), which was agreed between the Vendors and the Purchasers after arm's length negotiations, taking into account (i) the business and the historical financial performance and financial position of the Group — the audited net asset value per Share attributable to Shareholders as at 31 December 2025 amounted to approximately HK\$0.93, and the Group's audited basic earnings per Share decreased by approximately 46.8% from approximately HK\$0.2469 for the year ended 31 December 2024 to approximately HK\$0.1314 for the year ended 31 December 2025; (ii) the liquidity of the Shares — the Company's average daily trading volume for the 30 consecutive trading days immediately prior to and including the Last Trading Day represented only approximately 0.03% of the total issued share capital of the Company, indicating relatively limited market liquidity for the Shares; and (iii) the prevailing challenging market conditions— although the recent trading prices of the Shares have been above HK\$1.00, such market prices may not fully reflect the challenging operating environment of the Group as disclosed in its latest annual report published on 16 April 2026. Specifically, the Group's audited total revenue and profit after tax for the year ended 31 December 2025 recorded significant declines of approximately 30.8% and 46.3%, as compared to those of 2024, respectively, primarily driven by external headwinds including the US-PRC trade tariffs impacting its core OEM Business, as well as fierce local price wars and a low birth rate impacting its PRC business. Therefore, the Consideration of HK\$0.80 per Sale Share was determined after arm's length negotiations with reference to the recent financial performance of the Group, the liquidity of the Shares and prevailing challenging market conditions of the Group.

The Consideration has been fully settled by the Purchasers in cash on the date of Completion in accordance with the terms of the Sale and Purchase Agreement. The Consideration was financed by the Offeror's own financial resources, which were funded by Mr. Chung's personal wealth.

Completion

The Completion took place immediately after the entering into of the Sale and Purchase Agreement by the Vendors and the Purchasers on the Completion Date, being 20 April 2026. Upon Completion, Ching Wai Holdings ceased to hold any Shares and is no longer a Shareholder.

MANDATORY UNCONDITIONAL CASH OFFERS

As at Completion and the date of this joint announcement, Mr. Chung (being the ultimate beneficial owner of the Offeror) and Mr. Leonard Chung (being the son of Mr. Chung) are the directors of the Offeror and each of them is a party acting in concert with the Offeror and also with each other under the Takeovers Code.

Immediately prior to Completion, the Offeror, Mr. Chung and Mr. Leonard Chung were interested in an aggregate of 72,572,000 Shares, representing approximately 35.50% of the issued share capital of the Company. Immediately following Completion and as at the date of this joint announcement, the Offeror, Mr. Chung and Mr. Leonard Chung are interested in an aggregate of 147,572,000 Shares, representing approximately 72.20% of the issued share capital of the Company.

In addition, as at the date of this joint announcement, Mr. Chung and Mr. Leonard Chung hold Mr. Chung's Options and LC's Options, respectively, which were granted to them pursuant to the Share Option Scheme and entitle them to subscribe for a total of 1,960,000 new Shares, representing approximately 0.96% of the issued share capital of the Company. Details of such Options are as follows:

- (i) Mr. Chung's Options (comprising 400,000 Options in total): 200,000 Options have an exercise price of HK\$0.68 each and are fully vested; and 200,000 Options have an exercise price of HK\$1.02 each, among which 80,000 are currently vested, 60,000 shall vest on 27 May 2026, and the remaining 60,000 shall vest on 27 May 2027;
- (ii) LC's Options (comprising 1,560,000 Options in total): all 1,560,000 Options have an exercise price of HK\$1.02 each, among which 624,000 are currently vested, 468,000 shall vest on 27 May 2026, and the remaining 468,000 shall vest on 27 May 2027; and
- (iii) neither Mr. Chung nor Mr. Leonard Chung has exercised any of their outstanding Options during the Six-Month Period.

Save as disclosed herein, none of the Offeror, Mr. Chung (being the ultimate beneficial owner of the Offeror) or Mr. Leonard Chung (being a party acting in concert with the Offeror and Mr. Chung) owns, controls or has direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

Pursuant to Rules 13.1, 13.5 and 26.1 of the Takeovers Code, the Offeror is therefore required to make mandatory unconditional cash offers to acquire all of the Offer Shares and to cancel all the Offer Options. The Offers will be made to the Offer Shareholders and Offer Optionholders.

The Offers will be unconditional in all respects when made and will not be conditional upon acceptances being received in respect of a minimum number of Offer Shares and in respect of a minimum number of Offer Options to be cancelled.

IRREVOCABLE UNDERTAKING

As at the date of this joint announcement, Mr. Leonard Chung holds 800,000 Shares and 1,560,000 Options with an exercise price of HK\$1.02 each (among which 624,000 Options are vested and 936,000 Options are unvested).

On 20 April 2026, Mr. Leonard Chung executed the LC's Irrevocable Undertaking in favour of the Offeror, pursuant to which he has irrevocably agreed and undertaken to the Offeror and Rainbow Capital that, at any time during the period between the date of the LC's Irrevocable Undertaking and the end of the offer period of the Offers, he will not: (a) whether directly or indirectly, offer, sell, transfer, pledge, encumber, grant any right over or otherwise dispose of any of the Shares or Options owned by him; (b) exercise any of the Options held by him under the terms of the Share Option Scheme; and (c) accept the Offers in respect of any of his Shares or Options, even if the Offers are extended to him. In addition, his Shares and Options referred to in the first paragraph of this subsection above shall remain registered in his name or the name(s) of his nominee(s) (as applicable) prior to the completion, termination or withdrawal of the Offers.

