THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed "15. Documents delivered to the Registrar of Companies in Hong Kong" in Appendix IV to this Prospectus, has been registered by the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (WUMP) Ordinance. The Registrar of Companies in Hong Kong, the Stock Exchange and the SFC take no responsibility for the contents of any of the Prospectus Documents.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

This Prospectus appears for information only and does not constitute an invitation or offer to shareholders or any other persons to acquire, purchase, or subscribe for securities of the Company.

Yuk Wing Group Holdings Limited

煜 榮 集 團 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1536)

RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Placing Agent

金利豐證券
KINGSTON SECURITIES

The Rights Issue will proceed on a non-underwritten basis. Pursuant to the Company's constitutional documents, the applicable laws in Hong Kong and the Cayman Islands and the Listing Rules, there is no requirement for a minimum level of subscription in the Rights Issue. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. The Rights Issue is subject to fulfilment of the conditions of the Rights Issue as set out in the section headed "Letter from the Board — Conditions of the Rights Issue" in this Prospectus. If the conditions of the Rights Issue are not fulfilled at or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

Capitalised terms used in this cover page have the same meanings as defined in this Prospectus.

Dealings in the Rights Shares in the nil-paid form will take place from Tuesday, 29 September 2026 to Wednesday, 7 October 2026 (both days inclusive). Any person contemplating dealing in the nil-paid Rights Shares during the period from Tuesday, 29 September 2026 to Wednesday, 7 October 2026 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional advisers.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled.

The latest time for acceptance of and payment for the Rights Shares and for application is at 4:00 p.m. on Monday, 12 October 2026. The procedure for acceptance and payment or transfer is set out on pages 18 to 19 of this Prospectus.

25 September 2026

CONTENTS

Set out below is the expected timetable for the Rights Issue and the Placing which is indicative only. The expected timetable has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled:

Events	**Date and time (Hong Kong time)**
Despatch of Prospectus Documents (in case of the Excluded Shareholders, the Prospectus only)	Friday, 25 September 2026
First day of dealings in nil-paid Rights Shares	Tuesday, 29 September 2026
Latest time for splitting of PAL	4:30 p.m. on Friday, 2 October 2026
Last day of dealings in nil-paid Rights Shares	Wednesday, 7 October 2026
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Monday, 12 October 2026
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the payment of the Net Gain.	4:00 p.m. on Monday, 12 October 2026
Announcement of the number of the Unsubscribed Rights Shares and the ES Unsold Rights Shares subject to the Compensatory Arrangements	Thursday, 15 October 2026
Commencement of placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by the Placing Agent on a best effort basis (if any)	Friday, 16 October 2026
Latest time of placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by the Placing Agent on a best effort basis (if any)	4:00 p.m. on Friday, 23 October 2026
Latest time for the termination of the Placing Agreement for the Rights Issue.	4:00 p.m. on Monday, 26 October 2026
Announcement of results of the Rights Issue including results of the Placing and the Net Gain	Friday, 30 October 2026

Events	Date and time (Hong Kong time)
Despatch of share certificates for the Rights Shares and/or refund cheques, if any, in respect of wholly or partially unsuccessful applications	Monday, 2 November 2026
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Tuesday, 3 November 2026
Payment of Net Gain to relevant No Action Shareholders or Excluded Shareholders, if any	Tuesday, 17 November 2026

All times and dates in this Prospectus refer to Hong Kong local times and dates. In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the website of the Stock Exchange and on the website of the Company as and when appropriate.

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The Latest Time for Acceptance will not take place as scheduled if there is a tropical cyclone warning signal no. 8 or above, a black rainstorm warning signal and/or "extreme conditions" as announced by the government of Hong Kong:

(i) is/are in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Acceptance Date. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or

(ii) is/are in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Acceptance Date. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the "EXPECTED TIMETABLE" above may be affected. Announcement will be made by the Company in such event.

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

"Acquisition"	the acquisition of the Sale Share Capital that has been approved by the Shareholders on 4 August 2026
"acting in concert"	has the meaning ascribed thereto under the Takeovers Code
"AFRC"	the Accounting and Financial Reporting Council
"Anhui Runsheng"	安徽潤升電力技術有限公司 (Anhui Runsheng Electric Power Technology Co., Ltd.*), which has become an indirect 65%-owned subsidiary of the Company on 22 September 2026
"Announcement"	the announcement of the Company dated 24 July 2026 in relation to, among other things, the Rights Issue (including the Placing Agreement) and the transactions contemplated thereunder
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Day"	a day (excluding Saturday and Sunday and any day on which "extreme conditions" caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
"Call Option"	the option granted by Mr. He Zhangxiang and Mr. He Xuebing to Top Standard, for the acquisition of the Option Share Capital. The potential exercise of the Call Option has been approved by the Shareholders on 4 August 2026
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Circular"	the circular of the Company dated 25 August 2026 in relation to, among other things, the Rights Issue, the Placing and the transactions contemplated thereunder

"Colour Shine"	Colour Shine Investments Limited, a company incorporated in British Virgin Islands with limited liability, is wholly owned by Mr. He Xiaoming. Colour Shine was a controlling shareholder of the Company. However, it disposed of an aggregate of 175,746,000 Shares during the period from 8 September 2026 up to 15 September 2026, representing approximately 38.54% of the issued share capital of the Company. As at the Latest Practicable Date, Colour Shine held 12,446,000 Shares, representing approximately 2.73% of the issued share capital of the Company, and therefore ceased to be a controlling shareholder of the Company. Details of the disposal are set out in the announcement of the Company dated 15 September 2026
"Companies (WUMP) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
"Company"	Yuk Wing Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1536)
"Compensatory Arrangements"	placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares (if any) by the Placing Agent on a best effort basis pursuant to the Placing Agreement in accordance with Rule 7.21(1)(b) of the Listing Rules
"Completion"	Completion of the Acquisition
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Deferred Payment"	the deferred portion of the consideration payable by Top Standard to the vendor Mr. Fang Haibo (or his designated nominee) under the Sale and Purchase Agreement, being RMB20.0 million (equivalent to approximately HK$23.2 million), which is payable within 12 months after the completion date of the Acquisition, and in respect of which interest shall accrue at a rate of 2.5% per annum on the outstanding balance from the day immediately after the expiry of the first six (6) calendar months following such completion date until full settlement
"Director(s)"	the director(s) of the Company

"EGM"	the extraordinary general meeting of the Company convened and held on Monday, 14 September 2026 at which the Rights Issue, the Placing and the transactions contemplated thereunder have been approved by Independent Shareholders
"ES Unsold Rights Share(s)"	the Rights Share(s) which would otherwise have been provisionally allotted to the Excluded Shareholders (if any) in nil-paid form that has/have not been sold by the Company
"Excluded Shareholder(s)"	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
"Group"	the Company and its subsidiaries, including Anhui Runsheng upon Completion
"Hellobaby International"	Hellobaby International Limited, a company incorporated in British Virgin Islands with limited liability, is a substantial shareholder of the Company and is wholly owned by Mr. Liu Qiang
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HKSCC Operational Procedures"	the operational procedures of the HKSCC, containing the practices, procedures and administrative or other requirements relating to the operations and functions of CCASS, as from time to time in force
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Placee(s)"	any individuals, corporations, institutional investor(s) or other investor(s), who and whose ultimate beneficial owner(s) shall be the Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agent(s), to subscribe for any of the Unsubscribed Rights Shares and the ES Unsold Rights Shares (if any) pursuant to the Placing Agreement
"Independent Shareholder(s)"	any Shareholder(s) who are not required to abstain from voting at the EGM under the Listing Rules

"Independent Third Party(ies)"	person(s) who is(are) third party(ies) independent of the Company and connected persons of the Company
"Intermediary"	in relation to a beneficial owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the beneficial owner's broker, custodian, nominee or other relevant person who is a CCASS participant or who has deposited the beneficial owner's Shares with a CCASS participant
"Last Trading Day"	Friday, 24 July 2026, being the last trading day of the Shares on the Stock Exchange immediately before the release of the Announcement
"Latest Acceptance Date"	Monday, 12 October 2026
"Latest Practicable Date"	22 September 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this Prospectus prior to its publication
"Latest Time for Acceptance"	4:00 p.m. on Monday, 12 October 2026, or such other time and date as may be determined by the Company, being the latest time for the acceptance of, and payment for, the Rights Shares as described in the Prospectus Documents
"Latest Time for Termination"	4:00 p.m. on Monday, 26 October 2026, or such later time or date as may be agreed between the Placing Agent and the Company, being the latest time to terminate the Placing Agreement
"Listing Committee"	has the same meaning ascribed to it under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Long Stop Date"	26 October 2026 or such later date as may be agreed between the Placing Agent and the Company in writing
"Net Gain"	the aggregate of any premiums (being the aggregate amount paid by the placees after deducting the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) placed by the Placing Agent and/or its sub-placing agent(s) under the Placing Agreement) under the Compensatory Arrangements

"No Action Shareholder(s)"	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the PALs and/or their renouncees, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed
"Option Share Capital"	the remaining equity interests in Anhui Runsheng upon Completion, comprising 30% of equity interest to be held by Mr. He Zhangxiang and 5% of equity interest to be held by Mr. He Xuebing as at the completion date of the Acquisition
"Overseas Letter"	a letter from the Company to the Excluded Shareholders explaining the circumstances in which the Excluded Shareholders are not permitted to participate in the Rights Issue
"Overseas Shareholder(s)"	Shareholder(s) with registered address(es) (as shown on the register of members of the Company on the Record Date) which is(are) outside Hong Kong at the close of business on the Record Date
"PAL(s)"	the provisional allotment letter(s) proposed to be issued to the Qualifying Shareholders in connection with the Rights Issue
"Placing"	the placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) on a best effort basis by the Placing Agent and/or its sub-placing agent(s) to independent placee(s), who and whose ultimate beneficial owners shall be Independent Third Party(ies), during the Placing Period on the terms and subject to the conditions set out in the Placing Agreement
"Placing Agent"	Kingston Securities Limited, a licensed corporation to carry out Type 1 (Dealing in securities) regulated activity under the SFO, being the placing agent appointed by the Company to place any Unsubscribed Rights Shares and the ES Unsold Rights Shares (if any) under the Compensatory Arrangements in accordance with Rule 7.21(1)(b) of the Listing Rules
"Placing Agreement"	the placing agreement dated 24 July 2026 and entered into between the Company and the Placing Agent in relation to the Compensatory Arrangements
"Placing Period"	the period commencing from Friday, 16 October 2026 and ending at 4:00 p.m. on Friday, 23 October 2026

"Placing Shares"	the Unsubscribed Rights Shares and the ES Unsold Rights Shares (if any) to be placed by the Placing Agent on a best effort basis pursuant to the terms and conditions of the Placing Agreement
"PRC"	the People's Republic of China, and for the purpose of this Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Prospectus"	the prospectus to be despatched to the Shareholders (and the Excluded Shareholders for information only) containing, among other things, details of the Rights Issue
"Prospectus Documents"	the Prospectus and the PAL
"Prospectus Posting Date"	Friday, 25 September 2026 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders and the Prospectus for information only to the Excluded Shareholders
"Public Float Requirement"	the public float requirement under Rule 13.32B of the Listing Rules
"Qualifying Shareholder(s)"	Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date, other than the Excluded Shareholder(s)
"Record Date"	Thursday, 24 September 2026 or such other date as may be determined by the Company, being the date for determining entitlements of Shareholders to participate in the Rights Issue
"Registrar"	the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
"Rights Issue"	the issue of the Rights Shares by way of rights on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date at the Subscription Price pursuant to the Prospectus Documents
"Rights Share(s)"	up to 1,368,000,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) to be allotted and issued pursuant to the Rights Issue
"RMB"	Renminbi, the lawful currency of the PRC

"Sale and Purchase Agreement"	the conditional sale and purchase agreement dated 12 June 2026 entered into between Top Standard Limited (as purchaser), a direct wholly-owned subsidiary of the Company, Mr. Fang Haibo (as vendor) and Mr. He Zhangxiang and Mr. He Xuebing (as grantors) in relation to the Acquisition (including the grant of the Call Option)
"Sale Share Capital"	the 65% of the equity interest in 安徽潤升電力技術有限公司 (Anhui Runsheng Electric Power Technology Co., Ltd.*), a company incorporated in the PRC with limited liability, the equity interest of which was held as to 65% by Mr. Fang Haibo, 30% by Mr. He Zhangxiang and 5% by Mr. He Xuebing as at the date of the Sale and Purchase Agreement
"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)"	ordinary share(s) with par value of HK$0.1 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	the Stock Exchange of Hong Kong Limited
"Subscription Price"	HK$0.1 per Rights Share
"Substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Top Standard"	Top Standard Limited, a direct wholly-owned subsidiary of the Company
"Unsubscribed Rights Share(s)"	Rights Shares that are not subscribed by the Qualifying Shareholders
"%"	per cent

* *For identification purposes only*

For the purpose of this Prospectus, the exchange rate of RMB1.00 to HK$1.1577 has been used for currency translation, where applicable. Such conversion is for illustrative purposes and does not constitute representations that any amount in RMB or HK$ has been, could have been or may be converted at this or any other rate.

Yuk Wing Group Holdings Limited
煜榮集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1536)

Executive Directors:
Ms. Li Kai Lai Miranda
Miss Tsang Karen Ka Yan

Independent non-executive Directors:
Mr. Cheung Sze Ming
Mr. Wong Siu Keung Joe
Mr. Todd, Eric

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
Units 6505–11, 65/F
The Center
No. 99 Queen's Road Central
Central, Hong Kong

25 September 2026

To the Qualifying Shareholders and,
for information only, the Excluded Shareholders (if any)

Dear Sir or Madam,

RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

INTRODUCTION

References are made to the Announcement and the Circular in relation to, among other matters, the Rights Issue (including the Placing Agreement).

At the EGM held on 14 September 2026, the proposed resolution for approving the Rights Issue (including the Placing Agreement) and the transactions contemplated thereunder was duly approved by the Independent Shareholders by way of poll, details of which were disclosed in the poll results announcement of the Company dated 14 September 2026.

The purpose of this Prospectus is to provide you with, among other things, details of the Rights Issue, financial information and other general information of the Group.

THE RIGHTS ISSUE

The Board proposes to conduct the Rights Issue on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders as at the Record Date. Set out below are the details of the Rights Issue statistics**.**

Basis of the Rights Issue	:	three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK$0.1 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	456,000,000 Shares
Number of Rights Shares	:	up to 1,368,000,000 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date and no other changes)
Aggregate nominal value of the Rights Shares	:	up to HK$136,800,000 (assuming no change in the number of Shares in issue on or before the Record Date)
Number of Shares in issue as enlarged by the allotment and issue of the Rights Shares	:	1,824,000,000 Shares (assuming full subscription under the Rights Issue, no change in the number of Shares in issue on or before the Record Date and no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Gross proceeds from the Rights Issue	:	approximately HK$136.8 million before expenses (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date)
Net proceeds from the Rights Issue	:	approximately HK$134.9 million after deducting the maximum estimated expenses of approximately HK$1.9 million, including a contingent placing commission. If the Rights Issue is fully subscribed and no Placing is conducted, the actual net proceeds may be higher.
Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	approximately HK$0.0986 per Rights Share (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date)

Excess application arrangements and underwriting	:	There will be no excess application arrangements in relation to the Rights Issue and the Rights Issue is not underwritten.
Compensatory Arrangements	:	Any Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) will be placed to Independent Placees on a best effort basis under the Compensatory Arrangements. Any Unsubscribed Rights Shares or ES Unsold Rights Shares (if any) which remain unplaced under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

As at the Latest Practicable Date, the Company has no outstanding derivatives, convertible securities, options, warrants or other similar securities in issue which would otherwise confer any right to subscribe for, convert or exchange into Shares. The Company has no intention to issue or grant any Shares, convertible securities and/or options on or before the Record Date. As at the Latest Practicable Date, the Company does not hold any treasury shares.

