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Thing On Group Limited
晉安(集團)有限公司

(Incorporated in British Virgin Islands with limited liability)



Thing On Enterprise Limited
晉安實業有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2292)

JOINT ANNOUNCEMENT

**(1) PROPOSAL FOR THE PRIVATISATION OF
THING ON ENTERPRISE LIMITED**

**BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 86 OF THE COMPANIES ACT OF
THE CAYMAN ISLANDS**

(2) PROPOSED WITHDRAWAL OF LISTING

**(3) ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE
AND**

(4) RESUMPTION OF TRADING IN SHARES

Financial Adviser to the Offeror



軟庫中華
SBI China Capital

INTRODUCTION

The respective directors of the Offeror and the Company jointly announce that on 9 May 2025, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act involving (i) the cancellation and extinguishment of the Scheme Shares and, in consideration therefor, the payment to the Scheme Shareholders either in cash and/or in share consideration for each Scheme Share cancelled and extinguished; (ii) the restoration of the issued share capital of the Company to the amount immediately before the cancellation and extinguishment of the Scheme Shares by the allotment and issuance of new Shares in the same number as the number of Scheme Shares (which were cancelled and extinguished) to the Holdco credited as fully paid at par out of the credit arising in the Company's books of account as a result of the issued share capital reduction referred to in (i) above; and (iii) the withdrawal of the listing of the Shares on the Stock Exchange.

TERMS OF THE PROPOSAL

The Proposal will be implemented by way of the Scheme. Upon the Scheme becoming effective, the Scheme Shares will be cancelled and extinguished in exchange for either:

- (a) the Cash Alternative: cash of HK\$0.78 for every Scheme Share;
- (b) the Share Alternative: one Holdco Share for every Scheme Share held; or
- (c) a combination of both the Cash Alternative and the Share Alternative.

The Scheme Shareholders may elect either the Cash Alternative or the Share Alternative or a combination of both as the form of Offer Consideration in respect of their entire holdings of the Scheme Shares. Scheme Shareholders who do not make any election will be deemed to have elected to receive their entitlement under the Cash Alternative subject to the Proposal becoming unconditional in all respects. Any Scheme Shareholder returning the form of election (a) opting both to receive the Cash Alternative and the Share Alternative but failing to indicate an allocation of its Scheme Shares between the Cash Alternative and the Share Alternative which corresponds to the total number of its Scheme Shares; or (b) without making an election for the Cash Alternative and/or the Share Alternative in respect of all of its Scheme Shares; or (c) opting for the Share Alternative (whether in whole or in part) in respect of its Scheme Shares registered in its name on the register of members of the Company but failing to submit all applicable KYC Documents or such additional evidence or documents as may be required by the Holdco or is otherwise prevented from becoming a registered holder of shares of the Holdco for any applicable legal or regulatory reason; or (d) not within the timeline set out in the Scheme Document; or (e) which is not duly completed or executed in accordance with the instructions on it or contains inaccurate, incorrect, invalid or incomplete information or illegible writing or is otherwise not valid in accordance with the terms set out in the Scheme Document, will, in each case be treated for the purposes of the election as opting to receive the Cash Alternative in respect of all the Scheme Shares held by such Scheme Shareholders. The Holdco Shares to be issued under the Share Alternative will be issued free of any encumbrance and credited as fully paid.

The Share Alternative, and the receipt of the Holdco Shares, are subject to the laws and regulations of the jurisdiction in which the Scheme Shareholders are subject. Scheme Shareholders wishing to elect the Share Alternative and receive the Holdco Shares should be aware of the laws and regulations of their jurisdictions and ensure that they are able to elect the Share Alternative and receive the Holdco Shares. Additionally, the Holdco Shares will not be registered under any securities laws in any jurisdiction (including Hong Kong or overseas) and may only be issued to persons resident in a jurisdiction pursuant to an exemption from the requirements of the securities laws or regulations of that jurisdiction.

Immediately after the cancellation and extinguishment of all of the Scheme Shares, the issued share capital of the Company will be reduced by the cancellation and extinguishment of the Scheme Shares. Contemporaneously with the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to the amount immediately before the cancellation and extinguishment of the Scheme Shares by the allotment and issuance of new Shares in the same number as the number of Scheme Shares (which were cancelled and extinguished) to the Holdco credited as fully paid at par out of the credit arising in the Company's books of account as a result of the issued share capital reduction referred to above.

The Offer Consideration will not be increased, and the Offeror does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Consideration.

The Cash Alternative

The cash consideration of HK\$0.78 per Scheme Share under the Cash Alternative represents:

- (a) a premium of approximately 30.0% over the closing price of HK\$0.6 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 30.0% over the average closing price of approximately HK\$0.6 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- (c) a premium of approximately 30.0% over the average closing price of approximately HK\$0.6 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (d) a premium of approximately 36.1% over the average closing price of approximately HK\$0.573 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;

- (e) a premium of approximately 32.2% over the average closing price of approximately HK\$0.590 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (f) a premium of approximately 20.6% over the average closing price of approximately HK\$0.647 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- (g) a premium of approximately 7.3% over the average closing price of approximately HK\$0.727 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and
- (h) a discount of approximately 50.4% to the audited consolidated net asset value per Share of approximately HK\$1.572 as at 31 December 2024, based on (i) the audited consolidated net asset value of the Company of approximately HK\$1,131,696,000 as at 31 December 2024; and (ii) 720,000,000 Shares in issue as at the Announcement Date.

The Share Alternative

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 8 September 2003. The Holdco is a special purpose vehicle incorporated in the British Virgin Islands with limited liability on 7 September 2018. As at the Announcement Date, the Holdco is directly wholly-owned by the Offeror, which in turn is directly beneficially owned by Mr. Wong, the controlling shareholder, the chairman and a non-executive Director of the Company. Mr. Wong, Mr. Wong Fung Yuen, Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan are the directors of the Offeror. Mr. Wong is the brother of Mr. Wong Fung Yuen and the father of Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan. The Holdco Shares are shares of an unlisted company in the British Virgin Islands, being a special purpose vehicle. The Holdco is currently authorised to issue a maximum of 50,000 shares with a par value of US\$1.00 each. Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan are the directors of the Holdco.