PRINCIPAL TERMS OF THE OFFERS

I. The Share Offer

As at the date of this joint announcement, the Company has 204,400,000 Shares in issue. Excluding the Excluded Shares, a total of 56,828,000 Shares will be subject to the Share Offer.

Rainbow Capital will, for and on behalf of the Offeror and in compliance with the Takeovers Code, make the Share Offer to acquire all of the Offer Shares on the following basis:

Offer price for each Offer Share HK\$0.80 in cash

The Share Offer will be extended to all Offer Shareholders in accordance with the Takeovers Code.

The Offer Shares to be acquired under the Share Offer shall be fully paid and free from all Encumbrances and together with all rights and benefits attaching thereto as at the date of the Composite Document or subsequently becoming attached to them, including but not limited to the right to receive in full all dividends, distributions and any return of capital, if any, which may be made or declared or agreed to be made or declared, and the record date of which falls on or after the date on which the Offers are made, being the date of despatch of the Composite Document.

II. The Option Offer

As at the date of this joint announcement, the Company has a total of 11,600,000 outstanding Options (including the Excluded Options), comprising: (i) 1,600,000 Options with an exercise price of HK\$0.68 each; and (ii) 10,000,000 Options with an exercise price of HK\$1.02 each.

As at the date of this joint announcement, excluding the Excluded Options, there is a total of 9,640,000 Offer Options subject to the Option Offer, comprising:

- (i) 1,400,000 vested Options with an exercise price of HK\$0.68 each;
- (ii) 3,296,000 vested Options with an exercise price of HK\$1.02 each; and
- (iii) 4,944,000 unvested Options with an exercise price of HK\$1.02 each.

Rainbow Capital will, for and on behalf of the Offeror, make the Option Offer to the Offer Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all Offer Options in exchange for cash on the following basis:

In respect of the Offer Options with an exercise price of HK\$0.68 each:

**“See-through” cancellation price
for each such Offer Option HK\$0.12 in cash**

In respect of the Offer Options with an exercise price of HK\$1.02 each:

Cancellation price for each such Offer Option HK\$0.0001 in cash

Under the Option Offer, the Offeror will offer the Offer Optionholders the “see-through” cancellation price (being the Share Offer Price minus the relevant exercise price of the Offer Options) for the cancellation of every Offer Option (whether vested or unvested). In respect of Offer Option with an exercise price higher than the Share Offer Price, the cancellation price is at a nominal amount of HK\$0.0001.

On 27 May 2024, 10,000,000 Options with an exercise price of HK\$1.02 each were granted and are subject to three vesting stages (i.e. 40% vested on 27 May 2025, 30% vesting on 27 May 2026, and 30% vesting on 27 May 2027). For details of the grant of these Options, please refer to the Company’s announcement dated 27 May 2024. Excluding the aggregate 1,760,000 Options with an exercise price of HK\$1.02 each held by Mr. Chung and Mr. Leonard Chung (which form part of the Excluded Options), as at the date of this announcement, 3,296,000 Options have been vested and 4,944,000 Options are unvested. Among these 4,944,000 unvested Options, 2,472,000 Options with an exercise price of HK\$1.02 each will be vested on 27 May 2026 (the “**Possible Upcoming Vesting Options**”) and the remaining 2,472,000 Options will be vested on 27 May 2027.

The Share Option Scheme does not contain provisions for the automatic acceleration of vesting or the cancellation of unvested Options in the event of a general offer. For holders of unvested Offer Options who accept the Option Offer, their unvested Offer Options will be cancelled; however, the cancellation price will only be paid to them on the respective original vesting dates of such unvested Offer Options in accordance with, and subject to, the existing vesting schedule and conditions of grant under the Share Option Scheme. The Offeror will apply to the Executive prior to the date of the Composite Document for a waiver from strict compliance with Rule 20.1 of the Takeovers Code to allow for the deferred settlement of the cancellation price to holders of the unvested Offer Options under the Option Offer.

Following acceptance of the Option Offer, the relevant Offer Options together with all rights attaching thereto will be entirely cancelled and renounced. Outstanding Options not tendered for acceptance under the Option Offer will continue to vest and/or remain exercisable in accordance with their respective original terms and conditions. If any vested Offer Option is exercised by an Offer Optionholder in accordance with the terms of the Share Option Scheme prior to the close of the Offers, any new Shares allotted and issued as a result of such exercise will be subject to the Share Offer.

Securities of the Company

As at the date of this joint announcement, the Company (i) has not declared any dividend which is not yet paid; and (ii) does not have any intention to declare or pay any future dividend or make other distributions prior to and including the date of closing of the Offers. If, after the date of this joint announcement, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Share Offer Price by an amount equal to the gross amount of such dividend or other distribution.

As at the date of this joint announcement, save for the outstanding Options, the Company does not have any outstanding options, derivatives, warrants or other securities convertible or exchangeable into Shares or which confer rights to require the issue of Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares. In addition, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue other than the Shares. The Company has no intention to grant any new share options under the Share Option Scheme during the offer period (as defined under the Takeovers Code).