Assuming no change in the number of issued Shares on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 1,368,000,000 Rights Shares to be issued pursuant to the terms of the Rights Issue represent (i) 300% of the issued share capital of the Company as at the Latest Practicable Date; and (ii) 75% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

Non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

In the event that the Rights Issue is not fully-subscribed, any Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) will be placed to Independent Placees on a best effort basis by the Placing Agent under the Compensatory Arrangements. Any Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. There are no applicable statutory requirements regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, any Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code or cause the public float of the Company to decrease to below 25%. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken-up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which (a) does not trigger an obligation on the part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; (b) does not cause the Company's public float to decrease to below 25%. Any subscription monies not utilised due to the scaled-down application of entitled Rights Shares will be refunded to the affected applicants.

The Company has explored both potential underwriting and non-underwriting arrangements for the Rights Issue, however the Company was unable to identify any securities firms willing to act as an underwriter for the Rights Issue. The Board had determined that proceeding with the Rights Issue on a non-underwritten basis, combined with the Compensatory Arrangements (i.e., the Placing), where the Placing Agent will place the Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) on a best effort basis at a price that is not less than the Subscription Price, represents the most viable and efficient approach to meet the Company's funding objectives and provides adequate compensation mechanisms and safeguards to protect the interests of the Shareholders. Therefore, the Directors consider that conducting the Rights Issue on a non-underwritten basis with the Placing is fair and reasonable and in the interest of the Company and Shareholders as a whole.

Undertakings

As at the Latest Practicable Date, the Company has not received any information or irrevocable undertaking from any Shareholder of their intention as to whether such Shareholder will take up his/her entitlements under the Rights Issue or will not take up his/her entitlements under the Rights Issue.

The Subscription Price

The Subscription Price is HK$0.1 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

(i) a discount of approximately 82.61% to the closing price of HK$0.575 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 27.01% to the closing price of HK$0.137 per Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 28.06% to the average of the closing prices of HK$0.139 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;

(iv) a discount of approximately 30.07% to the average of the closing prices of approximately HK$0.143 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;

(v) a discount of approximately 8.26% to the theoretical ex-rights price of approximately HK$0.109 per Share as adjusted for the effect of the Rights Issue, based on the closing price of HK$0.137 per Share as quoted on the Stock Exchange on the Last Trading Day;

(vi) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 21.99% to the existing Shareholders if they elect not to participate in the Rights Issue, which is calculated based on the theoretical ex-rights price of approximately HK$0.110 per Share and the benchmarked price of approximately HK$0.141 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the Last Trading Day of HK$0.137 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day of approximately HK$0.141 per Share); and

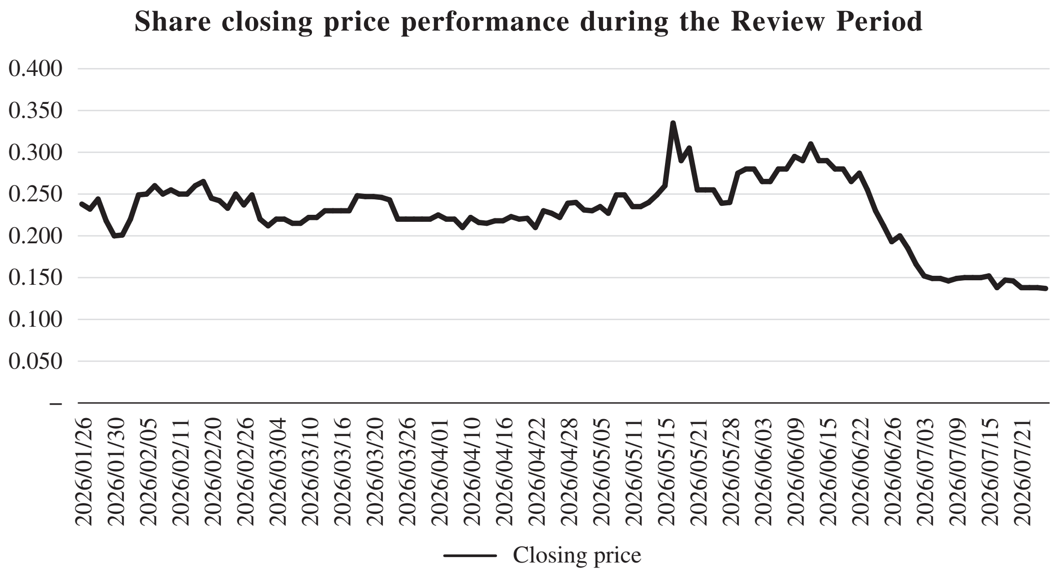
(vii) a discount of approximately 68.45% to the audited consolidated net asset value per Share of approximately HK$0.317 (based on the latest published audited consolidated net asset value of the Company of HK$144,731,000 as at 31 March 2026 and 456,000,000 Shares in issue as at 30 June 2026).

The net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue) upon full acceptance of the provisional allotment of Rights Shares will be approximately HK$0.0986.

Determination of the Subscription Price

The Subscription Price was determined by the Company with reference to, among other things, (i) the recent closing prices of the Shares; (ii) prevailing market conditions and financial position of the Group; and (iii) the reasons for the Rights Issue as discussed in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" in this Prospectus.

In determining the Subscription Price, the Directors had reviewed the closing prices of the Shares over the six months prior to and including the Last Trading Day (the "**Review Period**"). The following chart depicts the closing prices of the Shares during the Review Period:



As shown in the chart above, during the Review Period, the closing price of the Shares fluctuated between HK$0.335 per Share and HK$0.137 per Share, with an average closing price of HK$0.228 per Share. In particular, the closing price decreased significantly from HK$0.275 on 22 June 2026 to HK$0.193 per Share on 26 June 2026, and continued its downward trend to HK$0.137 on 24 July 2026 (i.e. the Last Trading Day).

The Directors have also reviewed the trading liquidity of the Shares during the Review Period and noted that the average daily trading volume of 662,350 Shares (calculated by dividing the total trading volume by the total number of trading days during the Review Period) represented only approximately 0.15% of the total issued share capital of the Company as at the Last Trading Day. Accordingly, the Directors considered that the trading liquidity of the Shares was thin during the Review Period, demonstrating an overall lack of market liquidity.

Furthermore, the Group recorded a loss attributable to owners of the Company of approximately HK$4.4 million for the year ended 31 March 2026 according to its annual report. The Directors considered that the prevailing prices and recent downward trend of the Shares during the period reflected the market's perception of the Group's operational performance and the overall weak market sentiment towards the Shares.

Besides, as mentioned in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" in this Prospectus, the Company has urgent funding needs particularly for (i) the settlement of the consideration of the Deferred Payment of RMB20.0 million (equivalent to approximately HK$23.2 million); (ii) the capital investment of approximately RMB20.0 million (equivalent to approximately HK$23.2 million) in Anhui Runsheng; (iii) the payment of the exercise price of RMB20.1 million (equivalent to approximately HK$23.3 million) for exercising the Call Option. Details of the funding needs are set out in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" in this Prospectus.

Under the prevailing market circumstances and economic sentiment and with reference to (i) the unfavourable price trend and lack of liquidity of the Shares during the Review Period as illustrated above, (ii) the recent business performance of the Group, especially the Group's loss-making position for the year ended 31 March 2026, and (iii) the funding needs as mentioned above and in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" in this Prospectus, the Directors consider that it is commercially reasonable to set the Subscription Price lower than the prevailing market price and the consolidated net asset value per Share as illustrated above so as to increase the attractiveness of the Rights Issue and motivate the Qualifying Shareholders and investors to participate in the Rights Issue.

In view of the above, taking into account the reasons for and benefits of the Rights Issue as explained in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" below, and having considered that all Qualifying Shareholders will be offered an equal opportunity to subscribe for the Rights Shares by way of provisional allotment, the Directors consider that (i) the terms of the Rights Issue and the Placing Agreement, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) it is fair and reasonable to set the Subscription Price lower than the prevailing market price to promote the attractiveness of the Rights Issue and motivate the Qualifying Shareholders and investors to engage in the Rights Issue.

Conditions of the Rights Issue

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

(i) the passing by the Independent Shareholders at the EGM of an ordinary resolution to approve the Rights Issue (including the Placing Agreement) and the respective transactions contemplated thereunder (more than 50% of the votes cast by the Independent Shareholders either in person or by proxy at the EGM by way of poll);

(ii) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares by no later than the first day of their dealings;

(iii) the Placing Agreement not having been terminated in accordance with the provisions thereof, including force majeure events;

(iv) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of the Prospectus Documents each duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolutions of the Directors (and all other documents required to be attached hereto) and otherwise in compliance with the Listing Rules and the Companies (WUMP) Ordinance not later than the Prospectus Posting Date;

(v) the Prospectus Documents are made available to the Qualifying Shareholders and the posting of the Prospectus and the Overseas Letter to the Excluded Shareholders, if any, for information purpose explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date;

(vi) compliance with the requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands; and

(vii) where applicable, all necessary waivers, consents, and approvals from the relevant governmental or regulatory authorities for the Rights Issue (including the Placing Agreement) and the transactions contemplated thereunder having been obtained and fulfilled.

The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions by the respective dates specified above or, where no date is specified, by the Long Stop Date (or such later date as the Company may determine and announce).

None of the above conditions precedent can be waived. As at the Latest Practicable Date, save for condition (i), none of the conditions has been satisfied. If any of the above conditions are not satisfied by the respective dates set out above (or such later date as the Company may determine), the Rights Issue will not proceed.

Basis of provisional allotments

The basis of the provisional allotment shall be three (3) Rights Shares for every one (1) Share in issue and held by the Qualifying Shareholders at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance. There will be no excess application arrangements in relation to the Rights Issue.

Status of the Rights Shares

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

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. A Shareholder is a Qualifying Shareholder if, at the close of business on the Record Date, it is (i) registered as a member of the Company; and (ii) not an Excluded Shareholder.

Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Prospectus Documents will be made available and/or despatched (as the case may be) to the Qualifying Shareholders on the Prospectus Posting Date. Copies of the Prospectus Documents will also be made available on the websites of the Company (www.yukwing.com) and the Stock Exchange (www.hkexnews.hk). The Prospectus only (excluding the PAL) will be made available and/or despatched (as the case may be) to the Excluded Shareholders (if any) for their information purpose only to the extent permitted under the relevant laws and regulations and reasonably practicable. The Company will despatch the PALs in printed form to the Qualifying Shareholders, but will not despatch any PAL to Excluded Shareholders (if any).

Shareholders whose Shares are held by nominee companies (or held in CCASS) should note that the Board will regard a nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Beneficial owners with their Shares held by nominees (or held in CCASS) are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

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

Rights of Overseas Shareholders (if any)

The Prospectus will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders, if any, may not be eligible to take part in the Rights Issue. The Company will send the Prospectus (without the PAL) to the Excluded Shareholders for their information only.

Based on the register of members of the Company as at the Latest Practicable Date, there was no Overseas Shareholder.

In compliance with the necessary requirements of the Listing Rules, the Board will make enquiries regarding the legal restrictions under the laws of the relevant overseas jurisdiction(s) and the requirements of the relevant regulatory body(ies) or stock exchange(s) pursuant to Rule 13.36(2)(a) of the Listing Rules, if necessary. If, after making such enquiries and based on legal opinions provided by the legal advisers to the Company, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions under the laws of the relevant jurisdiction(s) or the requirements of the relevant regulatory body(ies) or stock exchange(s) in the relevant place(s), no offer of the Rights Shares will be made to such Overseas Shareholders. Accordingly, the Rights Issue will not be extended to such Overseas Shareholders.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholder(s) to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK$100 will be paid pro rata to the Excluded Shareholder(s). The Company will retain individual amounts of HK$100 or less for the benefit of the Company.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue subject to the results of the enquiries made by the Company pursuant to the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Fractions of the Rights Shares

On the basis of provisional allotment of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue. No odd lot matching services in relation to the Rights Issue will be provided.

Procedures in respect of the Unsubscribed Rights Shares and the ES Unsold Rights Shares, if any, and the Compensatory Arrangements

There will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 7.21(1)(a) of the Listing Rules.

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company must make arrangements to dispose of the Unsubscribed Rights Shares and the ES Unsold Rights Shares (if any) by offering the Unsubscribed Rights Shares and the ES Unsold Rights Shares (if any) to the Independent Placees for the benefit of the Shareholders to whom they were offered by way of the rights. Accordingly, on 24 July 2026 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) to the Independent Placees on a best effort basis.

Pursuant to the Placing Agreement, the Company has appointed the Placing Agent to place the Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) during the Placing Period to the Independent Placees on a best effort basis, and any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders and the Excluded Shareholders (if any) on a pro rata basis. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Friday, 23 October 2026, subscribers for all (or as many as possible) of those Unsubscribed Rights Shares and ES Unsold Rights Shares (if any). Any Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) on pro-rata basis (on the basis of all Unsubscribed Rights Shares and ES Unsold Rights Shares (if any)) to the No Action Shareholders and the Excluded Shareholders (but rounded down to the nearest cent) as set out below:

(i) the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and

(ii) in respect of the Excluded Shareholders (if any), by reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders and Excluded Shareholders (if any) become entitled on the basis described above to an amount of HK$100 or more, such amount will be paid to the relevant No Action Shareholders and Excluded Shareholders (if any) in Hong Kong Dollars only and the Company will retain individual amounts of less than HK$100 for its own benefit.

Procedures for acceptance and payment or transfer

A PAL is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by not later than 4:00 p.m. on Monday, 12 October 2026. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "YUK WING GROUP HOLDINGS LIMITED — RIGHTS ISSUE ACCOUNT" and crossed "**ACCOUNT PAYEE ONLY**". It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Monday, 12 October 2026, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer part or all of his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Friday, 2 October 2026 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee(s), will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

If the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" hereinabove are not fulfilled, the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in their nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Monday, 2 November 2026.

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

Actions to be taken by beneficial owners holding Shares through CCASS

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or "split" their nil-paid Rights Shares by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their Intermediary and provide their Intermediary with instructions or make arrangements with their Intermediary in relation to the acceptance, transfer and/or "splitting" of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the section headed "Expected Timetable" in this Prospectus and otherwise in accordance with the requirements of their Intermediary in order to allow their Intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or "splitting" in these cases shall be in accordance with the General Rules of HKSCC, HKSCC Operational Procedures and any other applicable requirements of CCASS.

THE PLACING AGREEMENT

On 24 July 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure the Placee(s), on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares (if any). Principal terms of the Placing Agreement are summarised as follows:

Date	:	24 July 2026 (after trading hours)
Issuer	:	the Company
Placing Agent	:	Kingston Securities Limited, a corporation licensed to engage in Type 1 (dealing in securities) regulated activity under the SFO, has been appointed as the Placing Agent to procure, on a best effort basis, Independent Placee(s) to subscribe for the Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) during the Placing Period. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent confirmed that it and its ultimate beneficial owner(s) are not connected persons of the Company.
Placing Period	:	The period commencing from Friday, 16 October 2026 and ending at 4:00 p.m. on Friday, 23 October 2026.
Placing price of the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares (as the case may be)	:	The placing price of the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares (if any) shall be not less than the Subscription Price. The final price determination will be dependent on the demand for and market conditions of the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares (if any) during the process of placement.
Commission	:	1% of the aggregate placing price of the Unsubscribed Rights Shares and the ES Unsold Rights Shares (if any) successfully placed by or on behalf of the Placing Agent.