As at the Announcement Date, the Offeror holds one share in the Holdco, representing 100% shareholding interest in the Holdco. On or before the Effective Date, the Holdco will subdivide the one share with a par value of US\$1.00 held by the Offeror into 10,000 shares with a par value of US\$0.0001 each and allot 179,990,000 new shares at par value to the Offeror, upon which the Offeror shall hold 180,000,000 shares of the Holdco, mirroring the total number of Scheme Shares. Pursuant to the Scheme, the Holdco will allot such number of Holdco Shares to each Scheme Shareholder validly electing the Share Alternative equal to the number of Scheme Shares rendered by it for election of the Share Alternative under the Scheme within seven business days after the later of (i) the Effective Date; and (ii) the date on which the Scheme Shareholder validly elects the Share Alternative and the relevant documents of title in respect of such election are received by the Offeror (or its agent). The deadline for election will be set out in the Scheme Document. The Holdco will repurchase such number of Holdco Shares (if any) held by the Offeror at par value upon the Effective Date equal to the number of Scheme Shares rendered by the Scheme Shareholders validly electing the Share Alternative. After such repurchase, the Holdco will be held by (i) the Offeror as to such number of Holdco Shares mirroring the number of Scheme Shares rendered by the Scheme Shareholders who validly elect the Cash Alternative; and (ii) the Scheme Shareholders as to such number of Holdco Shares mirroring the number of Scheme Shares rendered by the Scheme Shareholders who validly elect the Share Alternative.

Assuming all Scheme Shareholders choose only the Share Alternative, upon completion of the Proposal, the Company will be held as to 75% by the Offeror and 25% by the Holdco respectively, which in turn will be held as to 100% by all the Scheme Shareholders.

Assuming all Scheme Shareholders choose only the Cash Alternative, upon completion of the Proposal, the Company will be held as to 75% by the Offeror and 25% by the Holdco respectively, which in turn will be held as to 100% by the Offeror.

Upon the Effective Date and after the withdrawal of listing of the Shares, the Offeror will transfer 540,000,000 Shares (representing 75% of the issued and outstanding Shares) to the Holdco and as consideration, the Holdco will allot 540,000,000 Holdco Shares to the Offeror. As a result, after the withdrawal of listing of the Shares, the Holdco will be the sole shareholder of the Company and the Holdco will be wholly owned by the Offeror, assuming all the Scheme Shareholders choose the Cash Alternative. If all the Scheme Shareholders choose the Share Alternative, then the Holdco will still be the sole shareholder of the Company, and Holdco will be held as to 75% by the Offeror and 25% by the Scheme Shareholders.

The Proposal and the Scheme will be conditional upon the fulfilment or waiver (as applicable) of the Conditions as described in the section headed “Conditions of the Proposal and the Scheme” below. All Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Scheme will not become effective and the Proposal will lapse.

FINANCIAL RESOURCES

On the assumption that no other Shares are issued before the Record Date, and on the basis of the cash consideration under the Cash Alternative of HK\$0.78 per Scheme Share, 180,000,000 Scheme Shares will be subject to the Cash Alternative and the amount of cash required to implement the Proposal would be HK\$140,400,000.

The Offeror intends to finance the entire cash consideration under the Proposal from its internal cash resources.

SBI China Capital has been appointed as the financial adviser to the Offeror in respect of the Proposal and is satisfied that sufficient financial resources are available to the Offeror for the implementation of the Proposal in accordance with its terms.

WITHDRAWAL OF LISTING OF THE SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished (with the equivalent number of new Shares being issued and credited as fully paid to the Holdco) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect from the Effective Date.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Proposal will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither Mr. Wong, the Offeror nor any person who acted in concert with any of them in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for the Company, except with the consent of the Executive.

DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document containing, among other things, further details of the Proposal and the Scheme, the expected timetable, an explanatory memorandum as required under the Companies Act and the Grand Court, information regarding the Company, the recommendations from the Independent Board Committee with respect to the Proposal, the letter of advice of the Independent Financial Adviser to the Independent Board Committee, a notice of the Court Meeting and a notice of the EGM, together with forms of proxy and consideration election forms in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Companies Act and the Grand Court, and other applicable laws and regulations.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising Ms. Chan Kam Ping, Mr. Wong King Wai Kirk and Mr. Hung Franklin Chi Yen, all being independent non-executive Directors, has been established by the Board to make recommendations to the Scheme Shareholders as to whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the EGM. Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee should comprise all non-executive Directors who have no direct or indirect interest in the Proposal. Given that Mr. Wong is the sole member and a director of the Offeror, Mr. Wong is not considered as independent for the purpose of giving advice or recommendations to the Scheme Shareholders. Accordingly, Mr. Wong is not a member of the Independent Board Committee.

The Independent Financial Adviser will be appointed by the Company (with the approval of the Independent Board Committee) to advise the Independent Board Committee in relation to the Proposal. An announcement will be made by the Company as soon as possible after the appointment of the Independent Financial Adviser.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:00 a.m. on 29 April 2025, pending the issuance of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 12 May 2025.

WARNINGS

Shareholders and potential investors of the Company should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented.

Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers. This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of applicable law. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any election or other response to the Proposal should be made only on the basis of information in the Scheme Document or any other document by which the Proposal is made.

The availability of the Proposal to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas Shareholders will be contained in the Scheme Document.

NOTICE TO U.S. INVESTORS

This joint announcement does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in the United States. This joint announcement does not constitute a prospectus or a prospectus equivalent document. U.S. holders of scheme shares are advised to read carefully the formal documentation in relation to the Proposal once it has been despatched.

In particular, this joint announcement is not an offer of securities for sale nor a solicitation of an offer to buy securities in the United States. The Holdco Shares which will be issued in connection with the Proposal have not been, and will not be, registered under the Securities Act or under the securities law of any state, district or other jurisdiction of the United States, or any other jurisdiction, and no regulatory approval or clearance in respect of the Holdco Shares has been, or will be, applied for in any jurisdiction other than Hong Kong. The Holdco Shares may not be offered or sold in the United States absent registration under the Securities

Act or an exemption from registration. It is expected that the Holdco Shares will be issued in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(10) thereof. Neither the Company nor the Offeror intends to make any public offering of securities in the United States.

The Proposal relates to the Holdco and the Company, which are incorporated in the British Virgin Islands and the Cayman Islands with limited liability, respectively. The Proposal will be effected under a scheme of arrangement provided for under the Companies Act. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable to Cayman schemes of arrangement, which differ from the disclosure and other requirements of the U.S. securities laws. Financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in Hong Kong that may not be comparable to the financial statements of U.S. companies.

INTRODUCTION

The respective directors of the Offeror and the Company jointly announce that on 9 May 2025, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act.