Comparison of the Share Offer Price

The Share Offer Price of HK\$0.80 per Offer Share is equal to the price per Sale Share paid by the Purchasers for the Sale Shares under the Sale and Purchase Agreement.

The Share Offer Price of HK\$0.80 per Offer Share represents:

- (i) a discount of approximately 34.96% over the closing price of HK\$1.230 per Share as quoted on the Stock Exchange on 20 April 2026, being the Last Trading Day;
- (ii) a discount of approximately 32.55% over the average closing price of approximately HK\$1.186 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a discount of approximately 31.10% over the average closing price of approximately HK\$1.161 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 34.90% over the average closing price of approximately HK\$1.229 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days immediately prior to and including the Last Trading Day; and

- (v) a discount of approximately 14.0% to the audited net asset value per Share of approximately HK\$0.93 as at 31 December 2025, calculated based on the Group's audited consolidated net asset value attributable to the Shareholders as at 31 December 2025 of approximately HK\$190,346,000, divided by a total of 204,400,000 issued Shares as at the date of this joint announcement.

Highest and lowest closing prices

During the six-month period immediately preceding the date of this joint announcement up to and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.380 on 2 March 2026 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.822 on 10 November 2025.

Total value of the Offers

As at the date of this joint announcement, the Company has 204,400,000 Shares in issue. Assuming that there is no change in the issued share capital of the Company and based on the Share Offer Price of HK\$0.80 per Offer Share, the total issued share capital of the Company is valued at HK\$163,520,000.

(i) *Full acceptance of the Offers*

Based on the 56,828,000 Shares which will be subject to the Share Offer and the Share Offer Price of HK\$0.80 per Offer Share, the total consideration of the Share Offer would be HK\$45,462,400 in the event that the Share Offer is accepted in full. Based on (i) the "see-through" cancellation price of HK\$0.12 for each of the 1,400,000 Offer Options with an exercise price of HK\$0.68; and (ii) the nominal cancellation price of HK\$0.0001 for each of the 8,240,000 Offer Options with an exercise price of HK\$1.02, whether vested or not, the total value of the Option Offer amounts to HK\$168,824. Assuming that there will be no change in the issued share capital of the Company, the aggregate value of the Share Offer and the Option Offer would be HK\$45,631,224 in the event that the Offers are accepted in full.

(ii) *Full conversion of vested Options and Possible Upcoming Vesting Options with full acceptance of the Offers*

Assuming that the 2,472,000 Possible Upcoming Vesting Options are vested before the close of the Offers (excluding the Excluded Options), and that all the 4,696,000 Offer Options currently vested and exercisable are exercised in full, the number of issued Shares will increase from 204,400,000 to 211,568,000 Shares. Save for the Excluded Shares, 63,996,000 Shares will be subject to the Share Offer, and the value of the Share Offer will be HK\$51,196,800. For the remaining

2,472,000 Offer Options to be vested on 27 May 2027 which is subject to cancellation price of HK\$0.0001, the total value of the Option Offer would be HK\$247.2.

Based on the foregoing, the maximum potential total cash consideration payable by the Offeror under the Offers would be HK\$51,197,047.2 in aggregate.

Financial resources available to the Offeror

The Offeror intends to finance the consideration payable under the Offers in full by its own internal resources. Rainbow Capital, the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are and will remain available to the Offeror to satisfy the consideration payable in case of full acceptance of the Offers.

Effect of accepting the Offer(s)

Acceptance of the Share Offer by any Offer Shareholder will be deemed to constitute a warranty by such person that all the Offer Shares sold by such person under the Share Offer are free from all Encumbrances and together with all rights and benefits attaching thereto as at the date of the Composite Document or subsequently becoming attached to them, including but not limited to the right to receive in full all dividends, distributions and any return of capital, if any, which may be made or declared or agreed to be made or declared, and the record date of which falls on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document.

By accepting the Option Offer, the Offer Optionholders will agree to the cancellation of their tendered Offer Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of the despatch of the Composite Document.

Acceptance of the Offers shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Share Offer will be payable by the relevant Offer Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Offer Shareholders accepting the Share Offer.

The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Offer Shareholders accepting the Share Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the relevant Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Payment

Payment in cash in respect of the acceptances of the Offers, net of seller's Hong Kong ad valorem stamp duty, will be made as soon as possible but in any event no later than seven (7) Business Days after the date on which the duly completed acceptance of Share Offer and/or Option Offer (as the case may be) is/are received. Relevant documents evidencing title in respect of such acceptance must be received by or on behalf of the Offeror (or its agent) to render each such acceptance of the Share Offer and/or the Option Offer (as the case may be) complete and valid.

No fractions of a Hong Kong cent will be payable and the amount of cash consideration payable to a Shareholder and/or Optionholder who accepts the Share Offer and/or the Option Offer (as the case may be) will be rounded up to the nearest Hong Kong cent.

Taxation advice

Offer Shareholders and Offer Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror, parties acting in concert with it, the Company, Rainbow Capital, the Independent Financial Adviser, and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, associates, professional advisors or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Overseas Shareholders and Optionholders

The Offeror intends to make the Share Offer and the Option Offer available to all the Offer Shareholders and Offer Optionholders, respectively. As the Share Offer and the Option Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions, Offer Shareholders and Offer Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offers, including the

obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction.