Placees	:	The Unsubscribed Rights Shares and the ES Unsold Rights Shares (if any) are expected to be placed to the Independent Placee(s) who and whose ultimate beneficial owner(s) shall be the Independent Third Party(ies). The Placing Agent undertakes to use its best endeavour to procure that (i) the Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and (ii) the Company will continue to comply with the Public Float Requirement upon completion of the Placing and the Rights Issue.
Ranking of Unsubscribed Rights Shares and the ES Unsold Rights Shares	:	Unsubscribed Rights Shares and the ES Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue.
Conditions Precedent	:	The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon: (i) the passing by the Independent Shareholders at the EGM of an ordinary resolution to approve the Rights Issue (including the Placing Agreement) and the respective transactions contemplated thereunder (more than 50% of the votes cast by the Independent Shareholders either in person or by proxy at the EGM by way of poll); (ii) the Listing Committee granting the approval for the listing of, and the permission to deal in, the Rights Shares in their nil-paid and fully paid forms (subject to customary conditions) and such approval not having been withdrawn or revoked;

(iii) all necessary consents and approvals to be obtained on the part of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated hereunder having been obtained;

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

(v) the Placing Agreement not having been terminated in accordance with the provisions thereof.

None of the above conditions of the Placing Agreement is capable of being waived in whole or in part by the Placing Agent or the Company. As at the Latest Practicable Date, save for condition (i), none of the conditions has been satisfied.

Termination : The Placing Agent may terminate the Placing Agreement without any liability to the Company, by giving notice in writing to the Company at any time prior to the Latest Time for Termination upon the occurrence of the following events which, in the reasonable opinion of the Placing Agent, has or may have a material adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or would materially prejudice the success of the Placing or full placement of all of the Placing Shares or otherwise makes it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement if there develops, occurs or comes into force:

(i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement) and including an event or change in relation to or development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's reasonable opinion would affect the success of the Placing; or

(ii) the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's reasonable opinion, would affect the success of the Placing; or

(iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's reasonable opinion any such new law or change may affect the business or financial prospects of the Group and/or the success of the Placing; or

(iv) any litigation or claim being instigated against any member of the Group or its senior management, which has or may affect the business or financial position of the Group and which in the Placing Agent's reasonable opinion would affect the success of the Placing; or

(v) any breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the completion date of the Placing which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or

(vi) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

Placing Completion : Completion shall take place on the fourth Business Day immediately after the fulfilment or waiver (as the case may be) of all the conditions set out in the Placing Agreement.

The engagement between the Company and the Placing Agent for the Unsubscribed Rights Shares and ES Unsold Rights Shares (including the commission payable) was determined after arm's length negotiation between the Company and the Placing Agent and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition. The Directors consider that the terms of Placing Agreement for the Unsubscribed Rights Shares and ES Unsold Rights Shares (including the commission payable) are on normal commercial terms.

The Board is of the view that the above Compensatory Arrangements are fair and reasonable and are in the best interests of the Shareholders as a whole:

(i) the arrangements are in compliance with the requirements under Rule 7.21(1)(b) of the Listing Rules under which the No Action Shareholders and Excluded Shareholders (if any) may be compensated even if they do nothing (i.e. neither subscribe for Rights Shares nor sell their nil-paid rights) because under the arrangements, the Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) will be first offered to Independent Third Parties and any premium over the Subscription Price will be paid to the No Action Shareholders and Excluded Shareholders (if any). The commission payable to the Placing Agent and the related fees and expenses in relation to such placing will be borne by the Company;

(ii) the Compensatory Arrangements (including the determination of the placing price) will be managed by the licensed placing agent which is subject to the stringent code of conduct over, among others, pricing and allocation of the placing Shares. The terms and the conditions of the Placing Agreement (including the placing commission) are normal commercial terms or better, are in the best interests of the Company and the Shareholders as a whole; and

(iii) the Compensatory Arrangements will not only provide an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Excluded Shareholders, it also provides a distribution channel for the Company to distribute the Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) to Independent Placees.

Application for listing of the Rights Shares

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

Rights Shares will be eligible for admission in CCASS

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms with their board lot size being the same (i.e. 2,000) as their underlying Shares on the Stock Exchange, or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy and any other applicable fees and charges in Hong Kong.

Taxation

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Excluded Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf. It is emphasised that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Rights Shares in both their nil-paid and fully-paid forms.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Monday, 2 November 2026.

If the Rights Issue does not become unconditional, refund cheques (without interest) are expected to be posted on or before Monday, 2 November 2026 by ordinary post, at the respective Shareholders' own risk, to their registered addresses.

Those entitled, except HKSCC Nominees Limited, and in the case of joint Qualifying Shareholders, the first-named Qualifying Shareholder, will receive one share certificate for all the Rights Shares in fully-paid form, allotted and issued thereto.

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

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

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

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Excluded Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

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

Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled or the Long Stop Date will accordingly bear the risk that the Rights Issue and/or the Placing may not proceed.

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

The Company is the leading manufacturer and supplier of down-the-hole ("**DTH**") rockdrilling tools in Hong Kong. The Group provides comprehensive technical rockdrilling solutions for a variety of rockdrilling needs, including the design, manufacture and sales of DTH rockdrilling tools used in building foundations, piling on construction sites, mining, quarrying, water well drilling, utility linings, micro-tunneling and overburden drilling in a variety of geological formations and at considerable depths.

With reference to the announcement of the Company dated 12 June 2026, Top Standard (a wholly-owned subsidiary of the Company) entered into the Sale and Purchase Agreement on the same date to acquire a 65% equity interest in Anhui Runsheng at a total consideration of RMB37.5 million (equivalent to approximately HK$43.5 million). Of the consideration, RMB17.5 million (equivalent to approximately HK$20.3 million) is settled in cash upon the Completion using the internal resources of the Group, and the remaining RMB20.0 million (equivalent to approximately HK$23.2 million) will be payable to the vendor Mr. Fang Haibo (or his designated nominee) within 12 months after the completion date using the proceeds from the fundraising exercise. According to the Sale and Purchase Agreement, should the Deferred Payment be settled within the first six (6) calendar months following the completion date of the Acquisition, no interest shall be payable by Top Standard. However, interest shall accrue at a rate of 2.5% per annum on the outstanding balance of the Deferred Payment from the day immediately after the expiry of the said 6-month period until full settlement. Given that the Group recorded a loss for the year of approximately HK$4.1 million for the year ended 31 March 2026 according to its latest annual results, the Board intends to settle the Deferred Payment within the interest-free period (i.e., on or before 21 March 2027, given that the Completion took place on 22 September 2026) in order to avoid the additional financial burden of the 2.5% per annum interest accrual.

Anhui Runsheng holds the buildings of an industrial complex in Hefei City, Anhui Province, the PRC (comprising six blocks of 3 to 6-storey industrial buildings and one block of a 3-storey industrial building with a 1-level basement), with a total gross floor area of approximately 33,327.56 square meters, of which approximately one-third is currently being leased and the remaining two-thirds are vacant. The Company intends to establish a new production line in the vacant areas for the manufacturing of DTH rockdrilling tools within the properties held by Anhui Runsheng in Hefei by investing approximately RMB20.0 million (equivalent to approximately HK$23.2 million) by 2027. Details of the Acquisition are set out in the announcement of the Company dated 12 June 2026 and the circular of the Company dated 15 July 2026.

In addition, according to the Sale and Purchase Agreement, the other shareholders of Anhui Runsheng, who hold the remaining 35% equity interest (i.e. the Option Share Capital) of Anhui Runsheng, granted the Call Option to Top Standard to acquire the Option Share Capital upon Completion. Top Standard may, at any time within twelve (12) months following the completion date of the Acquisition, exercise all or part of the Call Option at its sole and absolute discretion. The total exercise price of the Call Option will be RMB20.1 million (equivalent to approximately HK$23.3 million).

The Acquisition and the potential exercise of the Call Option were subject to the Shareholders' approval at the extraordinary general meeting held on 4 August 2026, at which the relevant resolution was duly passed by the Shareholders. The Completion has taken place on 22 September 2026. Details of the Completion is set out in the announcement of the Company dated 22 September 2026.

The aggregate remuneration payable to, and benefits in kind receivable by, the directors of Anhui Runsheng will not be varied as a consequence of the Acquisition. No director will receive any special remuneration, benefit in kind, bonus, commission or other incentive payment in connection with the Acquisition.

The Board considers it is highly viable and beneficial to the Group to obtain full control of Anhui Runsheng by exercising the Call Option and to transform the Hefei facility into the Group's main production and logistics hub. Should the Call Option be exercised, the Company will have absolute operational flexibility in Anhui Runsheng, thereby eliminating potential future friction or vetoes from minority shareholders regarding capital expenditure, dividend policies, or strategic pivots. In addition, full ownership ensures the Company does not have to negotiate with or share the operational profits with minority shareholders, and holding a wholly-owned subsidiary that owns prime real estate provides a clean, unencumbered asset base. As such, the Board is proactively considering the exercise of the Call Option.

As at the Latest Practicable Date, the Company had unaudited bank balances and cash of approximately HK$59.4 million (including RMB17.5 million (equivalent to approximately HK$20.3 million) to be utilised for the settlement of part of the consideration of the Acquisition) and financial assets at fair value through profit or loss of approximately HK$8.2 million. As stated in the Company's circular dated 15 July 2026, the Board intends to raise funds by way of debt and/or equity fundraising, such as rights issue, placing of new shares, and use part of the net proceeds for the settlement of the Deferred Payment.

Having considered that the funding needs for (i) the settlement of the consideration of the Acquisition of RMB37.5 million (equivalent to approximately HK$43.5 million) (comprising the cash payment of RMB17.5 million (equivalent to approximately HK$20.3 million) and the Deferred Payment of RMB20.0 million (equivalent to approximately HK$23.2 million)); (ii) the capital investment of approximately RMB20.0 million (equivalent to approximately HK$23.2 million) in Anhui Runsheng; (iii) the payment of the exercise price of RMB20.1 million (equivalent to approximately HK$23.3 million) for exercising the Call Option; (iv) further development of the business in Anhui Runsheng upon completion of the Acquisition;

(v) strengthen the working capital base of the Group to develop the existing business in the PRC; and (vi) the general working capital of the Group, the Board considers that a fundraising exercise is necessary.

Intended use of proceeds

The net proceeds of the Rights Issue, assuming full subscription, will be up to approximately HK$134.9 million (assuming no change in number of Shares in issue on or before Record Date). The Company intends to use the net proceeds from the Rights Issue for the following purposes:

		Use of proceeds	Approximate percentage or amount	Expected timeline
(i)		Settlement of the Deferred Payment	17.1% or HK$23.1 million	Not later than 31 March 2027
(ii)		Payment of the exercise price for exercising the Call Option	17.3% or HK$23.3 million	Not later than September 2027
(iii)		Business development in Anhui Runsheng as follows:		Not later than 31 March 2027
	(a)	Capital investment (establishment of a new production line including but not limited to the acquisition of machinery and equipment)	17.2% or HK$23.2 million	
	(b)	Recruitment of additional staff for production line, inventory control and/or logistic team (payroll expenses and welfare benefits)	3.7% or HK$5.0 million	
	(c)	Other operating expenses and utilities, such as marketing campaign, procurement of raw materials and logistic equipment	8.9% or HK$12.0 million	
		Sub-total	*29.8% or HK$40.2 million*	

	Use of proceeds	Approximate percentage or amount	Expected timeline
(iv)	Expansion of business operation into the investment property held by Anhui Runsheng upon the expiration of the existing tenancies *(Note 1)*	3.7% or HK$5.0 million	By 31 December 2027
(v)	General working capital of the Group as follows:		By 31 December 2027
	(a) Rental expenses	8.9% or HK$12.0 million	
	(b) Payroll expenses (excluding salaries payable by Anhui Runsheng)	14.1% or HK$19.0 million	
	(c) Professional fees (including listing expenses)	3.3% or HK$4.5 million	
	(d) Other corporate/operating expenses (including but not limited to repair and maintenance, travelling expenses, entertainment and utilities expenses)	5.8% or HK$7.8 million	
	Sub-total	*32.1% or HK$43.3 million*	
	Total	**HK$134.9 million**	

Note:

1. As at the Latest Practicable Date, four tenancy agreements will expire within 12 months from the Latest Practicable Date. The Company intends to apply approximately HK$5.0 million on renovation works of the units under the aforesaid four tenancy agreements in the investment property upon their expiration. Upon completion of the renovation works, the Company may either utilise the available space to expand its production and inventory capacity, or continue to generate rental income by leasing out the available space.

In the event that there is an undersubscription of the Rights Issue, the use of proceeds raised from the Rights Issue will be allocated on a pro-rata basis for the purposes disclosed above. In addition, the Group intends to explore other debts or equity financing, including but not limited to the placing of new shares, borrowings from financial institutions, to fulfil the shortage of the funding requirements for, amongst others, the settlement of Deferred Payments, capital investments in Anhui Runsheng and the working capital of the Group for the next 12 months.

Fund-raising alternatives

The Board considers that the Rights Issue is the most suitable way to raise the required funds. Being pre-emptive in nature, it allows all Qualifying Shareholders to participate in the future development of the Company, while offering them flexibility to choose whether to maintain, increase or decrease their respective pro rata shareholdings in the Company. Shareholders may do so by taking up their provisional entitlements in full, acquiring additional rights entitlements or disposing of their rights entitlements in the open market (subject to availability). In addition, the Rights Issue represents an opportunity for the Company to raise additional funding to strengthen the Group's financial position, support its business operations and development, and provide working capital to meet the Group's financial obligations without incurring additional interest burdens.

The Company has considered other fundraising alternatives before resolving the Rights Issue, including but not limited to debt financing, placing of new Shares and open offer. In considering debt financing, given the loss-making position of the Group for the year ended 31 March 2026, the Board considered that debt financing may not be achievable on favourable terms or in a timely manner. In addition, as at 31 July 2026, being the latest practicable date for the purpose of indebtedness statement prior to the printing of this Prospectus, the Group had total borrowings/lease liabilities of approximately HK$25.28 million, comprising (i) bank borrowings of approximately HK$11.58 million, which carry interest at 3.55% per annum; (ii) other borrowings of approximately HK$6.00 million, which carry interest at 1.00% per annum; and (iii) lease liabilities of approximately HK$7.70 million, which carry interest rates ranging from 5.00% to 5.63% per annum. The expected interest expenses for one year based on the aforesaid borrowings/lease liabilities are approximately HK$0.64 million. Accordingly, the Board considered that further debt financing would increase the Group's interest burden and subject it to strict financial covenants and repayment obligations. As for other equity fundraising options, such as placing of new Shares, it would lead to an immediate dilution of the shareholding interests of the existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is contrary to the intention of the Company. As for open offer, although it is similar to a rights issue in offering qualifying shareholders the opportunity to participate, it does not allow for the trading of rights entitlements in the open market.

Having considered all the other fund-raising alternatives, the Directors are of the view that the Rights Issue is in the best interests of the Company and the Shareholders as a whole, and that it is an appropriate fund-raising method to strengthen the capital base of the Company and support the Company's continuing business development and growth.

FUND RAISING ACTIVITIES INVOLVING ISSUE OF EQUITY SECURITIES IN THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activities involving issue of its equity securities in the past 12 months immediately preceding the Latest Practicable Date.