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for either the Cash Alternative or the Share Alternative or a combination of both;
- (b) immediately after the cancellation and extinguishment of all of the Scheme Shares, the issued share capital of the Company will be reduced by the cancellation and extinguishment of the Scheme Shares. Contemporaneously with the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to the amount immediately before the cancellation and extinguishment of the Scheme Shares by the allotment and issuance of new Shares in the same number as the number of Scheme Shares (which were cancelled and extinguished) to the Holdco credited as fully paid at par out of the credit arising in the Company's books of account as a result of the issued share capital reduction referred to above; and

- (c) the Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules and such withdrawal is expected to take place with effect from the Effective Date.

As at the Announcement Date,

- (a) the issued share capital of the Company comprises 720,000,000 Shares;
- (b) the Scheme Shares comprises 180,000,000 Shares, representing 25% of the issued Shares;
- (c) the Offeror holds 540,000,000 Shares, representing 75% of the issued Shares. These Shares will not form part of the Scheme Shares and will not be cancelled and extinguished upon the Scheme becoming effective. Other than the Shares held by the Offeror, the Offeror Concert Parties do not hold or beneficially own any Shares; and
- (d) there are no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares.

TERMS OF THE PROPOSAL

Upon the Scheme becoming effective, the Scheme Shares will be cancelled and extinguished in exchange for either:

- (a) the Cash Alternative: cash of HK\$0.78 for every Scheme Share held;
- (b) the Share Alternative: one Holdco Share for every Scheme Share held; or
- (c) a combination of both the Cash Alternative and the Share Alternative.

The Scheme Shareholders may elect either the Cash Alternative or the Share Alternative or a combination of both as the form of Offer Consideration in respect of their entire holdings of the Scheme Shares. Scheme Shareholders who do not make any election will be deemed to have elected to receive their entitlement under the Cash Alternative subject to the Proposal becoming unconditional in all respects. Any Scheme Shareholder returning the form of

election (a) opting both to receive the Cash Alternative and the Share Alternative but failing to indicate an allocation of its Scheme Shares between the Cash Alternative and the Share Alternative which corresponds to the total number of its Scheme Shares; or (b) without making an election for the Cash Alternative and/or the Share Alternative in respect of all of its Scheme Shares; or (c) opting for the Share Alternative (whether in whole or in part) in respect of its Scheme Shares registered in its name on the register of members of the Company but failing to submit all applicable KYC Documents or such additional evidence or documents as may be required by the Holdco or is otherwise prevented from becoming a registered holder of shares of the Holdco for any applicable legal or regulatory reason, or (d) not within the timeline set out in the Scheme Document; or (e) which is not duly completed or executed in accordance with the instructions on it or contains inaccurate, incorrect, invalid or incomplete information or illegible writing or is otherwise not valid in accordance with the terms set out in the Scheme Document, will, in each case be treated for the purposes of the election as opting to receive the Cash Alternative in respect of all the Scheme Shares held by such Scheme Shareholders.

A Scheme Shareholder who holds its Scheme Shares through CCASS may elect the Share Alternative even if the Scheme Shareholder has not made arrangement to withdraw its Scheme Shares from CCASS and transfer such Scheme Shares under its own name.

For the purpose of ensuring accuracy of the registered ownership of the Holdco Shares and satisfying compliance requirements applicable to shareholders of a company incorporated in the British Virgin Islands, a Scheme Shareholder opting for the Share Alternative in respect of any of its Scheme Shares registered in its name on the register of members of the Company must, in addition to a duly completed and executed form of election and the certificate(s) for the Scheme Shares being rendered, also lodge the following KYC Documents to comply with the relevant anti-money laundering requirements of the British Virgin Islands (which shall be in English or accompanied by an English translation which is certified by a translator qualified to translate such foreign language into English as a true translation): (a) if the registered Shareholder is an individual, he/she must provide a certified true copy (certified as a true copy by a solicitor, a certified public accountant or a chartered secretary) of each of (i) his/her valid Hong Kong Identity Card or passport; and (ii) proof of his/her residential address (which shall be issued within the last three months of the date of the election); or (b) if the registered Shareholder is a corporation, it must provide a certified true copy (certified as a true copy by a solicitor, a certified public accountant or a chartered secretary) of each of (i) its certificate of incorporation; (ii) its registration certificate (where applicable); (iii) its constitutional document; (iv) its register of members (or equivalent);

(v) its register of directors (or equivalent); (vi) its address proof; (vii) its organisation chart (showing up to its ultimate beneficial owner(s) holding 10% shareholding or more and any intermediate holding companies); (viii) for any of the intermediate holding companies as mentioned in item (b)(vii) above, items (b)(i) to (b)(vi) above of such intermediate holding company; and (ix) items (a) (i) to (a)(ii) above of each of its ultimate beneficial owners. The Holdco and the Company reserve the discretion to request additional evidence or documents as may be required for the purpose of complying with the relevant anti-money laundering requirements of the British Virgin Islands. Full details on the procedures for election of the Cash Alternative and the Share Alternative will be set out in the Scheme Document.

The Share Alternative, and the receipt of the Holdco Shares, are subject to the laws and regulations of the jurisdiction in which the Scheme Shareholders are subject. Scheme Shareholders wishing to elect the Share Alternative and receive the Holdco Shares should be aware of the laws and regulations of their jurisdiction and ensure that they are able to elect the Share Alternative and receive the Holdco Shares. Additionally, the Holdco Shares will not be registered under any securities laws in any jurisdiction (including Hong Kong or overseas) and may only be issued to persons resident in a jurisdiction pursuant to an exemption from the requirements of the securities laws or regulations of that jurisdiction.

Immediately after the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be reduced by cancelling and extinguishing all of the Scheme Shares. Contemporaneously with the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be restored to the amount immediately before the cancellation and extinguishment of the Scheme Shares by the allotment and issuance of new Shares in the same number as the number of Scheme Shares (which were cancelled and extinguished) to the Holdco credited as fully paid at par out of the credit arising in the Company's books of account as a result of the issued share capital reduction referred to above.

If, after the Announcement Date any dividend or other distribution is made, declared or paid in respect of the Scheme Shares, (i) the cash consideration under the Cash Alternative will be reduced by an amount equal to the amount of such dividend or other distribution; and (ii) the number of Holdco Shares under the Share Alternative will not change. The Company confirms that as at the Announcement Date, (a) it has not declared any dividend which has not been paid; and (b) it does not have any intention to make, declare or pay any future dividend or make other distributions until after the implementation or lapse of the Scheme.