In the event that the receipt of the Composite Document by overseas Offer Shareholders and Offer Optionholders is prohibited by any applicable laws and regulations or may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, may not be despatched to such overseas Offer Shareholders and Optionholders. The Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code as and when appropriate.

Any acceptance by the Offer Shareholders and Offer Optionholders with a registered address in a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such overseas Offer Shareholders and Offer Optionholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws. Such overseas Offer Shareholders and Offer Optionholders should consult their respective professional advisers if in doubt.

As at the date of this joint announcement, there are no overseas Offer Shareholders or Offer Optionholders identified.

DEALING AND INTERESTS IN THE COMPANY'S SECURITIES

Under class (6) of the definition of "acting in concert" in the Takeovers Code, the Directors are presumed to be acting in concert with each other by virtue of their positions as directors of the Company. For the avoidance of doubt, save for the class (6) presumption, each of the Directors (other than Mr. Chung and Mr. Leonard Chung) is not, as a matter of fact or under any other classes of presumption under the definition of "acting in concert" of the Takeovers Code, acting in concert with Mr. Chung and/or Mr. Leonard Chung.

Dealings by the Offeror, Mr. Chung and parties acting in concert with any of them

During the Six-Month Period, the Offeror made the following Disposals:

Date	Number of Shares	Average price per Share
9 December 2025	200,000	1.4145
12 December 2025	200,000	1.3926

Save for the acquisition of the Sale Shares, the Disposals and the LC's Irrevocable Undertaking, the Offeror, Mr. Chung and parties acting in concert with any of them have not dealt for value in any Shares, convertible securities, warrants, options or derivatives of the Company during the Six-Month Period.

The Offeror confirms that, as at the date of this joint announcement, save for the Excluded Shares and the Excluded Options:

- (i) none of the Offeror, Mr. Chung and/or parties acting in concert with any of them holds, has control or has direction over any voting rights or rights over Shares, convertible securities, warrants, options, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company;
- (ii) none of the Offeror, Mr. Chung and/or parties acting in concert with any of them has received any irrevocable commitment to accept or reject the Offers;
- (iii) there is no agreement or arrangement in relation to outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror, Mr. Chung and/or parties acting in concert with any of them;
- (iv) there is no other agreement, arrangement or understanding that any securities acquired in pursuance of the Offers or the Sale Shares would be transferred, charged or pledged to any other persons;
- (v) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror, the Shares or the Options and which might be material to the Offers;
- (vi) there is no agreement or arrangement to which the Offeror, Mr. Chung and/or parties acting in concert with any of them is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a precondition or a condition to the Offers;
- (vii) neither the Offeror, Mr. Chung and/or parties acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (viii) other than the Consideration, there is no other consideration, compensation or benefits in whatever form paid or to be paid by the Offeror, Mr. Chung and/or parties acting in concert with any of them to the Vendors or any party acting in concert with any of them in connection with the sale and purchase of the Sale Shares under the Sale and Purchase Agreement;

- (ix) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, Mr. Chung and/or parties acting in concert with any of them on one hand, and the Vendors and/or parties acting in concert with them on the other hand; and
- (x) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between any Shareholder (including the Vendors and/or parties acting in concert with any of them) on one hand, and the Offeror, Mr. Chung and/or parties acting in concert with any of them on the other hand.

Dealings by the Directors other than Mr. Chung and Mr. Leonard Chung

During the Six-Month Period, Ms. Lo made the following disposal of Shares and exercised the following Options:

Date	Number of Shares	Average price per Share
3 December 2025	96,000	1.4057

Date	Number of Options	Exercise price per Option
9 December 2025	600,000	0.68

Save as disclosed above and save for the sale of the Sale Shares by Mr. Chau as one of the Vendors, none of the Directors (save for Mr. Chung via the Offeror and Mr. Leonard Chung) has dealt for value in any Shares, convertible securities, warrants, options or derivatives of the Company during the Six-Month Period.

Property Lease Arrangements

The Company confirms that, as at the date of this joint announcement, there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder on one hand; and (ii) the Company, its subsidiaries or associated companies on the other hand save and except, the potential renewal of tenancy and lease agreements (collectively “**Property Lease Arrangements**”) for a term of one year on or around May 2026 in respect of the following:

- (i) the tenancy agreement entered into between Kwong Fai Trading Limited (which is indirectly owned by Mr. Chung and his spouse) and Main Success Industrial Limited (which is an indirect wholly-owned subsidiary of the Company) dated 27 May 2024 in respect of the premises used as the Company’s Hong Kong office; and
- (ii) the lease agreement dated 27 May 2024 entered into between Penghui Qiye (Wengyuan) Company Limited* (鵬輝企業(翁源)有限公司) (which is ultimately owned as to 50% by Mr. Chung and as to 50% by Mr. Chau) (“**Penghui**”) and Wengyuanxian Wancheng Plastic Products Company Limited* (翁源縣萬成塑膠製品有限公司) (which is an indirect wholly-owned subsidiary of the Company), in respect of the premises used as the production plant of the Group situated in the PRC.

