
THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offer, this Composite Document and/or the accompanying Form of Acceptance or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Thelloy Development Group Limited**, you should at once hand this Composite Document and the accompanying Form of Acceptance to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Form of Acceptance, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Form of Acceptance.

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the contents of which form part of the terms and conditions of the Offer contained herein.

WORLD NEXUS HOLDINGS LIMITED **THELLOY DEVELOPMENT GROUP LIMITED**
(Incorporated in the British Virgin Islands with limited liability)

德萊建業集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1546)

COMPOSITE DOCUMENT RELATING TO MANDATORY UNCONDITIONAL CASH OFFER BY LEGO SECURITIES LIMITED FOR AND ON BEHALF OF WORLD NEXUS HOLDINGS LIMITED TO ACQUIRE ALL THE ISSUED SHARES IN THELLOY DEVELOPMENT GROUP LIMITED (OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY THE OFFEROR AND THE OFFEROR CONCERT PARTIES)

Financial adviser to the Offeror



Joint Independent Financial Advisers to the Independent Board Committee



Capitalised terms used in this cover page shall have the same meanings as those defined in this Composite Document unless the context requires otherwise.

A letter from Lego Securities containing, among other things, principal terms of the Offer is set out on pages 8 to 20 of this Composite Document. A letter from the Board is set out on pages 21 to 26 of this Composite Document. A letter from the Independent Board Committee containing its recommendation in respect of the Offer to the Independent Shareholders is set out on pages 27 to 28 of this Composite Document. A letter from the Joint Independent Financial Advisers containing their advice to the Independent Board Committee in respect of the Offer is set out on pages 29 to 52 of this Composite Document.

The procedures for acceptance and other related information in respect of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Form of Acceptance should be received by the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event no later than 4:00 p.m. on Friday, 10 April 2026, or such later time and/or date as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code.

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Form of Acceptance to any jurisdiction outside Hong Kong should read the paragraphs headed "Availability of the Offer" in the "Letter from Lego Securities" and "6. Overseas Shareholders" in Appendix I to this Composite Document before taking any action. It is the responsibility of each Overseas Shareholder wishing to accept the Offer to satisfy himself, herself or itself 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 or any registration or filing which may be required and the compliance with other necessary formalities or legal requirements and payment of any transfer or other taxes due by such Overseas Shareholder in respect of such jurisdiction. Each Overseas Shareholder is advised to seek professional advice on deciding whether to accept the Offer.

This Composite Document will remain on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.thelloy.com) as long as the Offer remains open.

20 March 2026

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EXPECTED TIMETABLE

The expected timetable set out below is indicative only and is subject to change. Any changes to the expected timetable will be jointly announced by the Offeror and the Company. Unless otherwise expressly stated, all time and date references contained in this Composite Document and the Form of Acceptance refer to Hong Kong time and date.

Event	2026
Despatch date of this Composite Document and the accompanying Form of Acceptance and commencement date of the Offer (<i>Note 1</i>)	Friday, 20 March
Offer opens for acceptance (<i>Note 1</i>)	Friday, 20 March
Latest time and date for acceptance of the Offer on the Closing Date (<i>Notes 2, 3 and 5</i>)	4:00 p.m. on Friday, 10 April
Closing Date (<i>Notes 3 and 5</i>)	Friday, 10 April
Announcement of the results of the Offer (or its extension or revision, if any) as at the Closing Date, to be posted on the website of the Stock Exchange (<i>Notes 3 and 5</i>)	by 7:00 p.m. on Friday, 10 April
Latest date for posting of remittances for the amount due in respect of valid acceptances received under the Offer at or before 4:00 p.m. on the Closing Date (<i>Notes 4 and 5</i>)	Tuesday, 21 April

Notes:

1. The Offer, which is unconditional in all respects, is open for acceptance on and from Friday, 20 March 2026, being the date of posting of this Composite Document, and is capable of acceptance on and from that date until 4:00 p.m. on the Closing Date, unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the paragraph headed “4. Right of Withdrawal” in Appendix I to this Composite Document.
2. Beneficial owners of the Shares who hold their Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements (set out in Appendix I to this Composite Document) for causing instructions to be made to CCASS in accordance with the General Rules of HKSCC and HKSCC Operational Procedures.