No fractions of a cent will be payable and the amount of cash consideration payable to the Scheme Shareholders who have elected the Cash Alternative will be rounded down to the nearest cent.

The Offer Consideration will not be increased, and the Offeror does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Consideration.

The Cash Alternative

The cash consideration of HK\$0.78 per Scheme Share under the Cash Alternative represents:

- (a) a premium of approximately 30.0% over the closing price of HK\$0.6 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 30.0% over the average closing price of approximately HK\$0.6 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- (c) a premium of approximately 30.0% over the average closing price of approximately HK\$0.6 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (d) a premium of approximately 36.1% over the average closing price of approximately HK\$0.573 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (e) a premium of approximately 32.2% over the average closing price of approximately HK\$0.590 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (f) a premium of approximately 20.6% over the average closing price of approximately HK\$0.647 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;

- (g) a premium of approximately 7.3% over the average closing price of approximately HK\$0.727 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and
- (h) a discount of approximately 50.4% to the audited consolidated net asset value per Share of approximately HK\$1.572 as at 31 December 2024, based on (i) the audited consolidated net asset value of the Company of approximately HK\$1,131,696,000 as at 31 December 2024 and (ii) 720,000,000 Shares in issue as at the Announcement Date.

The cash consideration under the Cash Alternative has been determined on a commercial basis after considering the recent and historical traded prices of the Shares and the financial performance of the Group.

Highest and lowest prices

During the six-month period ended on and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.85 on the trading days from 29 October 2024 to 28 November 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.405 on the trading days from 11 February 2025 to 18 February 2025.

The Share Alternative

The Offeror is a company incorporated in the British Virgin Islands with limited liability on 8 September 2003. The Holdco is a special purpose vehicle incorporated in the British Virgin Islands with limited liability on 7 September 2018. As at the Announcement Date, the Holdco is directly wholly-owned by the Offeror, which in turn is directly beneficially owned by Mr. Wong, the controlling shareholder, the chairman and a non-executive Director of the Company. Mr. Wong, Mr. Wong Fung Yuen, Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan are the directors of the Offeror. Mr. Wong is the brother of Mr. Wong Fung Yuen and the father of Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan. The Holdco Shares are shares of an unlisted company in the British Virgin Islands, being a special purpose vehicle. The Holdco is currently authorised to issue a maximum of 50,000 shares with a par value of US\$1.00 each. Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan are the directors of the Holdco.

As at the Announcement Date, the Offeror holds one share in the Holdco, representing 100% shareholding interest in the Holdco. On or before the Effective Date, the Holdco will subdivide the one share with a par value of US\$1.00 held by the Offeror into 10,000 shares with a par value of US\$0.0001 each and allot 179,990,000 new shares at par value to the Offeror, upon which the Offeror shall hold 180,000,000 shares of the Holdco, mirroring the total number of Scheme Shares. Pursuant to the Scheme, the Holdco will allot such number of Holdco Shares to each Scheme Shareholder validly electing the Share Alternative equal to the number of Scheme Shares rendered by it for election of the Share Alternative under the Scheme within seven business days after the later of (i) the Effective Date; and (ii) the date on which the Scheme Shareholder validly elects the Share Alternative and the relevant documents of title in respect of such election are received by the Offeror (or its agent). The deadline for election will be set out in the Scheme Document. The Holdco will repurchase such number of Holdco Shares (if any) held by the Offeror at par value upon the Effective Date equal to the number of Scheme Shares rendered by the Scheme Shareholders validly electing the Share Alternative. After such repurchase, the Holdco will be held by (i) the Offeror as to such number of Holdco Shares mirroring the number of Scheme Shares rendered by the Scheme Shareholders who validly elect the Cash Alternative; and (ii) the Scheme Shareholders as to such number of Holdco Shares mirroring the number of Scheme Shares rendered by the Scheme Shareholders who validly elect the Share Alternative.

Assuming all Scheme Shareholders choose only the Share Alternative, upon completion of the Proposal, the Company will be held as to 75% by the Offeror and 25% by the Holdco respectively, which in turn will be held as to 100% by all the Scheme Shareholders.

Assuming all Scheme Shareholders choose only the Cash Alternative, upon completion of the Proposal, the Company will be held as to 75 % by the Offeror and 25% by the Holdco respectively, which in turn will be held as to 100% by the Offeror.

Upon the Effective Date and after the withdrawal of listing of the Shares, the Offeror will transfer 540,000,000 Shares (representing 75% of the issued and outstanding Shares) to the Holdco and as consideration, the Holdco will allot 540,000,000 Holdco Shares to the Offeror. As a result, after the withdrawal of listing of the Shares, the Holdco will be the sole shareholder of the Company and the Holdco will be wholly owned by the Offeror, assuming all the Scheme Shareholders choose the Cash Alternative. If all the Scheme Shareholders choose the Share Alternative, then the Holdco will still be the sole shareholder of the Company, and Holdco will be held as to 75% by the Offeror and 25% by the Scheme Shareholders respectively.

The Share Alternative, which will be subject to the conditions mentioned below, offers an opportunity for the existing Shareholders to retain indirect interest in the Company after withdrawal of listing of the Shares from the Stock Exchange. Any Scheme Shareholder who elects to receive only the Share Alternative will retain indirectly through his shareholding in the Holdco the same proportional interest in the Company as such Shareholder held immediately before the implementation of the Scheme. The Holdco Shares to be issued under the Share Alternative will be issued free of any encumbrance and credited as fully paid.

The Shareholders should note that the Holdco is a company incorporated in the British Virgin Islands on 7 September 2018 and has no business operation since its incorporation. The holders of Holdco Shares (including the Scheme Shareholders who will be allotted and issued Holdco Shares under the Share Alternative) will enjoy such voting, dividend and liquidation rights and benefits (including attending and voting at a shareholders' meeting, receiving a proportionate share of any dividend paid and receiving a proportionate share of any distribution of the Holdco's surplus assets under a liquidation) attaching to the Holdco Shares (being the ordinary shares of the Holdco ranking pari passu with the shares held or to be held by the Offeror in the Holdco) as afforded under the relevant laws of the British Virgin Islands and the memorandum and articles of association of the Holdco, a copy of which will be available for inspection as a document on display at the time of despatch of the Scheme Document.