For details, please refer to the Company’s announcement dated 27 May 2024. Save for (i) the reduction in the tenancy duration from two years to one year under the Property Lease Arrangements; and (ii) a potential reduction in the leased area of the abovementioned PRC premises with a proportionate reduction in the total rental amount, all other terms of the Property Lease Arrangements (in particular, the unit rental rates) will remain unchanged. The Property Lease Arrangements is conducted in the ordinary course of business of the Company and is entered into periodically, or represents a continuation or extension of previous arrangements, and does not constitute a special deal pursuant to Rule 25 and Practice Note 17 of the Takeovers Code. Furthermore, as the proposed Property Lease Arrangements are to be entered into in the ordinary course of business of the Group, and all of the applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) are expected to be below 5% (and thus do not constitute an acquisition of assets of a material amount), the entering into of the Property Lease Arrangements does not constitute a frustrating action under Rule 4 of the Takeovers Code.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately prior to Completion; and (ii) immediately upon Completion and as at the date of this joint announcement, are set forth below:

	Immediately prior to Completion		Immediately upon Completion and as at the date of this joint announcement	
	Number of Shares	Approximate % of issued Shares	Number of Shares	Approximate % of issued Shares
The Vendors and parties acting in concert with them				
<i>(Note 1)</i>				
— Ching Wai Holdings				
<i>(Note 2)</i>	75,000,000	36.69	—	—
— Mr. Chau <i>(Note 2)</i>	—	—	—	—
— Mr. Chau Wai <i>(Note 3)</i>	800,000	0.39	800,000	0.39
The Offeror and parties acting in concert with it				
— The Offeror <i>(Note 4)</i>	71,772,000	35.11	146,772,000	71.80
— Mr. Chung <i>(Note 4)</i>	—	—	—	—
— Mr. Leonard Chung	800,000	0.39	800,000	0.39
The Director(s)				
— Ms. Lo	600,000	0.30	600,000	0.30
Public Shareholders	<u>55,428,000</u>	<u>27.12</u>	<u>55,428,000</u>	<u>27.12</u>
Total	<u>204,400,000</u>	<u>100.00</u>	<u>204,400,000</u>	<u>100.00</u>

Notes:

- For the purpose of this table, “parties acting in concert” with the Vendors excludes the fellow Directors who may be presumed to be acting in concert with Mr. Chau and Mr. Chau Wai under class (6) of the definition of “acting in concert” under the Takeovers Code solely by virtue of their capacity as Directors.
- Ching Wai Holdings is 100% beneficially owned by Mr. Chau. Accordingly, Mr. Chau is deemed to be interested in the Shares held by Ching Wai Holdings under the SFO.
- Mr. Chau Wai is a director of Ching Wai Holdings and the son of Mr. Chau. Therefore, Mr. Chau Wai is presumed to be acting in concert with the Vendors under the Takeovers Code.
- The Offeror is 100% beneficially owned by Mr. Chung. Accordingly, Mr. Chung is deemed to be interested in the Shares held by the Offeror under the SFO.

5. In addition, as at the date of this announcement:

- (i) each of Mr. Chau, Mr. Chung, Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak beneficially owns 400,000 Options (comprising 200,000 vested Options with an exercise price of HK\$0.68 each, 80,000 vested Options with an exercise price of HK\$1.02 each, and 120,000 unvested Options with an exercise price of HK\$1.02 each); and
- (ii) each of Mr. Chau Wai, Mr. Leonard Chung and Ms. Lo beneficially owns 1,560,000 Options (comprising 624,000 vested Options with an exercise price of HK\$1.02 each, and 936,000 unvested Options with an exercise price of HK\$1.02 each).

Save as disclosed in the shareholding table above and in this Note 5, no other Directors hold any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company as at the date of this joint announcement.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of the Stock Exchange.

The Company is principally engaged in investment holding, while the Group is principally engaged in the production and sales of plastic and stainless steel sports bottles and baby feeding accessories. The two business segments of the Group are (i) the original equipment manufacturing (OEM) Business, which primarily comprises the production and sales of plastic and stainless steel sports bottles and cups for infants and toddlers and plastic sports bottles on an OEM basis predominately for the overseas markets; and (ii) the Yo Yo Monkey Business, which primarily comprises the production and sales of infant and toddler products, particularly plastic bottles and cups, under the brand developed by the Group known as “Yo Yo Monkey (優優馬騮)”, principally for the PRC market.

Set out below is a summary of the audited consolidated financial information of the Group for each of the two financial years ended 31 December 2024 and 2025, as extracted from the annual report of the Company for the year ended 31 December 2025:

	For the year ended 31 December 2024 <i>HK\$'000</i>	For the year ended 31 December 2025 <i>HK\$'000</i>
Revenue	421,091	291,503
Profit before taxation	63,929	32,605
Profit and total comprehensive income for the year attributable to equity holders of the Company	44,960	32,260
	As at 31 December 2024 <i>HK\$'000</i>	As at 31 December 2025 <i>HK\$'000</i>
Total assets	288,571	273,992
Total liabilities	<u>64,068</u>	<u>83,646</u>
Total equity	<u><u>224,503</u></u>	<u><u>190,346</u></u>

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the BVI with limited liability and is principally engaged in investment holding. The Offeror is wholly and beneficially owned by Mr. Chung as at the date of this joint announcement.