CHANGE IN SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company, which are for illustration purposes only, (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue assuming all Qualifying Shareholders have taken up their entitled Rights Shares in full and there are no changes in the share capital of the Company on or before the Record Date; and (iii) immediately after completion of the Rights Issue assuming no subscription by the Qualifying Shareholders, all the Placing Shares are placed to Independent Placees under the Placing, and there are no changes in the share capital of the Company on or before the Record Date:

Shareholders	As at the Latest Practicable Date		Upon the completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders under Rights Issue		Upon the completion of the Rights Issue assuming (a) no subscription by the Qualifying Shareholders; and (b) all the Placing Shares are placed to Independent Third Parties under the Placing	
	No. of issued shares	*Approximate % of total no. of Shares in issue*	*No. of issued shares*	*Approximate % of total no. of Shares in issue*	*No. of issued shares*	*Approximate % of total no. of Shares in issue*
Substantial Shareholder						
Hellobaby International *(Note 1)*	132,240,000	29.00%	528,960,000	29.00%	132,240,000	7.25%
Public shareholders						
Independent Placees *(Note 2)*	—	—	—	—	1,368,000,000	75.00%
Other public Shareholders	323,760,000	71.00%	1,295,040,000	71.00%	323,760,000	17.75%
Total	456,000,000	100.00%	1,824,000,000	100.00%	1,824,000,000	100.00%

Notes:

(1) Hellobaby International is a company incorporated in British Virgin Islands with limited liability, which is wholly owned by Mr. Liu Qiang.

(2) No Independent Placee will, together with any party acting in concert with it, hold 10% or more of the voting rights of the Company immediately upon completion of the Placing, and the Placing Shares placed to the Placee(s), being Independent Third Parties, will be counted towards the public float of the Company.

(3) The above percentage figures are subject to rounding adjustments. Accordingly, figures shown as total may not be an arithmetic aggregation of the figures preceding it.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

LISTING RULES IMPLICATIONS

As the Rights Issue will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to the approval of the Independent Shareholders at the EGM by way of poll, in accordance with Rule 7.19A of the Listing Rules.

Pursuant to Rule 7.27A(1) of the Listing Rules, where Independent Shareholders' approval is required for a rights issue under Rule 7.19A of the Listing Rules, the Rights Issue must be made conditional on approval by the Shareholders in general meeting by a resolution on which any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour to approve the Rights Issue at the EGM.

As at the date of the EGM, Colour Shine, being a company incorporated in British Virgin Islands with limited liability and wholly owned by Mr. He Xiaoming, was interested in 171,660,000 Shares, representing approximately 37.64% of the issued share capital of the Company. Accordingly, Colour Shine and Mr. He Xiaoming have abstained from voting in favour of the resolution approving the Rights Issue at the EGM.

At the EGM held 14 September 2026, the resolution approving, among other things, the Rights Issue (including the Placing Agreement) and the transactions contemplated thereunder was duly passed by the Independent Shareholders by way of poll, details of which were disclosed in the poll results announcement of the Company dated 14 September 2026.

The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

ADDITIONAL INFORMATION

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

By order of the Board
Yuk Wing Group Holdings Limited
Li Kai Lai Miranda
Executive Director

A. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three years ended 31 March 2024, 2025 and 2026 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.yukwing.com), respectively:

(i) the audited consolidated financial information of the Group for the year ended 31 March 2024 is disclosed in the annual report of the Company for the year ended 31 March 2024 published on 16 July 2024, from pages 56 to 147 (https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0716/2024071600228.pdf);

(ii) the audited consolidated financial information of the Group for the year ended 31 March 2025 is disclosed in the annual report of the Company for the year ended 31 March 2025 published on 29 July 2025, from pages 55 to 147 (https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0729/2025072900887.pdf); and

(iii) the audited consolidated financial information of the Group for the year ended 31 March 2026 is disclosed in the annual report of the Company for the year ended 31 March 2026 published on 30 July 2026, from pages 56 to 147 (https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0730/2026073000814.pdf).

B. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 July 2026, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this prospectus, the Group had the following indebtedness:

	Approximate *HK$'000*
Lease liabilities, secured and unguaranteed	7,701
Bank borrowing, secured	11,577
Other borrowing, unsecured and unguaranteed	6,000
Total indebtedness	25,278

Lease liabilities, secured and unguaranteed

As at 31 July 2026, the Group, as a lessee, had lease liabilities with outstanding principal amount of approximately HK$7.7 million, which were secured by rental deposits. The incremental borrowing rates applied to the lease liabilities ranged from 5.0% to 5.63%.

Bank borrowing, secured

As at 31 July 2026, the Group's bank borrowings of approximately HK$11.6 million was secured by an investment property owned by Anhui Runsheng and carried interest at 3.55%.

Other borrowing, unsecured and unguaranteed

As at 31 July 2026, the Group's other borrowings of approximately HK$6 million was unsecured and carried interest at 1% per annum.

Charges on the Group's assets

As at 31 July 2026, a property owned by Anhui Runsheng was pledged to a bank to secure a personal banking facility granted to a shareholder of Anhui Runsheng. The outstanding principal amount secured by the said property was approximately RMB3.8 million as at 31 July 2026.

Save as disclosed above, and apart from intra-group liabilities and normal accounts payables in the ordinary course of business of the Group, as at 31 July 2026, being the latest practicable date for the purpose of preparing this statement of indebtedness, the Group did not have any debt securities issued and outstanding, or authorised or otherwise created but unissued, any other term loans, any other borrowings or indebtedness in the nature of borrowing (including but not limited to bank overdrafts and liabilities under acceptance (other than normal trade bills)), acceptance credits, finance lease or hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, any other mortgages and charges or any other material contingent liabilities or guarantees.

C. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, taking into account the financial resources available to the Group and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for its present requirements, and for at least twelve months from the date of this prospectus.

D. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Company since 31 March 2026, being the date to which the latest published audited consolidated financial statements were made up.

E. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in (i) the manufacturing and trading of down-the-hole ("**DTH**") rockdrilling tools; and (ii) the trading of piling and drilling machineries and rockdrilling equipment, providing comprehensive technical rockdrilling solutions for building foundations, piling, mining, quarrying, water well drilling, utility linings, micro-tunneling and overburden drilling across a wide range of geological conditions and depths. The Group's self-designed and manufactured products comprise DTH hammers, casing systems and other products including button bits and bit openers, as well as its newly developed drill pipes, cluster drills and casing tubes. The Group's products serve as critical consumables in the foundation and infrastructure works of the construction value chain, and Hong Kong remains the Group's principal market, contributing approximately HK$169.0 million, or approximately 94.8%, of the Group's total revenue for the year ended 31 March 2026.

For the year ended 31 March 2026, the Group recorded revenue of approximately HK$178.2 million, representing a decrease of approximately 17.9% as compared with approximately HK$217.1 million for the year ended 31 March 2025. The Board considers that the decrease was primarily attributable to the sluggish market environment and the reduction in the number of rockdrilling projects available in the Hong Kong market during the year, coupled with a competitive pricing environment in both the Hong Kong and the PRC markets, which resulted in lower demand for the Group's products. In particular, revenue derived from the PRC market decreased significantly from approximately HK$15.1 million to approximately HK$3.8 million during the year.

Notwithstanding the decrease in revenue, the Group's gross profit margin improved to approximately 22.7% for the year ended 31 March 2026 (2025: approximately 20.2%), reflecting changes in product mix and the Group's pricing strategy. In addition, management adopted a disciplined approach to cost control, as a result of which the Group's administrative expenses decreased by approximately 15.6% to approximately HK$38.2 million (2025: approximately HK$45.3 million) and its selling and distribution expenses decreased by approximately 12.3% to approximately HK$10.0 million (2025: approximately HK$11.4 million). Together with a lower level of impairment recognised during the year, the Group's net loss narrowed to approximately HK$4.1 million for the year ended 31 March 2026, as compared with a net loss of approximately HK$12.2 million for the year ended 31 March 2025. These results demonstrate management's agility in safeguarding the Group's bottom line amidst a challenging operating environment.

As at the Latest Practicable Date, the Group had unaudited cash and cash equivalents of approximately HK$67.6 million (including RMB17.5 million (equivalent to approximately HK$20.3 million) to be utilised for the settlement of part of the consideration of the Acquisition) and maintained a gearing ratio of approximately 19.9%. While the Board considers the Group's financial position to be stable, it is mindful that a substantial portion of the Group's cash resources will be applied towards the settlement of the consideration for the Acquisition, and that additional funding will be required to develop the Group's business in the PRC as described in this Prospectus.

Looking ahead, the Board maintains a cautious stance regarding the near-term outlook of the Hong Kong construction market, which continues to be affected by the uncertain economic environment. Demand for the Group's DTH rockdrilling tools is closely correlated with the pipeline of foundation, piling and infrastructure projects, and the Board expects that the continued rollout of public infrastructure initiatives in Hong Kong will, over the medium to long term, underpin demand for foundation and drilling works. At the same time, the Group remains committed to the mainland China market and intends to rebuild and strengthen its footprint in the PRC region, where ongoing investment in infrastructure, mining and water resource projects is anticipated to generate steady demand for rockdrilling consumables.

Against this backdrop, the Board is of the view that the Group's historical reliance on a single production base in Hong Kong has constrained its ability to serve the PRC market cost-effectively. The establishment of a dedicated production and logistics base in the PRC, through the Acquisition and the Group's proposed capital investment in Anhui Runsheng as described in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" in this Prospectus, therefore represents a natural and necessary step for the Group to capture regional demand, shorten delivery lead times and improve its cost competitiveness.

Leveraging its established market reputation, experienced management team and technical know-how, the Group remains confident in its ability to navigate the current market uncertainties, capture emerging demand, and deliver sustainable long-term value to its Shareholders.

HISTORICAL FINANCIAL INFORMATION OF ANHUI RUNSHENG

Preparation of Historical Financial Information

The following historical financial information (the "**Historical Financial Information**") of Anhui Runsheng for the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2026 (the "**Track Record Period**") and material accounting policy information and other explanatory information has been prepared by the directors of Anhui Runsheng in accordance with accounting policies which conform with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. It is presented in Renminbi and, unless otherwise indicated, rounded to the nearest thousand (RMB'000).

The figures are consistent with those included in the accountants' report on Anhui Runsheng set out in Appendix II to the Company's circular dated 15 July 2026.

A. STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 December			For the four months ended 30 April	
		2023	2024	2025	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
					(Unaudited)	
Revenue	*7*	305	1,458	2,361	704	1,089
Property direct costs		(337)	(610)	(655)	(155)	(171)
Other income	*8*	3	1	263	2	3
Fair value changes on investment property		(3,200)	(4,300)	(1,589)	(398)	(574)
Provision for expected credit loss ("**ECL**") on accounts receivables		(4)	(67)	(225)	(19)	(41)
Administrative expenses		(503)	(895)	(1,134)	(571)	(431)
Loss from operations		(3,736)	(4,413)	(979)	(437)	(125)
Finance costs	*9*	—	—	(303)	(90)	(102)
Loss before tax		(3,736)	(4,413)	(1,282)	(527)	(227)
Income tax credit/(expense)	*10*	208	483	(195)	(49)	(5)
Loss and total comprehensive loss for the year/period	*11*	(3,528)	(3,930)	(1,477)	(576)	(232)

B. STATEMENTS OF FINANCIAL POSITION

		Year ended 31 December			At 30 April
		2023	2024	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets					
Property, plant and equipment	*14*	467	155	144	136
Investment property	*15*	77,500	73,200	71,900	72,000
		77,967	73,355	72,044	72,136
Current assets					
Accounts and bills receivables	*16*	36	620	701	1,065
Other receivables	*17*	135	70	81	225
Bank and cash balances	*18*	192	259	801	401
		363	949	1,583	1,691
Current liabilities					
Accruals and other payables	*19*	4,514	3,146	3,435	3,151
Amounts due to shareholders	*20*	59,918	61,673	51,989	52,700
Financial guarantee contract	*21*	—	—	38	38
		64,432	64,819	55,462	55,889
Net current liabilities		(64,069)	(63,870)	(53,879)	(54,198)
Total assets less current liabilities		13,898	9,485	18,165	17,938
Non-current liabilities					
Bank borrowings, secured	*22*	—	—	10,000	10,000
Deferred tax liabilities	*23*	3,287	2,804	2,999	3,004
		3,287	2,804	12,999	13,004
Net assets		10,611	6,681	5,166	4,934
Capital and reserves					
Share capital	*24*	5,000	5,000	5,000	5,000
Reserves		5,611	1,681	166	(66)
Total equity		10,611	6,681	5,166	4,934

C. STATEMENTS OF CHANGES IN EQUITY

	Share capital	Retained profits/ (Accumulated losses)	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	5,000	9,139	14,139
Loss and total comprehensive loss for the year	—	(3,528)	(3,528)
At 31 December 2023 and 1 January 2024	5,000	5,611	10,611
Loss and total comprehensive loss for the year	—	(3,930)	(3,930)
At 31 December 2024 and 1 January 2025	5,000	1,681	6,681
Distribution to a shareholder arising from financial guarantee contract	—	(38)	(38)
Loss and total comprehensive loss for the year	—	(1,477)	(1,477)
At 31 December 2025 and 1 January 2026	5,000	166	5,166
Loss and total comprehensive loss for the period	—	(232)	(232)
At 30 April 2026	5,000	(66)	4,934

	Share capital	Retained profits	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2025	5,000	1,681	6,681
Loss and total comprehensive loss for the period (unaudited)	—	(576)	(576)
At 30 April 2025 (unaudited)	5,000	1,105	6,105

D. STATEMENTS OF CASH FLOWS

		Year ended 31 December			For the four months ended 30 April	
		2023	**2024**	**2025**	**2025**	**2026**
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Cash flows from operating activities						
Loss before tax		(3,736)	(4,413)	(1,282)	(527)	(227)
Adjustments for:						
Finance costs	*9*	—	—	303	90	102
Depreciation of property, plant and equipment	*14*	46	21	23	8	8
Fair value changes on investment property	*15*	3,200	4,300	1,589	398	574
Provision for ECL on accounts receivables	*16*	4	67	225	19	41
Operating (loss)/profit before working capital changes		(486)	(25)	858	(12)	498
Increase in accounts and bills receivables		(40)	(651)	(306)	(17)	(405)
(Increase)/decrease in other receivables		(135)	65	(11)	(136)	(144)
(Decrease)/increase in accruals and other payables		(2,112)	(1,368)	298	999	(111)
Net cash (used in)/generated from operating activities		(2,773)	(1,979)	839	834	(162)
Cash flows from investing activities						
Proceeds from disposal of property, plant and equipment		—	310	—	—	—
Payment in respect of the investment property		—	—	(298)	—	(847)
Purchase of property, plant and equipment		(407)	(19)	(12)	(11)	—
Net cash (used in)/generated from investing activities		(407)	291	(310)	(11)	(847)

		Year ended 31 December			For the four months ended 30 April	
		2023	2024	2025	2025	2026
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
					(Unaudited)	
Cash flows from financing activities						
Bank borrowings raised		—	—	10,000	10,000	—
Advance from shareholders		3,143	1,755	—	—	711
Repayment to shareholders		—	—	(9,684)	(10,520)	—
Interest paid		—	—	(303)	(90)	(102)
Net cash generated from/(used in) financing activities		3,143	1,755	13	(610)	609
Net (decrease)/increase in cash and cash equivalents		(37)	67	542	213	(400)
Cash and cash equivalents at beginning of year/period		229	192	259	259	801
Cash and cash equivalents at end of year/period		192	259	801	472	401
Analysis of cash and cash equivalents						
Bank and cash balances	*18*	192	259	801	472	401

E. NOTES TO THE FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Anhui Runsheng was established in the People's Republic of China (the "**PRC**") with limited liability under the Company Law of the PRC on 14 September 2015. The address of its registered office and principal place of business is Building 2, Comprehensive Building, Electric Power Equipment R&D and Production Base, No. 558 Tanghe Road, Xinzhan District, Hefei City, Anhui Province, the PRC.

The Anhui Runsheng is principally engaged in provision of warehouse services, while concurrently leasing its investment property to generate rental income in the PRC.