EXPECTED TIMETABLE

3. In accordance with the Takeovers Code, the Offer must initially be open for acceptance for at least twenty-one (21) days following the date on which this Composite Document is despatched. The Offer will initially remain open for acceptances until 4:00 p.m. on Friday, 10 April 2026 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. The Offeror has the right under the Takeovers Code to extend the Offer until such date as it may determine in accordance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). The Offeror and the Company will jointly issue an announcement in relation to any extension of the Offer, in which the announcement will state either the next Closing Date or, a statement that the Offer will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing must be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.
4. Remittances in respect of the cash consideration (after deducting the seller's ad valorem stamp duty) payable for the Offer Shares tendered under the Offer will be despatched to the Independent Shareholders accepting the Offer (to the address specified on the Form of Acceptance) by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days following the date of receipt by the Registrar of all relevant documents to render the acceptance under the Offer complete and valid.
5. If there is a tropical cyclone warning signal no. 8 or above, or "Extreme Conditions" or a "black rainstorm warning signal" as issued by the Hong Kong Observatory and/or the Government of Hong Kong (collectively, "**severe weather condition(s)**") on any of the following deadlines ("**Key Deadline(s)**"): (a) the Closing Date and the latest time for acceptance of the Offer and the submission and publication deadline for a closing announcement under Rule 19.1 of the Takeovers Code; and (b) the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances,
 - (a) in case any severe weather condition is in force in Hong Kong at any local time before 12:00 noon but no longer in force at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will remain on the same Business Day; or
 - (b) in case any severe weather condition is in force in Hong Kong at any local time at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will be rescheduled to the following Business Day which does not have any of those warnings or conditions in force in Hong Kong at any time at 12:00 noon and/or thereafter or such other day as the Executive may approve in accordance with the Takeovers Code.

Save as mentioned above, if the latest time for acceptance of the Offer does not take effect on the date and time as stated above, the other dates mentioned above may be affected. The Offeror and the Company will notify the Independent Shareholders by way of joint announcement(s) on any change to the expected timetable as soon as practicable.

IMPORTANT NOTICE

NOTICE TO THE OVERSEAS SHAREHOLDERS

The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws of the relevant jurisdictions. Overseas Shareholders who are citizens or residents or nationals of jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements.

It is the responsibility of any such person who wishes to accept the Offer to satisfy himself/herself/itself 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 and any registration or filing which may be required or the compliance with other necessary formalities or legal and regulatory requirements and the payment of any transfer or other taxes or other required payments due from such accepting Overseas Shareholders in respect of such jurisdiction.

The Offeror, the Offeror Concert Parties, the Company, Lego Securities, Lego Corporate Finance, the Joint Independent Financial Advisers, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay. Please see the paragraph headed “Availability of the Offer” in the “Letter from Lego Securities” and “6. Overseas Shareholders” in Appendix I to this Composite Document for details.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Composite Document contains forward-looking statements, which may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “seek”, “estimate”, “will”, “would” or words of similar meaning, that involve risks and uncertainties, as well as assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The forward-looking statements included herein are made only as at the Latest Practicable Date. The Offeror and the Company assume no obligation to correct or update the forward-looking statements or opinions contained in this Composite Document, except as required pursuant to applicable laws or regulations, including but not limited to the Listing Rules and/or the Takeovers Code.

DEFINITIONS

In this Composite Document, unless otherwise defined or the context otherwise requires, the following expressions have the following meanings:

“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Announcement”	the announcement of the Company dated 16 January 2026 in relation to the possible transfer of certain shareholding interests in the Company held by the Vendor made pursuant to Rule 3.7 of the Takeovers Code
“associate(s)”	has the meaning ascribed thereto under the Takeovers Code
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by the HKSCC
“Cinda International”	Cinda International Capital Limited, a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, one of the Joint Independent Financial Advisers
“Closing Date”	Friday, 10 April 2026, being the closing date of the Offer, which is no less than twenty-one (21) days following the date on which this Composite Document is despatched, or if the Offer is extended or revised, any subsequent closing date as the Offeror may determine and announce with the consent of the Executive and in accordance with the Takeovers Code
“Company”	Thelloy Development Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1546)
“Completion”	completion of the sale and purchase of the Sale Shares pursuant to the terms of the Sale and Purchase Agreement