Upon the Effective Date and after the withdrawal of the listing of the Shares, the Company will become a wholly owned subsidiary of the Holdco and, other than that, the Holdco will not own any other assets or owe any liabilities. Given that there is no intention to seek a listing of the Holdco Shares on any stock exchange, the Holdco Shares will be relatively illiquid and the holders of Holdco Shares will not be protected by any rules and regulations of any stock exchange or securities regulatory authorities. Moreover, section 4.1 of the Introduction to The Codes on Takeovers and Mergers and Share Buy-backs provides that The Codes on Takeovers and Mergers and Share Buy-backs apply to takeovers, mergers and share buy-backs affecting, among others, public companies in Hong Kong and section 4.2 of the Introduction to The Codes on Takeovers and Mergers and Share Buy-backs provides that in order to determine whether a company is a public company in Hong Kong, the Executive will take into account the number of Hong Kong shareholders and the extent of share trading in Hong Kong and other factors. If, following the implementation of the Scheme, the Holdco is determined by the Executive to be a "public company in Hong Kong", the Holdco will be subject to The Codes on Takeovers and Mergers and Share Buy-backs.

Conditions of the Proposal and the Scheme

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Shareholders, subject to the fulfilment or waiver (as applicable) of the following Conditions:

- (a) the approval of the Scheme (by way of poll) by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares, present and voting either in person or by proxy at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) by the Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Scheme Shareholders that are voted either in person or by proxy at the Court Meeting, provided that the number of votes cast (by way of poll) by the Disinterested Scheme Shareholders present and voting either in person or by proxy against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by all the Disinterested Scheme Shareholders;
- (c) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting, in person or by proxy, at the EGM to approve and give effect to the reduction of the issued share capital of the Company by the cancellation and extinguishment of the Scheme Shares; and (ii) the passing of an ordinary resolution by a simple majority of the Shareholders present and voting, in person or by proxy, at the EGM to approve the application of the credits created by the cancellation and extinguishment of the Scheme Shares to contemporaneously restore the issued share capital of the Company to the amount immediately prior to the cancellation and extinguishment of the Scheme Shares by allotting and issuing to the Holdco the same number of new Shares, credited as fully paid at par, as the number of Scheme Shares cancelled and extinguished;
- (d) the sanction of the Scheme (with or without modifications) by the Grand Court and the confirmation of the reduction of the issued share capital of the Company, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court and the minutes approved by the Grand Court for registration;

- (e) the necessary compliance with the procedural requirements and conditions, if any, under the Companies Act in relation to the reduction of the share capital of the Company referred to in paragraph (c) above;
- (f) all authorisations, approvals, permissions, waivers and consents and all registrations and filings (including without limitation any which are required or desirable under or in connection with any applicable laws or regulations or any licences, permits or contractual obligations of the Company) in connection with the Proposal or its implementation in accordance with its terms having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification;
- (g) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms), other than such actions, proceedings or suits as would not have a material adverse effect on the legal ability of the Offeror to proceed with the Proposal or the Scheme;
- (h) all necessary legal or regulatory obligations in all relevant jurisdictions having been complied with and no legal or regulatory requirement having been imposed which is not expressly provided for, or is in addition to the requirements expressly provided for, in the relevant laws or regulations in connection with the Proposal or its implementation in accordance with its terms;
- (i) since 31 December 2024, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of the Group which is material in the context of the Group taken as a whole or in the context of the Proposal; and

- (j) since the Announcement Date, there not having been instituted, threatened in writing or remaining outstanding any litigation, arbitration, other proceedings or other dispute resolution process to which any member of the Group is a party (whether as plaintiff, defendant or otherwise) and no investigation by any government, quasi-governmental, supranational, regulatory or investigative body or court against or in respect of any such member or the business carried on by any such member having been threatened in writing, instituted or remaining outstanding, in each case, which is material in the context of the Group taken as a whole or in the context of the Proposal or its implementation in accordance with its terms.

The Offeror reserves the right to waive all or any of the Conditions (except for the Conditions in paragraphs (a) to (e) above) in whole or in part. The Company does not have the right to waive any of the Conditions.

In respect of the Condition in paragraph (f) above, as at the Announcement Date, the Offeror and the Company do not foresee any necessary authorisations, approvals, permissions, waivers, consents, registrations and filings required in connection with the Proposal from, with or by (as the case may be) the relevant authorities in the Cayman Islands, Hong Kong and any other relevant jurisdictions, save for the authorisations already set out in paragraphs (a) to (e) above as separate conditions.

In respect of the Condition in paragraph (h) above, as at the Announcement Date, the Offeror and the Company are not aware of any such legal or regulatory obligation or requirement which is required to be complied with or has been imposed in connection with the Proposal or its implementation in accordance with its terms, save for the requirements already set out in paragraphs (a) to (e) above as separate conditions.

All of the above Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Scheme will not become effective and the Proposal will lapse. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to the right to invoke such Condition are of material significance to the Offeror in the context of the Proposal. As at the Announcement Date, the Offeror is not aware of any such circumstances.

If approved, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

As at the Announcement Date, none of the Conditions has been fulfilled or waived (as applicable).

Warnings: Shareholders and potential investors of the Company should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers. This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of applicable law. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any election or other response to the Proposal should be made only on the basis of information in the Scheme Document or any other document by which the Proposal is made.

Reduction and restoration of issued share capital

The issued share capital of the Company will, on the Effective Date, be reduced by cancelling and extinguishing the Scheme Shares. Upon such reduction, the issued share capital of the Company will be reduced by cancelling and extinguishing all of the Scheme Shares. Immediately after such share capital reduction, the Company will issue to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished such that the issued share capital of the Company will be restored to its amount in issue immediately before such reduction. The reserve created in the books of accounts of the Company as a result of such reduction will be applied in paying up in full at par the new Shares so issued, credited as fully paid.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Announcement Date, the authorised share capital of the Company is HK\$380,000 divided into 7,600,000,000 Shares of HK\$0.00005 each, and the Company has 720,000,000 Shares in issue. As at the Announcement Date, there was no outstanding share options under the Share Option Scheme.

The table below sets out the shareholding structure of the Company as at the Announcement Date and immediately upon completion of the Scheme, assuming that there are no other changes in the shareholding of the Company between the Announcement Date and the Record Date:

Shareholders	As at		Immediately upon	
	the Announcement Date		completion of the Proposal	
	<i>Number of Shares</i>	<i>As % of total issued Shares</i>	<i>Number of Shares</i>	<i>As % of total issued Shares</i>
Offeror (<i>Note 1</i>)	540,000,000	75	540,000,000	75
Scheme Shareholders	180,000,000	25	–	–
Holdco (<i>Notes 2 and 3</i>)	–	–	180,000,000	25
Total	<u>720,000,000</u>	<u>100</u>	<u>720,000,000</u>	<u>100</u>

Notes:

1. Mr. Wong owns the entire issued share capital of the Offeror and is a director of the Offeror. He is also the controlling shareholder, the chairman and a non-executive Director of the Company.
2. Assuming all Scheme Shareholders choose only the Share Alternative, upon completion of the Proposal, the shares of Holdco will be held as to 100% by all the Scheme Shareholders.
3. Assuming all Scheme Shareholders choose only the Cash Alternative, upon completion of the Proposal, the shares of Holdco will be held as to 100% by the Offeror.
4. As at the Announcement Date, save for Mr. Wong, none of the Directors holds any Shares.