2. BASIS OF PREPARATION AND PRESENTATION

The Historical Financial Information has been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). HKFRS Accounting Standards comprise all applicable Hong Kong Financial Reporting Standards ("**HKFRS**"), Hong Kong Accounting Standards ("**HKAS**") and Interpretations. The Historical Financial Information also complies with the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and the disclosure requirements of the Hong Kong Companies Ordinance. Material accounting policies information adopted by the Anhui Runsheng are disclosed in note 4.

Going concern assumption

As at 30 April 2026, the Anhui Runsheng had net current liabilities of approximately RMB54,198,000 and the Anhui Runsheng had incurred a loss of approximately RMB232,000 for the four months ended 30 April 2026. In light of the relative low balance of cash and cash equivalents, significant amount of short-term obligations to be settled within next twelve months and the potential cash outflows arising from the financial guarantees issued, together with uncertainties surrounding the Anhui Runsheng's ability to generate sufficient operating cash flows, these events or conditions indicate the existence of material uncertainty that may cast significant doubt on the Anhui Runsheng's ability to continue as a going concern. Therefore, the Anhui Runsheng maybe unable to realise its assets and discharge its liabilities in the normal course of business.

The directors of the Anhui Runsheng have prepared the Historical Financial Information on a going concern basis on the ground that: (i) the directors and shareholders of the Anhui Runsheng have agreed to continue to support the Anhui Runsheng by providing adequate financial assistance and committed to providing adequate funds for the Anhui Runsheng to meet its debts over the subsequent 12 months starting from 30 April 2026 and (ii) the shareholders of the Anhui Runsheng have agreed not to demand the repayment of amounts due to shareholders of approximately RMB52,700,000 as at 30 April 2026, until the Anhui Runsheng is in a position to do so. The amounts due are unsecured, interest-free and repayable on demand as at 30 April 2026.

3. ADOPTION OF NEW AND AMENDMENTS HKFRS ACCOUNTING STANDARDS

(a) Application of new and amendments HKFRS Accounting Standards

For the purpose of preparing and presenting the Historical Financial Information for the Track Record Period, the Anhui Runsheng has adopted all the new and amendments HKFRS Accounting Standards issued by the HKICPA that are effective for its accounting period beginning on 1 January 2026, together with the relevant provision, throughout the Track Record Period.

3. ADOPTION OF NEW AND AMENDMENTS HKFRS ACCOUNTING STANDARDS (CONTINUED)

(b) New and amendments HKFRS Accounting Standards issued but not yet effective

Up to the date of issue of the Historical Financial Information, the HKICPA has issued a number of new and amendments to HKFRSs which are not yet effective for its accounting period beginning on 1 January 2026 and which have not been adopted in the Historical Financial Information. These new and amendments include the following which may be relevant to the Anhui Runsheng.

	Effective for accounting periods beginning on or after
Amendment to HKAS 21 — Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18 — Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 — Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Anhui Runsheng anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the Historical Financial Information in the foreseeable future.

HKFRS 18 "Presentation and Disclosure in Financial Statements"

HKFRS 18 will replace HKAS 1 "Presentation of financial statements", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Anhui Runsheng present and disclose financial performance in the financial statements.

The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities' net profit will not change.

- Management-defined performance measures ("**MPMs**") are disclosed in a single note in the financial statements.

- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

3. ADOPTION OF NEW AND AMENDMENTS HKFRS ACCOUNTING STANDARDS (CONTINUED)

(b) New and amendments HKFRS Accounting Standards issued but not yet effective (Continued)

The directors of Anhui Runsheng is currently assessing the impact of HKFRS 18, with respect to the structure of the Anhui Runsheng's statement of loss, the statements of cash flows and the additional disclosures required for MPMs. The Anhui Runsheng is also assessing the impact on how information is grouped in the financial statements. Preliminary assessments indicate the following key impacts:

- The Anhui Runsheng will need to reclassify certain income and expense items (e.g., interest income on certain investments and foreign exchange gains/losses) into the new categories, namely investing and financing categories.

- The Anhui Runsheng will disclose certain MPMs (e.g., adjusted operating profits and adjusted profit before interest, tax and depreciation) in the financial statement. Under HKFRS 18, this will likely require additional disclosure for the MPMs within the notes to the financial statements.

- The Statement of Cash Flows will also be impacted, as the operating profit subtotal will be the required starting point for the indirect method.

Retrospective application is required and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

4. MATERIAL ACCOUNTING POLICY INFORMATION

These Historical Financial Information has been prepared under the historical cost convention, expect for investment property which measured at fair value.

The preparation of the Historical Financial Information in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Anhui Runsheng's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in note 5.

The material accounting policy information applied in the preparation of Historical Financial Information are set out below.

(a) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Anhui Runsheng and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their costs less their residual values over their estimated useful lives, as follows:

Motor vehicles	10%
Furniture, fixtures and equipment	2%–19%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Investment property

Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment property are carried at fair value, representing open market value determined by directors of the Anhui Runsheng at the end of each reporting period taking into account any available valuation results performed by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Anhui Runsheng uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the statement of profit or loss as a separate line item.

(c) Leases

At inception of a contract, the Anhui Runsheng assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

When the Anhui Runsheng acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

(d) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Anhui Runsheng entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The Anhui Runsheng derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Anhui Runsheng neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred assets, the Anhui Runsheng recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Anhui Runsheng retains substantially all the risks and rewards of ownership of a transferred financial asset, the Anhui Runsheng continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Anhui Runsheng derecognises financial liabilities when, and only when, the Anhui Runsheng's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Debt instruments

Debt instruments held by the Anhui Runsheng are classified into amortised cost, if the instrument is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the instrument is calculated using the effective interest method.

(f) Accounts and other receivables

A receivable is recognised when the Anhui Runsheng has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Anhui Runsheng has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand. Cash and cash equivalents are assessed for ECL.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of financial liability and an equity instrument under HKFRS Accounting Standards. An equity instrument is any contract that evidences a residual interest in the assets of the Anhui Runsheng after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless at the end of the reporting period, the Anhui Runsheng has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Anhui Runsheng is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Anhui Runsheng is required to comply with after the reporting period do not affect the classification at the reporting date.

(ii) Other payables

Other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(iii) Equity instruments

An equity instruments in any contract that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Anhui Runsheng are recorded at the proceeds received, net of direct issue costs.

(i) Revenue recognition

Rental income from operating leases where the Anhui Runsheng is a lessor is recognised in revenue on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as rental income.

(j) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave is recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Employee benefits (Continued)

(ii) Pension obligations

The Anhui Runsheng contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Anhui Runsheng and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Anhui Runsheng to the funds.

(k) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profits for the year. Taxable profits differ from profit recognised in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Anhui Runsheng's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the Track Record Period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit and at the time of transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Anhui Runsheng is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Anhui Runsheng expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(l) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the statement of profit or loss to its estimated recoverable amount unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

Value in use is the present value of the estimated future cash flows of the asset/cash- generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/cash-generating unit whose impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the cash-generating unit. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(m) Impairment of financial assets

The Anhui Runsheng recognises a loss allowance for ECLs on accounts and bills receivables. The amount of ECLs is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

For all other financial instruments, the Anhui Runsheng recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Anhui Runsheng measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the ECLs that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Anhui Runsheng compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Anhui Runsheng considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Anhui Runsheng's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Anhui Runsheng's core operations.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(m) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

— an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

— significant deterioration in external market indicators of credit risk for a particular financial instrument;

— existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

— an actual or expected significant deterioration in the operating results of the debtor;

— significant increases in credit risk on other financial instruments of the same debtor; and

— an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Anhui Runsheng presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Anhui Runsheng has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Anhui Runsheng assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(i) The financial instrument has a low risk of default;

(ii) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and

(iii) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Anhui Runsheng considers a financial asset to have low credit risk when the asset has an internal rating of ''performing''. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Anhui Runsheng regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(m) Impairment of financial assets (Continued)

Definition of default

The Anhui Runsheng considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

— when there is a breach of financial covenants by the counterparty; or

— information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Anhui Runsheng, in full (without taking into account any collaterals held by the Anhui Runsheng).

Irrespective of the above analysis, the Anhui Runsheng considers that default has occurred when a financial asset is more than 90 days past due unless the Anhui Runsheng has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

— significant financial difficulty of the issuer or the counterparty;

— a breach of contract, such as a default or past due event;

— the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;

— it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or

— the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Anhui Runsheng writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Anhui Runsheng's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(m) Impairment of financial assets (Continued)

Measurement and recognition of ECL

The measurement of ECLs is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Anhui Runsheng in accordance with the contract and all the cash flows that the Anhui Runsheng expects to receive, discounted at the original effective interest rate.

If the Anhui Runsheng has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Anhui Runsheng measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Anhui Runsheng recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

(n) Financial guarantee contract

The financial guarantee contract is initially recognised as a liability at fair value. When the financial guarantee contract is made to the shareholder of the Anhui Runsheng, the corresponding is recognised directly in equity. Subsequent to initial recognition, the Anhui Runsheng measures the financial guarantee contracts at the higher of (i) the amount of the loss allowance determined in accordance with HKFRS 9; and (ii) the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15.

(o) Event after the reporting period

Events after the reporting period that provide additional information about the Anhui Runsheng's position at the end of the reporting period are adjusting events and are reflected in the Historical Financial Information. Events after the reporting period that are not adjusting events are disclosed.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY ESTIMATES

In the application of the Anhui Runsheng's accounting policies, the directors of the Anhui Runsheng are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors of the Anhui Runsheng have made the following judgements that have the most significant effect on the amounts recognised in the Historical Financial Information (apart from those involving estimations which are dealt with below).

Going concern basis

The assessment of the going concern assumptions involves making judgements by the directors of the Anhui Runsheng, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Anhui Runsheng consider that the Anhui Runsheng has ability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt about the going concern assumptions are set out in note 2.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each Track Record Period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Fair value of investment property

Investment property are stated at fair values in accordance with the Anhui Runsheng's accounting policies. The fair values of investment property are determined by independent professional qualified valuers, Peak Vision Appraisals Limited ("**Peak Vision**"), who hold recognised relevant professional qualification. Such valuations were based on certain assumptions and estimations, which were subject to uncertainties and might materially differ from actual results. In making these assumptions and estimations, reasonable consideration has been given to the underlying assumptions based on market rent existing at the end of the reporting period. These estimates are regularly compared to available market information for similar type of properties in nearby locations.

As at 31 December 2023, 2024, 2025 and 30 April 2026, the carrying amounts of the Anhui Runsheng's investment property were approximately RMB77,500,000, RMB73,200,000, RMB71,900,000 and RMB72,000,000 with the fair value losses on investment property of approximately RMB3,200,000, RMB4,300,000, RMB1,589,000 and RMB574,000 recognised respectively.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY ESTIMATES (CONTINUED)

(b) Estimated impairment of accounts receivables

The measurement of impairment losses under general approach under HKFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

At the end of each Track Record Period, the Anhui Runsheng assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The directors of Anhui Runsheng considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information such as the Anhui Runsheng's past history, existing market conditions as well as forward-looking estimates.

As at 31 December 2023, 2024, 2025 and 30 April 2026, the carrying amounts of accounts receivables were approximately RMB36,000, RMB620,000, RMB701,000 and RMB929,000, net of impairment loss of approximately RMB4,000, RMB71,000, RMB296,000 and RMB337,000 respectively.

6. FINANCIAL RISK MANAGEMENT

The Anhui Runsheng's activities expose it to a variety of financial risks: credit risk, liquidity risk and interest rate risk. The Anhui Runsheng's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Anhui Runsheng's financial performance.

(a) Credit Risk

Credit risk refers to the risk that the Anhui Runsheng's counterparties default on their contractual obligations resulting in financial losses to the Anhui Runsheng. The Anhui Runsheng's credit risk exposures are primarily attributable to accounts and bills receivables and cash and bank balance. The Anhui Runsheng does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets and financial guarantee contracts. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

i) Accounts receivables

In respect of credit exposures to tenants, which include accounts receivables, the Anhui Runsheng maintains a defined credit policy including stringent credit evaluation. In addition to the payment of rental deposits, tenants are required to pay monthly rents in respect of leased properties in advance. Receivables are regularly reviewed and closely monitored to minimises any associated credit risk.

Expected loss rates are based on actual loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Anhui Runsheng's view of economic conditions over the expected lives of the accounts receivables.

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit Risk (Continued)

i) Accounts receivables (Continued)

The Anhui Runsheng has concentration of credit risk in certain individual customers. As at 31 December 2023, 2024, 2025 and 30 April 2026, approximately 100%, 54%, 40% and 37% of total accounts receivables were concentrated in the largest customer of the Anhui Runsheng, and approximately 100%, 100%, 63% and 62% of the total accounts receivables were concentrated in five largest customers of the Anhui Runsheng.

The following table provides information about the Anhui Runsheng's exposure to credit risk and ECL allowance for accounts receivables, based on invoice date:

	As at 30 April 2026			
	Expected loss rate	**Gross carrying amount**	**Loss allowance**	**Net carry amount**
	%	*RMB'000*	*RMB'000*	*RMB'000*
1–30 days	1.9%	52	(1)	51
31–60 days	2.3%	132	(3)	129
61–90 days	7.1%	28	(2)	26
Over 90 days	31.4%	1,054	(331)	723
		1,266	(337)	929

	As at 31 December 2025			
	Expected loss rate	**Gross carrying amount**	**Loss allowance**	**Net carry amount**
	%	*RMB'000*	*RMB'000*	*RMB'000*
1–30 days	1.9%	52	(1)	51
31–60 days	2.3%	88	(2)	86
61–90 days	6.7%	15	(1)	14
Over 90 days	34.7%	842	(292)	550
		997	(296)	701

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit Risk (Continued)

i) Accounts receivables (Continued)

	As at 31 December 2024			
	Expected loss rate	**Gross carrying amount**	**Loss allowance**	**Net carry amount**
	%	*RMB'000*	*RMB'000*	*RMB'000*
1–30 days	1.9%	52	(1)	51
31–60 days	—	—	—	—
61–90 days	5.3%	76	(4)	72
Over 90 days	11.7%	563	(66)	497
		691	(71)	620

	As at 31 December 2023			
	Expected loss rate	**Gross carrying amount**	**Loss allowance**	**Net carry amount**
	%	*RMB'000*	*RMB'000*	*RMB'000*
Over 90 days	10%	40	(4)	36

Movement in the loss allowance for accounts receivables during the Track Record Period is as follows:

	Total
	RMB'000
At 1 January 2023	—
Impairment losses recognised for the year	4
At 31 December 2023 and 1 January 2024	4
Impairment losses recognised for the year	67
At 31 December 2024 and 1 January 2025	71
Impairment losses recognised for the year	225
At 31 December 2025 and 1 January 2026	296
Impairment losses recognised for the period	41
At 30 April 2026	337

	Total
	RMB'000
At 1 January 2025	71
Impairment losses recognised for the period (unaudited)	19
At 30 April 2025 (unaudited)	90

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit Risk (Continued)

ii) Bank and cash balances

The Anhui Runsheng's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with high credit-rating assigned by international credit-rating agencies, for which the Anhui Runsheng considers to have low credit risk.

(b) Liquidity Risk

The Anhui Runsheng's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The Anhui Runsheng is exposed to liquidity risk as set out in note 2 and the directors of the Anhui Runsheng are of the opinion that the Anhui Runsheng will have sufficient working capital to fulfil its financial obligations as and when they fall due at least the coming twelve months from the date of approval of these Historical Financial Information and the details of which are set out in note 2.