DEFINITIONS

“Composite Document”	this composite offer and response document jointly issued by the Offeror and the Company in accordance with the Takeovers Code containing, among other things, details of the Offer, the recommendation from the Independent Board Committee to the Independent Shareholders and the advice from the Joint Independent Financial Advisers to the Independent Board Committee in respect of the Offer
“connected person”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegate(s)
“Form of Acceptance”	the form of acceptance and transfer of the Offer Shares in respect of the Offer accompanying this Composite Document
“Group”	the Company and its subsidiaries from time to time
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees Limited”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board, comprising three independent non-executive Directors (namely Mr. Tang Chi Wang, Mr. Tse Ting Kwan and Ms. Yeung Cheuk Chi Vivian), which has been established to make a recommendation, after taking into account the advice from the Joint Independent Financial Advisers, to the Independent Shareholders in respect of the Offer and in particular as to whether the Offer is fair and reasonable and as to acceptance of the Offer
“Independent Shareholders”	the Shareholders other than the Offeror and the Offeror Concert Parties

DEFINITIONS

“Irrevocable Undertaking”	the irrevocable undertaking dated 28 January 2026 given by Cheers Mate in favour of the Offeror under which it has undertaken, among other things, not to accept the Offer in respect of the Retained Shares
“Joint Announcement I”	the announcement dated 28 January 2026 jointly issued by the Offeror and the Company in relation to, among other things, the Sale and Purchase Agreement and the possible Offer
“Joint Announcement II”	the announcement dated 12 February 2026 jointly issued by the Offeror and the Company in relation to, among other things, the Completion and the Offer
“Joint Announcements”	collectively, Joint Announcement I and Joint Announcement II
“Joint Independent Financial Advisers”	Cinda International and Rainbow Capital, being the joint independent financial advisers to the Independent Board Committee in respect of the Offer
“Last Trading Day”	22 January 2026, being the last trading day of the Shares on the Stock Exchange prior to the halt of trading in the Shares pending the release of the Joint Announcement I
“Latest Practicable Date”	17 March 2026, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Lego Corporate Finance”	Lego Corporate Finance Limited, a corporation licensed by the SFC to conduct Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in respect of the Offer
“Lego Securities”	Lego Securities Limited, a corporation licensed by the SFC to conduct Type 1 (dealing in securities) regulated activity under the SFO, being the agent making the Offer for and on behalf of the Offeror
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Choi”	Mr. Choi Chi Wan (蔡智云)

DEFINITIONS

“Mr. Choi SYD”	Mr. Choi Sheung Yi Derek (蔡尚易), son of Mr. Choi
“Mr. Lam”	Mr. Lam Kin Wing Eddie (林健榮), being (i) the sole ultimate beneficial owner and sole director of the Vendor; and (ii) an executive Director and the Chairman of the Company
“Mr. Ng”	Mr. Ng Wing Chiu Raymond (伍永超)
“Mr. Ng JY”	Mr. Ng Jonathan Yee (伍怡), son of Mr. Ng
“Mr. Soong”	Mr. Soong Tze Man (宋子文)
“Ms. Soong WS”	Ms. Soong Wing Suen (宋泳漩), daughter of Mr. Soong
“Offer”	the mandatory unconditional cash offer being made by Lego Securities for and on behalf of the Offeror to acquire all the Offer Shares in accordance with the Takeovers Code and the terms and conditions set out in this Composite Document
“Offer Period”	the period commencing from 16 January 2026, being the date of the Announcement, until the Closing Date
“Offer Price”	HK\$0.19 per Offer Share
“Offer Share(s)”	all the issued Share(s) other than the Sale Shares and the Retained Shares
“Offeror”	WORLD NEXUS HOLDINGS LIMITED, a company incorporated in the British Virgin Islands with limited liability, which is ultimately beneficially owned as to 60% by Mr. Ng, 20% by Mr. Choi and 20% by Mr. Soong
“Offeror Concert Parties”	any parties acting, or presumed to be acting, in concert with the Offeror (including Mr. Ng, Mr. Choi and Mr. Soong)
“Overseas Shareholders”	Independent Shareholders whose addresses as shown on the register of members of the Company are outside Hong Kong