FINANCIAL RESOURCES

On the assumption that no other Shares are issued before the Record Date, and on the basis of the cash consideration under the Cash Alternative of HK\$0.78 per Scheme Share, 180,000,000 Scheme Shares will be subject to the Cash Alternative and the amount of cash required to implement the Proposal would be HK\$140,400,000.

The Offeror intends to finance the entire cash consideration under the Proposal from its internal cash resources.

SBI China Capital has been appointed as the financial adviser to the Offeror in respect of the Proposal and is satisfied that sufficient financial resources are available to the Offeror for the full implementation of the Proposal in accordance with its terms.

OTHER ARRANGEMENTS

As at the Announcement Date:

- (a) save as disclosed in the section headed “Shareholding structure of the Company” above, none of the Offeror, Mr. Wong or parties acting in concert with any of them owns or controls or directs any existing holding of voting rights and rights over shares in the Company, or any convertible securities, warrants or options in the Company;
- (b) there is no outstanding derivative in respect of securities in the Company entered into by the Offeror, Mr. Wong or parties acting in concert with any of them;
- (c) neither the Offeror, Mr. Wong nor parties acting in concert with any of them have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (d) there are no outstanding convertible securities, warrants, options or derivatives in respect of the Shares which have been entered into by the Offeror, Mr. Wong or any of the parties acting in concert with any of them and the Offeror, Mr. Wong and parties acting in concert with any of them have not dealt in the Shares during the period beginning six months prior to the Announcement Date and up to and including the Announcement Date;
- (e) there is no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or shares of the Offeror which might be material to the Proposal;

- (f) there is no agreement or arrangement to which the Offeror, Mr. Wong or any of the parties acting in concert with any of them is a party which relates to circumstances in which it may or may not invoke or seek to invoke a Condition to the Proposal;
- (g) neither the Offeror, Mr. Wong nor parties acting in concert with any of them have received any irrevocable commitment to vote for or against the Proposal or as to election of the Cash Alternative or the Share Alternative or a combination of both;
- (h) save for the cash consideration under the Cash Alternative and the share consideration under the Share Alternative, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, Mr. Wong or parties acting in concert with any of them to any of the Scheme Shareholders in connection with the cancellation and extinguishment of the Scheme Shares (as applicable);
- (i) there is no understanding, arrangement, agreement or special deal between the Offeror, Mr. Wong or parties acting in concert with any of them on the one hand, and any of the Scheme Shareholders on the other hand; and
- (j) there is no understanding, arrangement, agreement or special deal between any Shareholder and (A) the Offeror, Mr. Wong or parties acting in concert with any of them or (B) the Company, its subsidiaries or associated companies.

REASONS FOR AND BENEFITS OF THE PROPOSAL

The property sector in Hong Kong has been adversely affected by the prevailing market conditions. The Group's financial performance was on a declining trend. It recorded loss of approximately HK\$39.0 million, approximately HK\$62.6 million and approximately HK\$96.7 million for the three years ended 31 December 2024, respectively. The historical losses were mainly attributable to the loss in fair value of investment properties of approximately HK\$57.2 million, approximately HK\$79.2 million and approximately HK\$116.5 million for the three years ended 31 December 2024, respectively. As mentioned in the annual report of the Company for the year ended 31 December 2024, the Company foresees that the global economic landscape remains complex in year 2025. Geopolitical tensions and uneven recoveries across major economies contribute to market uncertainties. The local property market remains under pressure, with subdued transaction volumes and modest price adjustments in both residential and commercial segments. Office and retail rentals also face headwinds as businesses adapt to shifting economic conditions. The decrease in market values and reduced liquidity of local properties have created difficulties for the Group to realise its underlying asset value.

Given the Group has been loss-making for consecutive years and there is no sign of recovery for the property sector in Hong Kong, the Offeror believes that it is unlikely to see any significant improvement in the trading volume and share price of the Company nor the Company will be able to utilise its listing status to raise funds from the equity market, in the near term for business development and future growth. The Company also faces constraints in boosting the stock value through share buy-backs due to the minimum public float requirement. The market capitalisation on the Last Trading Day was approximately HK\$432.0 million (calculated based on the closing price of HK\$0.6 per Share on the Last Trading Day as quoted on the Stock Exchange), which is substantially lower than its net assets value of approximately HK\$1,131.7 million as at 31 December 2024. As such, the continued listing of the Shares does not provide any significant or meaningful benefit to the Company in the near future. Alternatively, the Proposal would allow the Company to reduce the administrative costs and management resources associated with maintaining its public listing status and to free the Company from the pressure of market expectations, share price fluctuations and compliance requirements which arise from the Company being a publicly listed company. It could provide more flexibility to the Group to focus on formulating and implementing its long-term strategies or to pursue other business opportunities and allow the Company to make strategic decisions focused on long-term growth and benefits.

The Proposal has taken into consideration the weak performance and thin liquidity of the Shares. The cash consideration of HK\$0.78 per Scheme Share represents a premium of approximately 30.0% over the closing price of HK\$0.6 as quoted on the Stock Exchange on the Last Trading Day, and a premium of approximately 30.0%, 30.0%, 36.1%, 32.2%, 20.6% and 7.3% per Share for the 5, 30, 60, 90, 120 and 180 trading days up to and including the Last Trading Day, respectively. The Shares has been traded at a relatively low level over a prolonged period in recent years. The average daily trading volume of Shares for the six-month period, 12-month period and 24-month period up to and including the Last Trading Day were approximately 314 Shares, 549 Shares and 1,582 Shares per trading day, representing approximately 0.0000%, 0.0001% and 0.0002%, respectively, of the total number of issued Shares as at the Announcement Date. It reflects a lack of interest of investors in dealing in the Shares. The low trading liquidity of the Shares could make it difficult for Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares. The Proposal, if implemented, will offer the Scheme Shareholders a valuable opportunity to realise their entire investment in the Company at a premium and to reallocate the proceeds from the disposal of the Shares to alternative potential investment opportunities.