The following table details the maturity analysis of the Anhui Runsheng's financial liabilities, based on contractual undiscounted cash flows at the end of each Track Record Period:

	On demand or less than 1 year	Between 1 and 2 years	Total undiscounted cash flow	Total carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 30 April 2026				
Accruals and other payables	3,151	—	3,151	3,151
Amounts due to shareholders	52,700	—	52,700	52,700
Financial guarantee contract *(note)*	3,800	—	3,800	3,800
Bank borrowings	315	10,210	10,525	10,000
	59,966	10,210	70,176	69,651

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity Risk (Continued)

	On demand or less than 1 year *RMB'000*	Between 1 and 2 years *RMB'000*	Total undiscounted cash flow *RMB'000*	Total carrying amount *RMB'000*
At 31 December 2025				
Accruals and other payables	3,435	—	3,435	3,435
Amounts due to shareholders	51,989	—	51,989	51,989
Financial guarantee contract *(note)*	3,800	—	3,800	3,800
Bank borrowings	313	10,315	10,628	10,000
	59,537	10,315	69,852	69,224

	On demand or less than 1 year *RMB'000*	Between 1 and 2 years *RMB'000*	Total undiscounted cash flow *RMB'000*	Total carrying amount *RMB'000*
At 31 December 2024				
Accruals and other payables	3,146	—	3,146	3,146
Amounts due to shareholders	61,673	—	61,673	61,673
	64,819	—	64,819	64,819

	On demand or less than 1 year *RMB'000*	Between 1 and 2 years *RMB'000*	Total undiscounted cash flow *RMB'000*	Total carrying amount *RMB'000*
At 31 December 2023				
Accruals and other payables	4,514	—	4,514	4,514
Amounts due to shareholders	59,918	—	59,918	59,918
	64,432	—	64,432	64,432

Note: The amounts included above for financial guarantee issued are the maximum amounts the Anhui Runsheng could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the directors of the Anhui Runsheng considers that it is more likely than no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee if the receivables held by the counterparty which are guaranteed suffer credit losses.

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Interest Rate Risk

The Anhui Runsheng's interest rate risk is mainly concentrated on the fluctuation of Loan Prime Rate published by The People's Bank of China arising from the Anhui Runsheng's bank borrowings carried floating interest rates.

The Anhui Runsheng is also exposed to cash flow interest-rate risk arises from its bank deposits. These bank deposits bear interest at floating rates that varied with the prevailing market condition.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point increase or decrease in variable-rate bank borrowings are used represents management's assessment of the reasonably possible change in interest rates. Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Anhui Runsheng's post-tax loss for the years ended 31 December 2023, 2024, 2025 and the four months ended 30 April 2026 would decrease/increase by approximately Nil, Nil, RMB4,000 and RMB1,000 respectively.

(d) Categories of Financial Instruments

	At 31 December			At 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets:				
Financial assets at amortised cost				
Accounts and bills receivables	36	620	701	1,065
Other receivables	135	70	81	225
Bank balances and cash	192	259	801	401
	363	949	1,583	1,691
Financial liabilities:				
Financial liabilities at amortised cost				
Accruals and other payables	4,514	2,919	3,318	3,064
Amounts due to shareholders	59,918	61,673	51,989	52,700
Bank borrowings, secured	—	—	10,000	10,000
	64,432	64,592	65,307	65,764

6. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Fair Values

The carrying amounts of the Anhui Runsheng's financial assets and financial liabilities as reflected in the statements of financial position approximate their respective fair values at the end of each Track Record Period.

7. REVENUE

The Anhui Runsheng's revenue is as follows:

	Year ended 31 December			For the four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Lease contracts					
Rental income	305	1,458	2,361	704	1,089

Revenue from customers from lease contracts within the scope of HKFRS 16 for the years/period individually contributing over 10% of the total revenue of the Anhui Runsheng is as follows:

	Year ended 31 December			For the four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Customer A	305	645	645	215	215
Customer B	—	N/A*	363	121	121
Customer C	—	—	354	118	118
Customer D	—	453	N/A*	—	149
Customer E	—	—	323	N/A*	152

*: *The revenue from this customer is less than 10% of the Anhui Runsheng's total revenue for the respective year/period.*

8. OTHER INCOME

	Year ended 31 December			For the four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Compensation for early termination of tenancy agreement	—	—	260	—	—
Sundry income	3	1	3	2	3
	3	1	263	2	3

9. FINANCE COSTS

	Year ended 31 December			For the four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(Unaudited)	
Interests on bank borrowings	—	—	303	90	102

10. INCOME TAX CREDIT/(EXPENSE)

	Year ended 31 December			For the four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(Unaudited)	
Deferred tax *(note 23)*	208	483	(195)	(148)	(5)
Income tax credit/(expense)	208	483	(195)	(49)	(5)

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the statutory tax rate of the Anhui Runsheng is 25% for the Track Record Period.

The reconciliation between the income tax (credit)/expense and the product of loss before tax multiplied by the statutory tax rates is as follows:

	Year ended 31 December			For the four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
				(Unaudited)	
Loss before tax	(3,736)	(4,413)	(1,282)	(527)	(227)
Tax at the PRC Enterprise Income Tax rate (25%)	(934)	(1,103)	(321)	(132)	(57)
Tax effect of tax loss not recognised	726	620	516	181	62
Income tax (credit)/expense	(208)	(483)	195	49	5

Details of the deferred taxation are set out in note 23 to the Historical Financial Information.

11. LOSS FOR THE YEAR/PERIOD

The Anhui Runsheng's loss for the year/period is arrived at after charging:

	Year ended 31 December			For the four months ended 30 April	
	2023	**2024**	**2025**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Auditor's remuneration	—	—	—	—	—
Property direct cost	337	610	655	155	171
Depreciation on property, plant and equipment *(note 14)*	46	21	23	8	8
Employee benefits expense (including directors' emoluments) *(note 12)*:					
Salaries, bonuses and allowances	282	326	497	178	153
Retirement benefits scheme contributions	25	41	36	12	12

12. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

		Year ended 31 December			For the four months ended 30 April	
		2023	**2024**	**2025**	**2025**	**2026**
	Notes	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Salaries, bonuses and allowances		282	326	497	178	153
Retirement benefits scheme contributions	*(a)*	25	41	36	12	12
	(b)	307	367	533	190	165

(a) Retirement benefits scheme contributions

The employees of the Anhui Runsheng in the PRC are members of a central pension scheme operated by the local municipal government. The Anhui Runsheng is required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of the Anhui Runsheng. The only obligation of the Anhui Runsheng with respect to the central pension scheme is to meet the required contributions under the scheme.

No forfeited contribution under the central pension scheme as a defined contribution scheme is available to reduce the contribution payable in future years.

12. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(b) Directors' remuneration and other benefit

Directors' emoluments paid or payable disclosed pursuant to section 383 of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended 31 December 2023

	Salaries, bonuses and allowances *RMB'000*	Retirement benefits scheme contributions *RMB'000*	Total emoluments *RMB'000*
Directors			
Mr. He Zhangxiang	55	9	64
Mr. He Xuebing	50	7	57
	105	16	121

For the year ended 31 December 2024

	Salaries, bonuses and allowances *RMB'000*	Retirement benefits scheme contributions *RMB'000*	Total emoluments *RMB'000*
Directors			
Mr. He Zhangxiang	42	12	54
Mr. He Xuebing	33	5	38
	75	17	92

For the year ended 31 December 2025

	Salaries, bonuses and allowances *RMB'000*	Retirement benefits scheme contributions *RMB'000*	Total emoluments *RMB'000*
Directors			
Mr. He Zhangxiang	60	12	72
Mr. He Xuebing	60	—	60
	120	12	132

12. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(b) Directors' remuneration and other benefit (Continued)

For the four months ended 30 April 2026

	Salaries, bonuses and allowances *RMB'000*	Retirement benefits scheme contributions *RMB'000*	Total emoluments *RMB'000*
Directors			
Mr. He Zhangxiang	20	4	24
Mr. He Xuebing	20	—	20
	40	4	44

For the four months ended 30 April 2025

	Salaries, bonuses and allowances *RMB'000* (Unaudited)	Retirement benefits scheme contributions *RMB'000* (Unaudited)	Total emoluments *RMB'000* (Unaudited)
Directors			
Mr. He Zhangxiang	20	4	24
Mr. He Xuebing	20	—	20
	40	4	44

(c) Directors' material interests in transactions, arrangements and contracts

Save as disclosed in note 21 to the Historical Financial Information, no transactions, arrangements and contracts of significance in relation to the Anhui Runsheng's business to which the Anhui Runsheng was a party and in which the directors of Anhui Runsheng had material interest, whether directly or indirectly, subsisted at the end of each Track Record Period or at any time during the Track Record Period.

(d) Loans, quasi-loans and other dealings in favour of directors

No loans, quasi-loans and other dealings in favour of directors of the Anhui Runsheng or body corporate controlled by such directors, or entities connected with such directors, subsisted at the end of each Track Record Period or at any time during the Track Record Period.

13. DIVIDEND AND PROFIT DISTRIBUTION

No dividend nor profit distribution has been declared or paid by the Anhui Runsheng during the Track Record Period.

14. PROPERTY, PLANT AND EQUIPMENT

	Furniture, fixtures and equipment *RMB'000*	Motor vehicles *RMB'000*	Total *RMB'000*
Cost			
As at 1 January 2023	108	—	108
Additions	62	345	407
As at 31 December 2023 and 1 January 2024	170	345	515
Additions	19	—	19
Disposal	—	(345)	(345)
As at 31 December 2024 and 1 January 2025	189	—	189
Additions	12	—	12
As at 31 December 2025, 1 January 2026 and 30 April 2026	201	—	201
Accumulated depreciation			
As at 1 January 2023	2	—	2
Change for the year	13	33	46
As at 31 December 2023 and 1 January 2024	15	33	48
Change for the year	19	2	21
Disposal	—	(35)	(35)
As at 31 December 2024 and 1 January 2025	34	—	34
Change for the year	23	—	23
As at 31 December 2025 and 1 January 2026	57	—	57
Change for the period	8	—	8
As at 30 April 2026	65	—	65
Carrying amount			
As at 30 April 2026	136	—	136
As at 31 December 2025	144	—	144
As at 31 December 2024	155	—	155
As at 31 December 2023	155	312	467

15. INVESTMENT PROPERTY

	At 31 December			At 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year/period	80,700	77,500	73,200	71,900
Capital expenditure *(note)*	—	—	289	674
Fair value losses	(3,200)	(4,300)	(1,589)	(574)
At the end of the year/period	77,500	73,200	71,900	72,000

Note:

The Anhui Runsheng incurred capital expenditures of approximately RMB289,000 and RMB674,000 respectively related to the installation of solar power system for the year ended 31 December 2025 and the four months ended 30 April 2026.

As at 31 December 2023, 2024, 2025 and 30 April 2026, certain investment property with carrying amounts of approximately Nil, Nil, RMB24,492,000 and RMB24,787,000 respectively were pledged to secure the bank borrowing granted to the Anhui Runsheng for its business operation (note 22).

As at 31 December 2023, 2024, 2025 and 30 April 2026, certain investment property with carrying amounts of approximately Nil, Nil, RMB8,080,000 and RMB8,073,000 respectively were pledged in favour of a bank in respect of a loan facility granted to a shareholder of the Anhui Runsheng (note 21).

Amounts recognised in statement of profit or loss for investment property

	Year ended 31 December			For the four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Gross rental income from investment property	305	1,458	2,361	704	1,089
Fair value changes on investment property	(3,200)	(4,300)	(1,589)	(398)	(574)

Fair value hierarchy

When measuring fair value of investment property, the Anhui Runsheng takes into account the characteristics of the asset if market participants would take those characteristics into account when pricing the asset at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

15. INVESTMENT PROPERTY (CONTINUED)

Fair value hierarchy (Continued)

The Anhui Runsheng uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Anhui Runsheng categorised the fair value measurements into three levels, based on the characteristics of inputs, as follows:

Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Fair value of the investment property located in the PRC at 31 December 2023, 2024, 2025 and 30 April 2026 using significant unobservable inputs under fair value hierarchy Level 3 amounted to approximately RMB77,500,000, RMB73,200,000, RMB71,900,000 and RMB72,000,000 respectively.

There were no transfers between fair value hierarchy Levels 1, 2 and 3 for the years ended 31 December 2023, 2024, 2025 and the four months ended 30 April 2026.

Valuation processes of the Anhui Runsheng

The Anhui Runsheng's investment property were valued at 31 December 2023, 2024, 2025 and 30 April 2026 by an independent professional qualified valuer, Peak Vision Appraisals Limited, who have recognised relevant professional qualification and have recent experience in the locations and segments of the investment property. For all investment property, the fair values are measured at their highest and best use.

Information about fair value measurements using significant unobservable inputs (level 3):

Investment property	**Valuation technique(s)**	**Significant Unobservable inputs**	**Range of significant unobservable inputs**	**Relationship of significant unobservable inputs to fair value**
Comprehensive building and production factories in Anhui, the PRC	Income approach	Monthly rent, based on saleable floor area using direct market comparable and taking into account of time, location, frontage and size of properties	Ranged from RMB8 to RMB35 per square metre ("**sq. m**") (2025: RMB8 to RMB35 per sq. m, 2024: RMB14 to RMB41 per sq. m, 2023: RMB16 to RMB43 per sq. m)	The higher the monthly rent, the higher the fair value, and vice versa.

The fair value of the investment property was determined based on the income approach, where the market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for this type of properties. The market rentals are assessed with reference to the rentals achieved in the lettable units of the properties as well as other lettings of similar properties in the neighborhood. The discount rate is determined with reference to the yields derived from analysing the rental income of similar properties and adjusted after taking into account the market expectation from property investors to reflect factors specific to the Anhui Runsheng's investment property.

16. ACCOUNTS AND BILLS RECEIVABLES

	At 31 December			At 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Accounts receivables	40	691	997	1,266
Less: Allowance for ECL *(note 6(a)(i))*	(4)	(71)	(296)	(337)
	36	620	701	929
Bills receivables	—	—	—	136
	36	620	701	1,065

The following is an ageing analysis of accounts receivables at the end of each reporting period. Accounts receivables refers to the rents from leasing of investment property, which are received in advance.

	At 31 December			At 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Less than 30 days	—	51	51	51
31–60 days	—	—	86	129
61–90 days	—	72	14	26
Over 90 days	36	497	550	723
	36	620	701	929

As at 31 December 2023, 2024, 2025 and 30 April 2026, none of accounts receivables were considered as past due but not impaired.

Details of impairment assessment of accounts receivables under ECL model of HKFRS 9 as at 31 December 2023, 2024, 2025 and 30 April 2026 are set out in note 6(a)(i) to the Historical Financial Information.

Bills receivables

The balance represents certain of the Anhui Runsheng's bills receivables held for collecting contractual cash flows or factoring to banks.

The carrying amounts of the Anhui Runsheng's accounts and bills receivables are denominated in RMB.

17. OTHER RECEIVABLES

	At 31 December			At 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Value-added-tax recoverable	135	70	81	225

The carrying amounts of the Anhui Runsheng's other receivables are denominated in RMB.

18. BANK AND CASH BALANCES

At the end of each reporting period, the bank and cash balances of the Anhui Runsheng were denominated in RMB.

Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations. However, the Anhui Runsheng is permitted to exchange RMB for other currencies through authorised banks to conduct foreign exchange business.

19. ACCRUALS AND OTHER PAYABLES

	At 31 December			At 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Accruals	187	178	207	35
Receipt in advance *(note)*	—	227	117	26
Rental deposit received	300	370	456	456
Payable in respect of the investment property	3,951	2,329	2,320	2,147
Others	76	42	335	487
	4,514	3,146	3,435	3,151

The carrying amounts of the Anhui Runsheng's accruals and other payables are denominated in RMB.

Note:

The amounts represent the rental income received in advance.

20. AMOUNTS DUE TO SHAREHOLDERS

The amounts due are unsecured, interest-free and repayable on demand.