Mr. Chung, aged 72, is an executive Director and the Group's chief executive officer. He is primarily responsible for the overall management, strategic planning and supervision of the Group's operations. He joined the Group in August 2012. He is the father of Mr. Leonard Chung, the cousin-in-law of Mr. Chau and the uncle of Mr. Chau Wai. Mr. Chung is acting in concert with Mr. Chau only by virtue of the presumption under class (6) of the definition of "acting in concert" under the Takeovers Code; save for such presumption, each of the Offeror and Mr. Chung is not, as a matter of fact or under any classes of presumption under the definition of "acting in concert" of the Takeovers Code, acting in concert with the Vendors.

Mr. Chung is a director of Main Success Industrial Limited and On Gain Development Limited, both are indirect wholly-owned subsidiaries of the Company. As disclosed in this joint announcement, Mr. Chung was already a controlling Shareholder prior to Completion. For further details of Mr. Chung's interest in the Shares, please refer to the section headed "SHAREHOLDING STRUCTURE OF THE COMPANY" above.

Mr. Chung has accumulated more than 30 years of experience in the manufacturing industry. He co-founded Racing Champions Limited in 1989, which focused on manufacturing die-cast race car miniatures under the National Association for Stock Car Auto Racing (NASCAR) brand license, and served as its director. Racing Champions Limited sold its business assets to Banerjan Company Limited (now known as TOMY (Hong Kong) Limited, a major customer of the Group), which was then wholly-owned by Racing Champions Corporation, in 1996. Racing Champions Corporation was renamed as RC2 Corporation in 2003, the shares of which were listed on the Nasdaq Global Select Market and was acquired by Tomy Company, Ltd in 2011. He served as a director of Racing Champions Corporation from 1996 to 2008 and joined Baird Capital and worked as an operating partner from 2003 to 2014. He was also the chairman of Baird Asia Limited from 2004 to 2010. During the time, he was also instrumental in starting and overseeing Baird's regional office in Hong Kong and Shanghai, the PRC. In addition, Mr. Chung served as an independent non-executive director of StarGlory Holdings Company Limited (formerly known as New Wisdom Holding Company Limited and Epicurean and Company, Limited) (stock code: 8213), a company listed on GEM of the Stock Exchange which was principally engaged in the provision of food and beverage services during his tenure, for the period from 18 February 2010 to 8 November 2016.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

The Group's business activities and financial position

Immediately prior to Completion, the Offeror was already a controlling shareholder of the Company (as defined under the Takeovers Code), and its ultimate beneficial owner, Mr. Chung, is an existing executive Director. Accordingly, the Offeror and Mr. Chung are highly familiar with the existing principal businesses, operations and management of the Group.

The acquisition of the Sale Shares by the Offeror from the Vendors was a commercially driven decision, allowing the Offeror to consolidate its control over the Company and demonstrating its long-term commitment to the stability and continuous development of the Group.

Following the close of the Offers, the Offeror intends to continue the existing principal businesses of the Group. The Offeror will conduct a review of the business activities and financial position of the Group from time to time for the purpose of formulating business plans and strategies for the future development of the Group. Subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group.

Notwithstanding the above, as at the date of this joint announcement, no such investment or business opportunities have been identified nor has the Offeror entered into any agreement, arrangement, understanding, or negotiation in relation to the injection of any assets or business into the Group. The Offeror has no intention to redeploy the fixed assets of the Group other than in the ordinary and usual course of business of the Group.

Board composition

As at the date of this joint announcement, the Board is comprised of five executive Directors and three independent non-executive Directors. As at the date of this joint announcement, the Offeror has not decided on the future composition of the Board. The Offeror may, from time to time, review the composition of the Board to ensure that it is appropriately constituted to oversee the future development of the Group. Any future changes to the composition of the Board will be made in compliance with the Takeovers Code and/or the Listing Rules, and further announcement(s) will be made by the Company as and when appropriate.

Save for the Offeror's intention regarding the Group as set out above, the Offeror has no intention to (i) make material changes to the employment of the management and employees of the Group; and (ii) dispose of or redeploy the assets of the Group other than those in its ordinary and usual course of business.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offers. The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offers.

The Stock Exchange has stated that:

(a) if, at the close of the Offers, the Stock Exchange believes that:

— a false market exists or may exist in the trading of the Shares; or

— an orderly market does not exist or may not exist;

it will consider exercising its discretion to suspend dealings in the Shares; and

(b) if, at the close of the Offers, the Company has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:

— the Stock Exchange will add a designated marker to the stock name of the Shares; and

— the Stock Exchange will cancel the listing of the Shares if the Company fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

If the level of acceptances of the Offer Shares resulting in the shareholding of the Offeror and parties acting in concert with it reaches 75% of the total issued share capital of the Company, the Company will make an application to the Stock Exchange under Rule 13.33(1) of the Listing Rules for a temporary waiver for a reasonable period after the close of the Offers to re-comply with Rule 13.32B of the Listing Rules. The directors of the Offeror will undertake to the Stock Exchange to take appropriate steps (which may include, among other potential measures, the disposal of Shares held by the Offeror by way of placing) as soon as possible following the close of the Offers to ensure that sufficient public float exists in the Shares after the close of the Offers. The Offeror will issue a separate announcement as and when necessary in this regard.

DISCLOSURE OF DEALINGS

For the purposes of the Takeovers Code, the Offer Period has commenced on the date of this joint announcement.