INTENTION OF THE OFFEROR WITH REGARD TO THE GROUP

Following the implementation of the Proposal, the Offeror intends that the Group will continue to carry on its current business. The Offeror has no intention to have the Shares or the Holdco Shares listed in other stock markets in the near future or to make any major changes to the business of the Group such as redeployment of fixed assets or the continued employment of employees of the Group, other than those changes which the Offeror may from time to time implement following the review of its strategy relating to the business, structure and/or direction of the Group.

INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange with the stock code 2292. The Group engages in property investment business in Hong Kong with a principal focus on office and retail properties leasing and in the property management business. Its investment property portfolio covers both office space and retail shops.

The following table is a summary of certain audited financial information of the Group for each of the three years ended 31 December 2024, as extracted from the Company's annual reports of the relevant years:

	For the year ended 31 December 2024	For the year ended 31 December 2023	For the year ended 31 December 2022
	<i>Approximately HK\$'000 (audited)</i>	<i>Approximately HK\$'000 (audited)</i>	<i>Approximately HK\$'000 (audited)</i>
Revenue	37,326	35,374	37,517
(Loss) before income tax	(93,457)	(59,757)	(35,688)
(Loss) for the year	(96,743)	(62,631)	(38,966)

	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
	<i>Approximately HK\$'000 (audited)</i>	<i>Approximately HK\$'000 (audited)</i>	<i>Approximately HK\$'000 (audited)</i>
Total assets	1,152,038	1,248,126	1,309,860
Total liabilities	20,342	19,687	18,790
Net assets	1,131,696	1,228,439	1,291,070

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in British Virgin Islands with limited liability on 8 September 2003. It has been the controlling shareholder of the Company since the Listing on 16 January 2018.

As at the Announcement Date, the Offeror is directly wholly-owned by Mr. Wong. Mr. Wong is a director of the Offeror and is also the controlling shareholder, the chairman and a non-executive Director of the Company. The other directors of the Offeror are Mr. Wong Fung Yuen, Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan.

Mr. Wong is the brother of Mr. Wong Fung Yuen and the father of Mr. Wong Ka Yeung Roland, an executive Director, and Mr. Wong Man Yeung Ryan, the chief executive officer of the Company.

INFORMATION ON THE HOLDCO

The Holdco is a special purpose vehicle incorporated in the British Virgin Islands with limited liability on 7 September 2018, with no business operations since its incorporation. As at the Announcement Date, the Holdco is directly wholly-owned by the Offeror, which in turn is directly beneficially owned by Mr. Wong, the controlling shareholder, the chairman and a non-executive Director of the Company. The directors of the Holdco are Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan. The Holdco has not carried on any business since its incorporation, and does not hold any assets of significant value.

WITHDRAWAL OF LISTING OF THE SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished (with the equivalent number of new Shares being issued and credited as fully paid to the Holdco) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect from the Effective Date.

The Scheme Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares and the day on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed timetable of the implementation of the Proposal will be included in the Scheme Document.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code, the Proposal will lapse if any of the Conditions has not been fulfilled or waived, as applicable, on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither Mr. Wong, the Offeror nor any person who acted in concert with any of them in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses announce an offer or possible offer for the Company, except with the consent of the Executive.

COSTS OF THE SCHEME

Pursuant to Rule 2.3 of the Takeovers Code, if the Scheme is not approved and the Proposal is either not recommended by the Independent Board Committee, or is not recommended as fair and reasonable by the Independent Financial Adviser, all costs and expenses incurred by the Company and the Offeror in connection with the Scheme will be borne by the Offeror.

DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document containing, among other things, further details of the Proposal and the Scheme, the expected timetable, an explanatory memorandum as required under the Companies Act and the Grand Court, information regarding the Company, the recommendations from the Independent Board Committee with respect to the Proposal, the letter of advice of the Independent Financial Adviser to the Independent Board Committee, a notice of the Court Meeting and a notice of the EGM, together with forms of proxy and consideration election forms in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Companies Act and the Grand Court, and other applicable laws and regulations.

The Scheme Document will contain important information and the Scheme Shareholders are urged to read the Scheme Document containing such disclosures carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting or the EGM. Any election or other response to the Proposal should be made only on the basis of information in the Scheme Document or any other document by which the Proposal is made.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising Ms. Chan Kam Ping, Mr. Wong King Wai Kirk and Mr. Hung Franklin Chi Yen, all being independent non-executive Directors, has been established by the Board to make recommendations to the Scheme Shareholders as to whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the EGM. Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee should comprise all non-executive Directors who have no direct or indirect interest in the Proposal. Given that Mr. Wong is the sole member and a director of the Offeror, Mr. Wong is not considered as independent for the purpose of giving advice or recommendations to the Scheme Shareholders. Accordingly, Mr. Wong is not a member of the Independent Board Committee.

The Independent Financial Adviser will be appointed by the Company (with the approval of the Independent Board Committee) to advise the Independent Board Committee in relation to the Proposal. An announcement will be made by the Company as soon as possible after the appointment of the Independent Financial Adviser.

SCHEME SHARES, COURT MEETING AND THE EGM

As at the Announcement Date, the Offeror holds 540,000,000 Shares (representing 75% of the issued share capital of the Company). Such Shares will not form part of the Scheme Shares and, as the Offeror is not a Scheme Shareholder, the Offeror will not vote on the Scheme at the Court Meeting. The Offeror will undertake to the Grand Court that it will be bound by the Scheme and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable for the purpose of giving effect to the Scheme.

All Shareholders will be entitled to attend the EGM to vote on, amongst other things, (i) a special resolution to approve and give effect to the reduction of issued share capital of the Company by the cancellation and extinguishment of the Scheme Shares; and (ii) an ordinary resolution to approve and give effect to the application of the credits created by the cancellation and extinguishment of the Scheme Shares to contemporaneously restore the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by allotting and issuing to the Holdco the same number of new Shares, credited as fully paid, as the number of Scheme Shares cancelled and extinguished.

DISCLOSURE OF DEALINGS

The respective associates (as defined in the Takeovers Code) of the Offeror and the Company, including shareholders holding 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of each of the foregoing, are hereby reminded to disclose their dealings in the relevant securities of the Company and the Holdco.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

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

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

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

OVERSEAS SHAREHOLDERS

The making and implementation of the Proposal to Scheme Shareholders who are not resident in Hong Kong may be affected by the applicable laws of the relevant jurisdictions. Any Scheme Shareholders who are not resident in Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements in their own jurisdictions. Further details in relation to overseas Shareholders will be contained in the Scheme Document.