21. FINANCIAL GUARANTEE CONTRACT

	At 31 December			At 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial guarantee contract	—	—	38	38

The Anhui Runsheng provided an asset pledge in favour of a bank in respect of a RMB7,600,000 loan facility granted to a shareholder, which matures on 15 August 2028. As at 31 December 2023, 2024, 2025 and 30 April 2026, the outstanding amount under the loan facility was RMBNil, RMBNil, RMB3,800,000 and RMB3,800,000 respectively.

For the years ended 31 December 2023, 2024, 2025 and the four months ended 30 April 2026, no loss allowance was recognised in respect of the financial guarantee under ECL model of HKFRS 9.

22. BANK BORROWINGS

	At 31 December			At 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bank borrowings	—	—	10,000	10,000

As at 31 December 2023, 2024 and 2025, and 30 April 2026, the bank borrowings bear annual effective interest rates of Nil, Nil, 3.03% and 3.13%.

As at 31 December 2025 and 30 April 2026, certain investment property with carrying amount of approximately RMB24,492,000 and RMB24,787,000 respectively, were pledged to secure banking facilities of RMB20,400,000 granted to the Anhui Runsheng. As at 31 December 2025 and 30 April 2026, the banking facilities utilised by the Anhui Runsheng was RMB10,000,000 and RMB10,000,000 respectively. All the bank borrowings were denominated in RMB.

22. BANK BORROWINGS (CONTINUED)

All of the Anhui Runsheng's banking facilities are subject to the fulfilment of covenants related to meeting the scheduled repayment obligations, as is common in lending arrangements with financial institutions. If the Anhui Runsheng were to breach the covenants, the drawn-down facilities would become payable on demand. The Anhui Runsheng regularly monitors its compliance with these covenants. As at 31 December 2025 and 30 April 2026, none of the covenants related to draw-down facilities had been breached.

The borrowings were repayable as follows:

	At 31 December			At 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Over 1 year but within 2 years	—	—	10,000	10,000

The Anhui Runsheng regularly monitors its compliance with loan covenants. Its repayments up to date are in accordance with the scheduled repayments of the loans. The directors of the Anhui Runsheng do not consider that the banks will probably exercise their discretions to demand repayments immediately so long as it continues to meet these requirements.

23. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities during the Track Record Period are as follows:

	Difference between tax book and accounting book in respect of investment property
	RMB'000
At 1 January 2023	3,495
Credited to profit or loss *(note 10)*	(208)
At 31 December 2023 and 1 January 2024	3,287
Credited to profit or loss *(note 10)*	(483)
At 31 December 2024 and 1 January 2025	2,804
Charged to profit or loss *(note 10)*	195
At 31 December 2025 and 1 January 2026	2,999
Charged to profit or loss *(note 10)*	5
At 30 April 2026	3,004

23. DEFERRED TAX LIABILITIES (CONTINUED)

At 31 December 2023, 2024, 2025 and 30 April 2026, the Anhui Runsheng has unused tax losses of approximately RMB3,321,000, RMB5,761,000, RMB7,790,000 and RMB8,007,000 available for offset against future profits which can be carried forward for one to five years from the year of incurrence of such loss under the current tax legislation. No deferred tax asset has been recognised due to the unpredictability of future profit streams. These amounts are analysed as follows:

	Unrecognised tax losses			
	At 31 December			At 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Expiring within 1 year	40	35	31	311
Expiring between 1 to 2 years	35	31	311	2,904
Expiring between 2 to 3 years	31	311	2,904	2,480
Expiring between 3 to 4 years	311	2,904	2,480	2,064
Expiring between 4 to 5 years	2,904	2,480	2,064	248
	3,321	5,761	7,790	8,007

24. SHARE CAPITAL

	At 31 December			At 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Issued and fully paid:				
Paid-up capital	5,000	5,000	5,000	5,000

The Anhui Runsheng's objectives when managing capital are to safeguard the Anhui Runsheng's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Anhui Runsheng reviews the capital structure frequently by considering and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Anhui Runsheng will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts.

The Anhui Runsheng is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Track Record Period.

25. NOTES TO THE STATEMENTS OF CASH FLOWS

Reconciliation of liabilities arising from financing activities

The table below details changes in the Anhui Runsheng's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Anhui Runsheng's statements of cash flows as cash flows from financing activities.

	Bank borrowings	Amounts due to shareholders	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	—	56,775	56,775
Included within financing cash flows of the statements of cash flows:			
Advance from shareholders	—	3,143	3,143
At 31 December 2023 and 1 January 2024	—	59,918	59,918
Included within financing cash flows of the statements of cash flows:			
Advance from shareholders	—	1,755	1,755
At 31 December 2024 and 1 January 2025	—	61,673	61,673
Adjustments for:			
Interest charge	303	—	303
Included within financing cash flows of the statements of cash flows:			
Bank borrowings raised	10,000	—	10,000
Repayment of amounts due to shareholders	—	(9,684)	(9,684)
Interest expenses paid	(303)	—	(303)
At 31 December 2025 and 1 January 2026	10,000	51,989	61,989
Adjustments for:			
Interest charge	102	—	102
Included within financing cash flows of the statements of cash flows:			
Advance from shareholders	—	711	711
Interest expenses paid	(102)	—	(102)
At 30 April 2026	10,000	52,700	62,700
At 1 January 2025	—	61,673	61,673
Adjustments for:			
Interest charge (unaudited)	90	—	90
Included within financing cash flows of the statements of cash flows:			
Bank borrowings raised (unaudited)	10,000	—	10,000
Repayment of amounts due to shareholders (unaudited)	—	(10,520)	(10,520)
Interest expenses paid (unaudited)	(90)	—	(90)
At 30 April 2025 (unaudited)	10,000	51,153	61,153

26. CONTINGENT LIABILITIES

As at 31 December 2023, 2024, 2025 and 30 April 2026, the Anhui Runsheng did not have significant contingent liabilities.

27. RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

Name of related party	Relationship
Mr. Fang Haibo	Controlling shareholder of the Anhui Runsheng
Mr. He Zhangxiang	Shareholder
Mr. He Xuebing	Shareholder

(b) Transactions with related parties

In addition to those related party transactions and balances disclosed elsewhere to the Historical Financial Information, the Anhui Runsheng had the following material transaction with its related parties during the Track Record Period:

Name of related party	Nature of transaction	Year ended 31 December			For the four months ended 30 April	
		2023	**2024**	**2025**	**2025**	**2026**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (Unaudited)	*RMB'000*
Mr. He Zhangxiang	Maximum exposure of financial guarantee and asset pledge provided by the Anhui Runsheng *(note)*	N/A	N/A	3,800	N/A	3,800

Note:

The Anhui Runsheng entered into a financial guarantee contract with a bank, under which the Anhui Runsheng provided a corporate guarantee and pledged certain investment property with carrying amounts of approximately Nil, Nil, RMB8,080,000 and RMB8,073,000 as at 31 December 2023, 2024, 2025 and 30 April 2026 respectively, to secure a personal bank loan granted to Mr. He Zhang Xiang, a shareholder of the Anhui Runsheng. The guarantee was provided for nil consideration.

As at 31 December 2023, 2024, 2025 and 30 April 2026, the financial guarantee liability measured under HKFRS 9 amounted to approximately Nil, Nil, RMB38,000 and RMB38,000 respectively (note 21).

27. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Related-party balances

The Anhui Runsheng has the following balances with related parties at the end of each reporting period:

Amounts due to shareholders

	At 31 December			At 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Mr. Fang Haibo	39,230	39,780	33,280	33,880
Mr. He Zhangxiang	17,860	18,643	15,656	15,707
Mr. He Xuebing	2,828	3,250	3,053	3,113
	59,918	61,673	51,989	52,700

28. CAPITAL COMMITMENTS

As at 31 December 2023, 2024, 2025 and 30 April 2026, the Anhui Runsheng had the following capital commitments:

	At 31 December			At 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contracted but not provided for in respect of the investment property	53,000	53,000	53,000	53,000

29. LEASE COMMITMENTS

At the end of each reporting period, the Anhui Runsheng as lessor had contracted with tenants for the following undiscounted lease payments receivable over the non-cancellable periods:

	Year ended 31 December			For the four months ended 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	553	1,271	1,950	1,881
Within second to fifth year	829	3,182	4,694	4,891
Over five years	—	—	2,051	1,916
	1,382	4,453	8,695	8,688

Operating lease payments represent rentals receivable by the Anhui Runsheng from leasing of its investment property. Typically, leases are negotiated and the lease term is ranged from one to twelve years.

30. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant events after the reporting period for the Anhui Runsheng and up to the date of this report.

31. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Anhui Runsheng in respect of any period subsequent to 30 April 2026.

A. INTRODUCTION

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Company and its subsidiaries, including 安徽潤升電力技術有限公司 (Anhui Runsheng Electric Power Technology Co., Ltd.*) ("**Anhui Runsheng**") upon completion of the acquisition of a 65% equity interest in Anhui Runsheng (the "**Acquisition**") (collectively referred to as the "**Group**"), attributable to owners of the Company (the "**Unaudited Pro Forma Financial Information**") has been prepared by the directors of the Company (the "**Directors**") in accordance with rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants to illustrate the effect of the rights issue on the basis of three (3) rights shares for every one (1) share held on the record date on a non-underwritten basis (the "**Rights Issue**") and the Acquisition on the consolidated net tangible assets of the Group attributable to owners of the Company as if the Rights Issue had taken place on 31 March 2026.

The Unaudited Pro Forma Financial Information is prepared based on the audited consolidated net tangible assets of the Company and its subsidiaries before taking into account the Acquisition (the "**Yuk Wing Group**") attributable to owners of the Company as at 31 March 2026, as extracted from the published annual report of the Company for the year ended 31 March 2026, after incorporating the unaudited pro forma adjustments described in the accompanying notes.

The Unaudited Pro Forma Financial Information has been prepared by the Directors for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2026 or at any future dates immediately after completion of the Rights Issue.

* *For identification purposes only*

B. UNAUDITED PRO FORMA FINANCIAL INFORMATION

	Audited consolidated net tangible assets of the Yuk Wing Group attributable to owners of the Company as at 31 March 2026	Estimated net effect of the Acquisition	Estimated net proceeds from the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2026
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(Note 1)	*(Note 2)*	*(Note 3)*	*(Note 4)*
Based on 1,368,000,000 Rights Shares to be issued	113,016	510	134,900	248,426

Based on 1,368,000,000 Rights Shares to be issued:

	HK$
Audited consolidated net tangible assets of the Yuk Wing Group per Share attributable to the owners of the Company as at 31 March 2026 before the completion of the Rights Issue *(Note 5)*	0.248
Unaudited pro forma adjusted consolidated net tangible assets of the Group per Share attributable to the owners of the Company immediately after completion of the Rights Issue *(Note 6)*	0.136

Notes:

(1) The amount is based on the audited consolidated net tangible assets of the Yuk Wing Group attributable to owners of the Company as at 31 March 2026, extracted from the audited consolidated statement of financial position of the Group as at 31 March 2026 included in the annual report of the Company for the year ended 31 March 2026.

(2) The adjustment represents the estimated net effect of the Acquisition on the consolidated net tangible assets of the Group attributable to owners of the Company of approximately HK$510,000, comprising an estimated gain on bargain purchase of approximately HK$1,710,000, less estimated acquisition-related transaction costs of approximately HK$1,200,000.

The adjustment is based on the unaudited pro forma financial information of the enlarged group set out in Appendix IV to the circular of the Company dated 15 July 2026, to which reference should be made for details of its basis and calculation. Such unaudited pro forma financial information was prepared based on, among other things, the audited financial information of Anhui Runsheng as at 30 April 2026 and certain assumptions concerning the Acquisition.

The adjustment illustrates the effect of the estimated gain on bargain purchase and acquisition-related transaction costs arising from the Acquisition as if the Acquisition had been completed on 31 March 2026 and does not represent the actual amounts recognised by the Group in accounting for the Acquisition on its actual completion.

(3) The amount of estimated net proceeds from the Rights Issue is based on up to 1,368,000,000 Rights Shares to be issued at the Subscription Price of HK$0.1 per Rights Share, after deduction of the estimated related expenses of approximately HK$1,900,000.

(4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Rights Issue are based on the audited consolidated net tangible assets of the Yuk Wing Group attributable to owners of the Company as at 31 March 2026, plus the estimated net financial effect of the acquisition of Anhui Runsheng as set out in Note 2 above and the estimated net proceeds from the Rights Issue as set out in Note 3 above.

(5) The unaudited pro forma adjusted consolidated net tangible assets of the Yuk Wing Group attributable to owners of the Company per Share as at 31 March 2026, before completion of the Rights Issue and the Acquisition, are calculated based on the audited consolidated net tangible assets of the Yuk Wing Group attributable to owners of the Company as set out in Note 1 above, divided by 456,000,000 Shares in issue as at 31 March 2026.

(6) The unaudited pro forma adjusted consolidated net tangible assets of the Group per Share attributable to the owners of the Company immediately after completion of the acquisition of Anhui Runsheng and the Rights Issue is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the acquisition of Anhui Runsheng and the Rights Issue as set out in Note 4 above, divided by 1,824,000,000 Shares (assuming full acceptance of the Rights Shares by all of the Qualifying Shareholders), comprising (i) 456,000,000 Shares in issue as at 31 March 2026; and (ii) 1,368,000,000 Rights Shares to be issued.

(7) Save for the estimated effect of the gain on bargain purchase and acquisition-related transaction costs arising from the Acquisition as set out in Note 2 above, no adjustment has been made to reflect any trading results or other transactions of the Yuk Wing Group entered into subsequent to 31 March 2026. No adjustment has been made to reflect any trading results or other transactions of Anhui Runsheng entered into subsequent to 30 April 2026, being the date of the financial information of Anhui Runsheng used in preparing the unaudited pro forma financial information referred to in Note 2 above.

C. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the independent reporting accountants, Baker Tilly Hong Kong Limited, Certified Public Accountants, Hong Kong, made on 25 September 2026 in respect of the Group's unaudited pro forma financial information for the purpose of inclusion in this circular.

bakertilly
天職國際

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Yuk Wing Group Holdings Limited

We have completed our assurance engagement to report on the compilation of the Unaudited Pro Forma Financial Information of Yuk Wing Group Holdings Limited (the "**Company**") and its subsidiaries, including 安徽潤升電力技術有限公司 (Anhui Runsheng Electric Power Technology Co., Ltd.*) ("**Anhui Runsheng**") upon completion of the acquisition of a 65% equity interest in Anhui Runsheng (the "**Acquisition**") (hereinafter collectively referred to as the "**Group**"), by the directors of the Company (the "**Directors**") for illustrative purposes only. The Unaudited Pro Forma Financial Information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2026 and related notes as set out on pages III-1 to III-3 of the prospectus dated 25 September 2026 issued by the Company in connection with the Rights Issue (as defined below) (the "**Prospectus**"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages III-1 to III-3 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Company's rights issue of up to 1,368,000,000 rights shares at HK$0.1 per rights share on the basis of three (3) rights shares for every one (1) share held on the record date on a non-underwritten basis (the "**Rights Issue**") and the Acquisition on the Group's consolidated net tangible assets attributable to owners of the Company as at 31 March 2026 as if the transactions had taken place on 31 March 2026. As part of this process, information about the Group's consolidated net tangible assets has been extracted by the Directors from the Group's audited consolidated financial statements for the year ended 31 March 2026, on which an audit report has been published.

* *For identification purposes only*

Directors' responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline ("**AG**") 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

Our independence and quality management

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

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

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by rule 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with rule 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

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

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the Rights Issue on unadjusted financial information of the Group as if the transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transactions at 31 March 2026 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transactions, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and

- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the transactions in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

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

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to rule 4.29(1) of the Listing Rules.