In accordance with Rule 3.8 of the Takeovers Code, associates (as defined under the Takeovers Code) of the Company and the Offeror, including persons who own or control 5% or more of any class of relevant securities issued by the Company or the Offeror, are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

For this purpose, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediates are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediates will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

GENERAL

Independent Board Committee and Independent Financial Adviser

The Independent Board Committee, which comprises all the independent non-executive Directors who have no direct or indirect interest in the Offers (other than as the Offer Optionholders), namely Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak, has been established to make a recommendation to the Offer Shareholders and Offer Optionholders as to whether the Offers are fair and reasonable and as to the acceptance of the Offers, pursuant to Rule 2.1 of the Takeovers Code.

Messis Capital has been appointed as the Independent Financial Adviser by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers.

The advice of the Independent Financial Adviser and the recommendations of the Independent Board Committee will be included in the Composite Document to be despatched to the Offer Shareholders and Offer Optionholders.

Despatch of the Composite Document

It is the intention of the Offeror and the Board that the offer document from the Offeror and the offeree's board circular from the Company be combined in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, (i) details of the Offers (including the expected timetable and terms of the Offers); (ii) a letter of recommendation from the Independent Board Committee to the Offer Shareholders and Offer Optionholders in relation to the Offers; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in relation to the Offers; and (iv) the Form(s) of Acceptance, will be despatched to the Shareholders no later than 21 days from the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

The Offer Shareholders and Offer Optionholders are encouraged to read the Composite Document carefully, including the recommendation of the Independent Board Committee and the advice of the Independent Financial Adviser as to whether the Offers are fair and reasonable so far as the Offer Shareholders and Offer Optionholders are concerned and their acceptance before deciding whether or not to accept the Offers.

WARNING

The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement, and strongly recommend the Offer Shareholders and Offer Optionholders not to form a view on the Offers unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee and the advice from the Independent Financial Adviser on the Offers.

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares during the Offer Period. If they are in any doubt about their position, they should consult their professional advisers.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 21 April 2026 pending the publication of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on Wednesday, 6 May 2026.

DEFINITIONS

In this joint announcement, the following terms and expressions have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“Ching Wai Holdings”	Ching Wai Holdings Limited, a company incorporated in the BVI with limited liability which is wholly owned by Mr. Chau
“Company”	MS Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1451)
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement, which took place on the Completion Date (after trading hours)
“Completion Date”	the date on which Completion took place, being 20 April 2026
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company in connection with the Offers in accordance with the Takeovers Code containing, among other things, details of the Offers (accompanied by the Form of Acceptance) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser

“Consideration”	the amount of HK\$60,000,000, being the purchase price payable by the Purchasers to the Vendors for the sale and purchase of the Sale Shares under the Sale and Purchase Agreement
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposals”	the disposals of an aggregate of 400,000 Shares by the Offeror during the Six-Month Period, details of which are set out in the sub-section headed “Dealings by the Offeror, Mr. Chung and parties acting in concert with any of them” under the section headed “DEALING AND INTERESTS IN THE COMPANY’S SECURITIES” in this joint announcement
“Encumbrance(s)”	means and includes any option, right to acquire, right of pre-emption, mortgage, charge, pledge, lien, hypothecation, title retention, right of set-off, claim, counterclaim, trust arrangement or other security, any equity or restriction (including any restriction imposed under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) or other adverse rights and interests of all kinds and descriptions
“Excluded Options”	collectively, Mr. Chung’s Options and LC’s Options
“Excluded Shares”	those Shares already owned and/or agreed to be acquired by the Offeror, Mr. Chung and Mr. Leonard Chung, which amount to an aggregate of 147,572,000 Shares (comprising 146,772,000 Shares and 800,000 Shares respectively held by the Offeror and Mr. Leonard Chung) as at the date of this joint announcement, representing approximately 72.20% of the issued share capital of the Company
“Executive”	has the meaning ascribed to it under the Takeovers Code
“Form(s) of Acceptance”	the WHITE form of acceptance and transfer of Offer Shares in respect of the Share Offer and the PINK form of acceptance and cancellation of Offer Options in respect of the Option Offer