It is the responsibility of any overseas Scheme Shareholders wishing to take any action in relation to the Proposal, respectively, to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with the necessary formalities and the payment of any issue, transfer or other taxes due from such shareholder in such jurisdiction.

Any election by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their respective advisers, that those laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the receipt of the Scheme Document by overseas Scheme Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Offeror or the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Offeror or the Company or their respective shareholders), the Scheme Document may not be despatched to such overseas Scheme Shareholders. For that purpose, the Company will apply for a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Scheme Document to such overseas Scheme Shareholders. In granting the waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such Scheme Shareholders.

TAXATION

Scheme Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of their election for the Cash Alternative and/or the Share Alternative. It is emphasised that none of the Offeror, the Company, SBI China Capital or any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility (other than in respect of themselves, if applicable) for any taxation effects on, or liabilities of, any other persons as a result of their election for the Cash Alternative and/or the Share Alternative.

RESUMPTION OF TRADING IN SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:00 a.m. on 29 April 2025, pending the issuance of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 12 May 2025.

DEFINITIONS

In this joint announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Announcement Date”	9 May 2025, being the date of this joint announcement
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of directors of the Company
“Cash Alternative”	the cash consideration alternative under the Proposal, being HK\$0.78 in cash for every Scheme Share
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Act”	the Companies Act (2025 Revision) of the Cayman Islands, as amended from time to time
“Company”	Thing On Enterprise Limited (晉安實業有限公司), 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: 2292)
“Condition(s)”	the condition(s) to the implementation of the Proposal and the Scheme as described in the section headed “Terms of the Proposal — Conditions of the Proposal and the Scheme” of this joint announcement
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules

“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Director(s)”	the director(s) of the Company
“Disinterested Scheme Shareholder(s)”	Scheme Shareholder(s), other than Mr. Wong, the Offeror and parties acting in concert with any of them
“Effective Date”	the date on which the Scheme, if approved and sanctioned by the Grand Court, becomes effective in accordance with the Companies Act
“EGM”	an extraordinary general meeting of Shareholders to be convened for the purpose of passing all necessary resolutions for, amongst other things, approving a reduction of issued share capital and contemporaneous restoration of the issued share capital for the purpose of giving effect to the Scheme, or any adjournment thereof
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited

“Holdco”	Thing On Investment Management Limited (formerly known as Thing On Investment Management Ltd), a company incorporated in the British Virgin Islands on 7 September 2018 with limited liability. As at the Announcement Date, it is wholly owned by the Offeror
“Holdco Share(s)”	share(s) with a par value of US\$1.00 each in the Holdco or with a par value of US\$0.0001 each following a share subdivision prior to the Effective Date as described in this joint announcement
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company, which comprises Ms. Chan Kam Ping, Mr. Wong King Wai Kirk and Mr. Hung Franklin Chi Yen, all being independent non-executive Directors, has been established to advise the Scheme Shareholders in respect of the Proposal
“Independent Financial Adviser”	the independent financial adviser to be appointed to provide recommendations to the Independent Board Committee in respect of the Proposal
“KYC Documents”	KYC documents as listed in paragraph headed “Terms of the Proposal” in this joint announcement
“Last Trading Day”	28 April 2025, being the last trading day on which the Shares were traded on the Stock Exchange before publication of this joint announcement
“Listing”	the listing of the Shares on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited

“Long Stop Date”	31 December 2025 or such later date as the Offeror and the Company may agree or, to the extent applicable, as the Grand Court may direct and, in all cases, as permitted by the Executive
“Mr. Wong”	Mr. Wong Chung Tak Richard, the controlling shareholder, the chairman and a non-executive Director of the Company
“Offer Consideration”	the consideration payable by the Offeror in connection with the Proposal, being the Cash Alternative or the Share Alternative or a combination of both
“Offeror”	Thing On Group Limited 晉安(集團)有限公司, a company incorporated in British Virgin Islands with limited liability on 8 September 2003, which is wholly owned by Mr. Wong
“Offeror Concert Parties”	all parties acting, or presumed to be acting, in concert with Mr. Wong or the Offeror in relation to the Company as defined under the Takeovers Code (including Mr. Wong Fung Yuen, Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan)
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme and the withdrawal of the listing of the Shares from the Stock Exchange, on the terms and subject to the conditions set out in this joint announcement and to be set out in the Scheme Document
“Record Date”	the record date for determining entitlements of the Scheme Shareholders under the Scheme
“SBI China Capital”	SBI China Capital Hong Kong Securities Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, and the financial adviser to the Offeror in respect of the Proposal

“Scheme”	a scheme of arrangement between the Company and the Scheme Shareholders under Section 86 of the Companies Act for the implementation of the Proposal
“Scheme Document”	the composite scheme document to be despatched to the Shareholders as described in the section headed “Despatch of the Scheme Document” of this joint announcement
“Scheme Share(s)”	Share(s) in issue on the Record Date, which for the avoidance of doubt, shall exclude Shares held directly or indirectly by the Offeror
“Scheme Shareholder(s)”	registered holder(s) of the Scheme Share(s) as at the Record Date
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$ 0.00005 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Shares
“Share Alternative”	the share alternative under the Proposal, being one Holdco Share for every Scheme Share held
“Share Option Scheme”	the share option scheme of the Company pursuant to the written resolutions of the Shareholders passed on 15 December 2017
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong
“U.S.” or “United States”	the United States of America

“%”

per cent

By order of the board of directors of
Thing On Group Limited
Wong Chung Tak Richard
Director

By order of the Board of
Thing On Enterprise Limited
Wong Chung Tak Richard
Chairman

Hong Kong, 9 May 2025

As at the Announcement Date, the directors of the Offeror are Mr. Wong Chung Tak Richard, Mr. Wong Fung Yuen, Mr. Wong Ka Yeung Roland and Mr. Wong Man Yeung Ryan.

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

As at the Announcement Date, the Board comprises Mr. Wong Chung Tak Richard as the chairman of the Board and a non-executive Director; Mr. Wong Ka Yeung Roland and Ms. Chan Choi Wan Rolie as executive Directors; and Ms. Chan Kam Ping, Mr. Wong King Wai Kirk and Mr. Hung Franklin Chi Yen as independent non-executive Directors.

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

Unless otherwise specified, references to date and time refer to Hong Kong date and time.