Baker Tilly Hong Kong Limited
Certified Public Accountants

Li Man Chun Jesse
Practising certificate number P08302
Hong Kong, 25 September 2026

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue (assuming no other change in the number of issued Shares and full acceptance of Rights Shares by all Qualifying Shareholders) are set out as follows:

(a) As at the Latest Practicable Date

Authorised:		*HK$*
20,000,000,000	Shares of HK$0.1 each	2,000,000,000
Issued and fully paid:		
456,000,000	Shares of HK$0.1 each	45,600,000

(b) Immediately upon completion of the Rights Issue (assuming no other change in the number of issued Shares and full acceptance of Rights Shares by all Qualifying Shareholders)

Authorised:		*HK$*
20,000,000,000	Shares of HK$0.1 each	2,000,000,000
Issued and fully paid:		
456,000,000	Shares of HK$0.1 each	45,600,000
1,368,000,000	Rights Shares to be allotted and issued under the Rights Issue	136,800,000
1,824,000,000	Shares in issue immediately upon completion of the Rights Issue	182,400,000

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

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

As at the Latest Practicable Date, the Company did not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Shares and no capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option. The Company has no intention to issue or grant any convertible securities, warrants and/or options on or before the Record Date.

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

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

3. DISCLOSURE OF INTERESTS

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

As at the Latest Practicable Date, none of the Directors or chief executive of the Company or their associates had any interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 Part XV of the SFO, and none of the Directors, the chief executive of the Company nor their associates (as defined in the Listing Rules) had any other interests or short positions in the shares of the Company, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or the chief executive of the Company is taken or deemed to have under such provisions of the SFO); or (ii) were required to be entered into the register maintained by the Company pursuant to Section 352 of Part XV of the SFO; or (iii) were required to be notified to the Company or the Stock Exchange pursuant to the Model Code.

(b) Substantial shareholders and other persons' interests in Shares and underlying Shares

As at the Latest Practicable Date, so far as known to the Directors or the chief executive of the Company, the following corporations or individuals (other than the Directors or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be directly or indirectly interested in 5% or more of any class of share capital carrying rights to vote in all circumstances at the general meetings of the Company or which were recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO or had otherwise notified to the Company and the Stock Exchange:

Name	Capacity/ Nature of interest	Number of Shares held/ interested	Percentage of shareholding
Hellobaby International	Beneficial owner	132,240,000 *(Note 1)*	29.00%
Mr. Liu Qiang	Interest in a controlled corporation *(Note 1)*	132,240,000 *(Note 2)*	29.00%

Note:

1. As at the Latest Practicable Date, 132,240,000 shares were held by Hellobaby International, a company beneficially and wholly owned by Mr. Liu Qiang. Mr. Liu Qiang was deemed to be interested in all the shares held by Hellobaby International by virtue of the SFO. Mr. Liu Qiang is also the sole director of Hellobaby International.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other corporation or individual (other than the Directors or chief executive of the Company) who had any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of any class of share capital carrying rights to vote in all circumstances at the general meetings of the Company, or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

4. DIRECTORS' INTERESTS IN CONTRACT AND ASSET

As at the Latest Practicable Date, none of the Directors has or had any interest, either directly or indirectly, in any assets which have, since 31 March 2026, being the date to which the latest published audited consolidated financial statements were made up, been acquired or disposed of by or leased to, any member of the Group or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

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

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, claim or arbitration of material importance and there was no litigation, claim or arbitration of material importance known to the Directors to be pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this Prospectus:

(i) the Placing Agreement;

(ii) the Sale and Purchase Agreement dated 12 June 2026 entered into between Top Standard (a direct wholly-owned subsidiary of the Company) as purchaser, Mr. Fang Haibo as vendor and Mr. He Zhangxiang and Mr. He Xuebing as grantors, pursuant to which (i) Top Standard conditionally agreed to acquire, and the vendor conditionally agreed to sell, the Sale Share Capital, representing 65% of the equity interest in Anhui Runsheng, at a total consideration of RMB37.5 million (equivalent to approximately HK$43.5 million); and (ii) the grantors granted to Top Standard the Call Option to acquire the remaining 35% equity interest in Anhui Runsheng, exercisable in whole or in part at any time within twelve months following completion at a total exercise price of RMB20.1 million (equivalent to approximately HK$23.3 million). The Completion took place on 22 September 2026, details of which are set out in the announcement of the Company dated 22 September 2026;

(iii) the tenancy agreement dated 21 January 2026 entered into between The Center (65) Limited and the Company in relation to the lease of office at the total consideration of HK$11.8 million, details of which are set out in the announcements of the Company dated 21 January 2026 and 28 January 2026;

(iv) the placing agreement dated 9 October 2024 entered into between the Company and Kingston Securities Limited as placing agent, pursuant to which the Company conditionally agreed to place, through the placing agent on a best effort basis, up to 76,000,000 placing shares to not less than six independent placees at the placing price of HK$0.085 per placing share. The placing completed on 30 October 2024.

9. EXPERT AND CONSENT

The following is the qualification of the expert or professional advisers who have given opinions or advice contained in this Prospectus (the "**Expert**"):

Name	Qualification
Baker Tilly Hong Kong Limited	Certified Public Accountants

As at the Latest Practicable Date, the Expert has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion herein of its letters or reports and the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the Expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group

As at the Latest Practicable Date, the Expert did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2026, being the date to which the latest published audited accounts of the Company were made up.

10. EXPENSES

The expenses in connection with the Rights Issue, including financial advisory fees, placing commission (assuming the Rights Issue is not fully-subscribed and any Unsubscribed Rights Shares and ES Unsold Rights Shares (if any) are placed by the Placing Agent), printing, registration, translation, legal and accountancy charges are estimated to be up to approximately HK$1.9 million, which are payable by the Company.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors	*Executive Directors* Ms. Li Kai Lai Miranda Miss Tsang Karen Ka Yan *Independent non-executive Directors* Mr. Cheung Sze Ming Mr. Wong Siu Keung Joe Mr. Todd, Eric
Audit and compliance committee	Mr. Wong Siu Keung Joe *(Chairman)* Mr. Cheung Sze Ming Mr. Todd, Eric
Nomination committee	Mr. Cheung Sze Ming *(Chairman)* Mr. Wong Siu Keung Joe Mr. Todd, Eric Ms. Li Kai Lai Miranda
Remuneration committee	Mr. Cheung Sze Ming *(Chairman)* Mr. Wong Siu Keung Joe Mr. Todd, Eric
Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal place of business in Hong Kong	Units 6505–11, 65/F The Center No. 99 Queen’s Road Central Central, Hong Kong
Authorised representatives	Ms. Li Kai Lai Miranda Ms. Chan Wing Ting
Business address of all Directors and authorised representatives	Units 6505–11, 65/F The Center No. 99 Queen’s Road Central Central, Hong Kong
Company secretary	Ms. Chan Wing Ting

Principal share registrar and transfer office	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman, KY1-1111 Cayman Islands
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal banker	Bank of China (Hong Kong) Limited DBS Bank (Hong Kong) Limited Guangdong Shunde Rural Commercial Bank Company Limited
Auditor	Baker Tilly Hong Kong Limited Level 8, K11 ATELIER King's Road 728 King's Road, Quarry Bay Hong Kong
Legal adviser to the Company as to Hong Kong laws	David Fong & Co. Unit A, 12th Floor China Overseas Building 139 Hennessy Road Wanchai Hong Kong
Financial Adviser to the Company	Kingston Corporate Finance Limited 72/F, The Center 99 Queen's Road Central Central Hong Kong
Placing Agent	Kingston Securities Limited 72/F, The Center 99 Queen's Road Central Central Hong Kong

12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Ms. Li Kai Lai Miranda (李嘉麗) ("**Ms. Li**"), aged 52, was appointed as an Executive Director on 15 January 2021. She is a member of the Nomination Committee. She also holds directorship in a subsidiary of the Company. Ms. Li obtained a Diploma in Computer Programming and Analysis from Seneca College of Applied Arts and Technology in Canada in June 2004. She has over 15 years of experience in corporate management. From November 2010 to June 2025, she was a director of Soho Funds Investment Limited, mainly responsible for providing a spectrum of yachting solutions, including insurance, berthing, captains and crew, management and emergency support services for luxury yacht charter. Ms. Li is an executive director of Far East Holdings International Limited (Stock Code: 36) and a non-executive director of World Digital Economy Asset Group Limited (formerly known as China Supply Chain Holdings Limited) (Stock Code: 3708). The shares of the above-named companies are listed on the Main Board of the Stock Exchange.

Miss Tsang Karen Ka Yan (曾加欣) (formerly known as Miss Karen Zeng Mateo and Miss Tsang Ka Yan) ("**Miss Tsang**"), aged 38, obtained an Executive Master of Accounting degree from the University of Cambridge in 2022. She has been a Chartered Financial Analyst charterholder since 2015 and obtained the relevant qualification from the Asset Management Association of China in 2016. She has over 10 years of experience in investment, corporate strategy and business development.

Since 2023, Miss Tsang has served as a director of Top Legend SPC, a segregated portfolio company which currently comprises four segregated portfolios. She is responsible for overseeing corporate governance, investment activities and fund operations.

Miss Tsang founded Legend Global Capital Limited in 2017. Since its establishment, she has led and participated in various strategic initiatives involving private equity investments, initial public offerings and secondary-market transactions.

Independent non-executive Directors

Mr. Cheung Sze Ming (張詩敏) ("**Mr. Cheung**"), aged 57, was appointed as an independent non-executive Director on 31 January 2024. He is the chairman of each of the Nomination Committee and the Remuneration Committee and a member of the Audit and Compliance Committee. He has over 30 years of working experience in an international audit firm and public listed companies. Mr. Cheung holds a Bachelor's Degree in Accountancy from the Hong Kong Polytechnic University. He is also a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Cheung is an executive director, the chief financial officer and company secretary of Far East Holdings International Limited (Stock Code: 36) and Baijin Life Science Holdings Limited (formerly known as Affluent Partners Holdings Limited) (Stock Code: 1466). The shares of the above-named companies are listed on the Main Board of the Stock Exchange. Mr. Cheung is also an independent non-executive director of Ocean Line Port Development Limited (Stock Code: 8502), which shares are listed on the GEM of the Stock Exchange. Mr. Cheung was an independent non-executive director of Great Wall Terroir Holdings Limited (Stock Code: 524) from March 2021 to November 2024, which shares are listed on the Main Board of the Stock Exchange.

Mr. Wong Siu Keung Joe (黃兆強) ("**Mr. Wong**"), aged 61, was appointed as an Independent Non-executive Director on 31 January 2024. He is the chairman of the Audit and Compliance Committee and a member of each of the Nomination Committee and the Remuneration Committee. He holds a Degree of Master of Arts in International Accounting from City University of Hong Kong and a Master's Degree of Corporate Governance from Hong Kong Polytechnic University. He is an associate member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Wong has extensive experience in taxation, accounting, financing, audit field and public listed companies for many years. Mr. Wong is an executive director, the chairman, the chief financial officer and company secretary of DeTai New Energy Group Limited (Stock Code: 559) and an independent non-executive director of Baijin Life Science Holdings Limited (formerly known as Affluent Partners Holdings Limited) (Stock Code: 1466). The shares of the above-named companies are listed on the Main Board of the Stock Exchange. He is also an independent non-executive director of Baijuyi Holdings Group Limited (Stock Code: 8081), which shares are listed on the GEM of the Stock Exchange. Mr. Wong was an independent non-executive director of VSING Limited (Stock Code: 8292) from June 2016 to June 2023, which shares are listed on the GEM of the Stock Exchange. Mr. Wong is an independent non-executive director of China Water Industry Group Limited ("**China Water**") (Stock Code: 1129), which shares are listed on the Main Board of the Stock Exchange. Mr. Wong was informed that China Water was ordered to be wound up and official receiver was appointed as the provisional liquidator by the High Court of Hong Kong on 15 June 2026. Mr. Wong ceased the director's powers on 15 June 2026 and he confirmed that he was not a party of such winding up proceedings and is not aware of any actual or potential claim that has been or will be made against him as a result of the above.

Mr. Todd, Eric ("**Mr. Todd**"), aged 64, was appointed as an Independent Non-executive Director on 23 January 2026. He is a member of each of the Audit and Compliance Committee, the Nomination Committee and the Remuneration Committee. He has over 30 years of extensive professional experience in auditing, financial management, investment and media industry. Mr. Todd received a Bachelor's Degree in Business Administration in Accounting and Finance from the School of Management of Boston University in Massachusetts, United States of America. Mr. Todd has qualified as an U.S. Certified Public Accountant in 1989 and was a member of the American Institute of Certified Public Accountants from 1989 to 2010. Mr. Todd started his career at the Hong Kong office of KPMG (formerly known as KPMG Peat Marwick) from 1985 to 1990 and subsequently joined the Standard Chartered Bank Group and worked from 1991 to 1995. Prior to joining the Company, he had been employed as a business consultant and also served as finance director for several companies engaged in the media industry.

Mr. Todd is currently an executive director of Kin Shing Holdings Limited (Stock Code: 1630) and an independent non-executive director of Twintek Investment Holdings Limited (Stock Code: 6182). The shares of the above-named companies are listed on the Main Board of the Stock Exchange.

Mr. Todd was an executive director and chairman of Far East Holdings International Limited (Stock Code: 36) from February 2021 to February 2024 and an independent non-executive director of Wan Kei Group Holdings Limited (Stock Code: 1718) from January 2021 to November 2024. The shares of the above-named companies are listed on the Main Board of the Stock Exchange.

Company Secretary

Ms. Chan Wing Ting (陳穎婷) ("**Ms. Chan**") is the director of compliance at Kawell Consulting Limited, responsible for providing professional corporate services to companies listed on the Stock Exchange. She has over 10 years of experience in handling company secretarial, corporate governance and compliance related matters of listed companies as well as multinational, private and offshore companies. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. She obtained a master's degree in Professional Accounting and Corporate Governance from City University of Hong Kong.

13. AUDIT AND COMPLIANCE COMMITTEE

As at the Latest Practicable Date, the audit and compliance committee of the Board (the "**Audit and Compliance Committee**") comprised all of the independent non-executive Directors, namely Mr. Wong Siu Keung Joe (the chairman of the Audit and Compliance Committee), Mr. Cheung Sze Ming and Mr. Todd, Eric. The background, directorship and past directorship (if any) of each of the members of the Audit and Compliance Committee are set out in the section headed "12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT" in this appendix. The primary duties of the Audit and Compliance Committee include, among others, (a) making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor; (b) review the Group's financial statements and periodic reports and accounts, and to review significant financial reporting judgements contained therein; and (c) review the Group's financial reporting controls, risk management and internal control systems.

14. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all provisions (other than the penal provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance, so far as applicable.

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

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed "9. Expert and Consent" in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (WUMP) Ordinance.

16. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.yukwing.com) during the period of 14 days from the date of this Prospectus:

(a) the independent reporting accountant's report on the unaudited pro forma financial information of the Group issued by Baker Tilly Hong Kong Limited, the text of which is set out in Appendix III;

(b) the material contracts referred to in the paragraph headed "8. Material Contracts" in Appendix IV;

(c) the written consent referred to in paragraph headed "9. Expert and Consent" in Appendix IV; and

(d) the Prospectus Documents.

17. MISCELLANEOUS

(a) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.

(b) As at the Latest Practicable Date, the Group does not have a foreign currency hedging policy but foreign currency transactions have been translated into the functional currencies using the exchange rates prevailing at the dates of the transaction. In the event of fluctuating foreign exchange rates, there is a risk exposure to that settlement of payment for customers and suppliers may not be reconciled. The exposed amount of foreign currencies would be monitored regularly; forward contracts would be entered for hedging the risks if considered necessary.

(c) In the event of any inconsistency, the English texts of this Prospectus and the accompanying PAL shall prevail over their respective Chinese texts.