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board (comprising all of the three independent non-executive Directors, namely Mr. Asvaintra Bhanusak, Mr. Seto John Gin Chung and Mr. Yu Hon To David) established to make recommendation(s) to the Offer Shareholders and Offer Optionholders in respect of the Offers
“Independent Financial Adviser” or “Messis Capital”	Messis Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offers
“Offer Shareholder(s)”	Shareholder(s) other than the Offeror, Mr. Chung and Mr. Leonard Chung
“Last Trading Day”	20 April 2026, being the last trading day of the Shares immediately prior to the halt in trading in the Shares on the Stock Exchange pending the release of this joint announcement
“LC’s Irrevocable Undertaking”	the irrevocable undertaking given by Mr. Leonard Chung on 20 April 2026, the details of which are set out in the section headed “IRREVOCABLE UNDERTAKING” in this joint announcement
“LC’s Options”	the 1,560,000 outstanding Options with an exercise price of HK\$1.02 each granted to Mr. Leonard Chung on 27 May 2024 under the Share Option Scheme
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Mr. Chau”	Mr. Chau Ching, being (i) a director and the sole shareholder of Ching Wai Holdings; and (ii) an executive Director and the chairman of the Board, as at the date of this joint announcement
“Mr. Chau Wai”	Mr. Chau Wai, being (i) a director of Ching Wai Holdings; (ii) an executive Director; and (iii) the son of Mr. Chau, as at the date of this joint announcement
“Mr. Chung”	Mr. Chung Kwok Keung Peter, being (i) a director and the sole shareholder of the Offeror; (ii) an executive Director and the chief executive officer of the Group; (iii) the father of Mr. Leonard Chung; and (iv) a party acting in concert with the Offeror, as at the date of this joint announcement
“Mr. Chung’s Options”	the 400,000 outstanding Options granted to Mr. Chung under the Share Option Scheme, comprising (i) the 200,000 Options with an exercise price of HK\$0.68 each granted on 7 June 2021; and the 200,000 Options (within which 80,000 Options have been vested and 120,000 Options remain unvested) with an exercise price of HK\$1.02 each granted on 27 May 2024
“Mr. Leonard Chung”	Mr. Chung Leonard Shing Chun, being (i) a director of the Offeror; (ii) an executive Director; (iii) the son of Mr. Chung; and (iv) a party acting in concert with the Offeror, as at the date of this joint announcement
“Ms. Lo”	Ms. Lo Siu Fun Helena, an executive Director
“Offers”	collectively, the Share Offer and the Option Offer
“Offeror” or “L.V.E.P.”	L.V.E.P. Holdings Limited, a company incorporated in the BVI with limited liability, which is 100% beneficially owned by Mr. Chung
“Offer Period”	has the meaning ascribed to it under the Takeovers Code which commences on Tuesday, 5 May 2026 (being the date of this joint announcement) and ends on the date on which the Offers close or lapse
“Offer Option(s)”	all of the outstanding Option(s), other than the Excluded Options

“Offer Optionholder(s)”	the holder(s) of the Offer Option(s)
“Offer Share(s)”	all of the issued Share(s), other than the Excluded Shares
“Offer Shareholder(s)”	the holder(s) of Offer Share(s)
“Option(s)”	share option(s) granted by the Company pursuant to the Share Option Scheme, whether vested or not
“Option Offer”	the proposal to be made by Rainbow Capital for and on behalf of the Offeror in compliance with Rule 13 of the Takeovers Code to cancel all the outstanding Offer Options in accordance with the terms and conditions set out in this joint announcement
“Possible Upcoming Vesting Options”	has the meaning given to this term in the sub-section headed “II. The Option Offer” under the section headed “PRINCIPAL TERMS OF THE OFFERS” in this joint announcement
“PRC”	the People’s Republic of China, and for the purposes of this joint announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and the region of Taiwan
“Property Lease Arrangements”	has the meaning given to this term in the sub-section headed “Property Lease Arrangements” under the section headed “DEALING AND INTERESTS IN THE COMPANY’S SECURITIES” in this joint announcement
“Purchasers”	collectively, Mr. Chung and the Offeror
“Rainbow Capital”	Rainbow Capital (HK) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the financial adviser to the Offeror in respect of the Offers and the offer agent making the Offers for and on behalf of the Offeror
“Sale and Purchase Agreement”	the sale and purchase agreement dated 20 April 2026 entered into between the Vendors and the Purchasers in relation to the sale and purchase of the Sale Shares

“Sale Share(s)”	the 75,000,000 Shares acquired by the Offeror from Ching Wai Holdings pursuant to the terms and conditions of the Sale and Purchase Agreement, representing approximately 36.69% of the total issued share capital of the Company as at the date of this joint announcement
“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)”	share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Share Offer”	the mandatory unconditional cash offer to be made by Rainbow Capital for and on behalf of the Offeror to acquire all the Offer Shares pursuant to Rule 26.1 of the Takeovers Code
“Share Offer Price”	the cash amount of HK\$0.80 payable by the Offeror for each Offer Share
“Share Option Scheme”	the share option scheme adopted by the Company on 15 May 2018
“Shareholder(s)”	holder(s) of the Share(s)
“Six-Month Period”	the period commencing six months immediately preceding 5 May 2026, being the date of this joint announcement, up to and including the date of this joint announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

“Vendors” collectively, Mr. Chau and Ching Wai Holdings

“%” per cent.

* *The English translations of Chinese names or words in this joint announcement, where indicated, are included for information purposes only, and should not be regarded as the official English translations of such Chinese names or words.*

By order of the board of
L.V.E.P. Holdings Limited
Mr. Chung Kwok Keung Peter
Director

By order of the Board of
MS Group Holdings Limited
Mr. Chau Ching
Chairman and executive Director

Hong Kong, 5 May 2026

As at the date of this joint announcement, the Board comprises Mr. Chau Ching, Mr. Chung Kwok Keung Peter, Mr. Chung Leonard Shing Chun, Mr. Chau Wai and Ms. Lo Siu Fun Helena as the executive Directors; and Mr. Yu Hon To David, Mr. Seto John Gin Chung and Mr. Asvaintra Bhanusak as the independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the directors of the Offeror in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the directors of the Offeror are Mr. Chung Kwok Keung Peter and Mr. Chung Leonard Shing Chun. The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Vendors) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the Directors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

In the event of any inconsistency, the English text of this joint announcement shall prevail over the Chinese text.