DEFINITIONS

“PRC”	the People’s Republic of China, for the purpose of this Composite Document, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Rainbow Capital”	Rainbow Capital (HK) Limited, a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, one of the Joint Independent Financial Advisers
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company, with its address at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Relevant Period”	the period from 16 July 2025, being the date falling six months preceding the date of the Announcement, up to and including the Latest Practicable Date
“Remuneration Committee”	remuneration committee of the Board
“Retained Shares”	the 79,200,000 Shares, representing 9.9% of the total issued shares of the Company as at the Latest Practicable Date, which will continue to be held by the Vendor prior to the expiry of the Offer Period pursuant to the Irrevocable Undertaking
“Sale and Purchase Agreement”	the sale and purchase agreement dated 23 January 2026 and entered into among the Vendor as vendor, Mr. Lam as vendor guarantor and the Offeror as purchaser in relation to the sale and purchase of the Sale Shares
“Sale Share(s)”	500,800,000 Shares transferred to the Offeror from the Vendor pursuant to 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) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Vendor” or “Cheers Mate”	Cheers Mate Holding Limited, a company incorporated in the British Virgin Islands with limited liability, which (i) held 580,000,000 Shares, representing 72.5% of the total number of issued Shares, as at the date of the Joint Announcement I, and (ii) holds 79,200,000 Shares, representing 9.9% of the total issued shares of the Company, as at the Latest Practicable Date, with Mr. Lam being its sole ultimate beneficial owner and sole director
“%”	per cent

LETTER FROM LEGO SECURITIES



20 March 2026

To the Independent Shareholders,

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF WORLD NEXUS HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN
THELLOY DEVELOPMENT GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED
AND/OR AGREED TO BE ACQUIRED
BY THE OFFEROR AND THE OFFEROR CONCERT PARTIES)**

INTRODUCTION

References are made to the Joint Announcements whereby the Offeror and the Company jointly issued on 28 January 2026 and 12 February 2026 in relation to, among other things, the Sale and Purchase Agreement and the Offer.

The Sale and Purchase Agreement

As disclosed in the Joint Announcement I, on 23 January 2026 (before trading hours), the Offeror, the Vendor and Mr. Lam entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase an aggregate of 500,800,000 Sale Shares, representing 62.6% of the total issued shares of the Company as at the Latest Practicable Date. The total consideration for the Sale Shares was HK\$95,152,000, which was equivalent to HK\$0.19 per Sale Share. Completion took place on 12 February 2026.

Immediately prior to Completion, none of the Offeror and the Offeror Concert Parties held, owned, controlled or had the right of direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately upon Completion, the Offeror and the Offeror Concert Parties are interested in a total of 500,800,000 Shares, representing 62.6% of the total issued shares of the Company as at the Latest Practicable Date.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and the Offeror Concert Parties).

LETTER FROM LEGO SECURITIES

Purpose of this letter

This letter forms part of this Composite Document and sets out, among other things, principal terms of the Offer, together with the information on the Offeror and the Offeror Concert Parties and the intention of the Offeror on the Group. Further details of the Offer are also set out in Appendix I to this Composite Document and the accompanying Form of Acceptance. Your attention is also drawn to the “Letter from the Board”, the “Letter from the Independent Board Committee” to the Independent Shareholders and the “Letter from the Joint Independent Financial Advisers” to the Independent Board Committee as contained in this Composite Document.

THE OFFER

Principal terms of the Offer

Lego Securities, for and on behalf of the Offeror, is making the Offer to acquire all the Offer Shares (other than those already owned and/or agreed to be acquired by the Offeror and the Offeror Concert Parties) in compliance with the Takeovers Code and on the terms set out in this Composite Document and in the Form of Acceptance on the following basis:

Offer Price for each Offer ShareHK\$0.19 in cash

The Offer Price of HK\$0.19 per Offer Share is equivalent to the price per Sale Share under the Sale and Purchase Agreement.

The Offer is unconditional in all respects. The Offer is extended to all Shares in issue other than those Shares held by the Offeror and Offeror Concert Parties.

As at the Latest Practicable Date, 800,000,000 Shares were in issue and the Company does not have any outstanding options, derivatives, warrants or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares.

The Board confirms that, as at the Latest Practicable Date, (a) no dividend or distributions have been declared but unpaid; and (b) there is no intention for the Company to make, declare or pay any dividend or distributions. If, after the Latest Practicable Date, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror will reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Independent Shareholders pursuant to Note 3 to Rule 26.3 and Note 11 to Rule 23.1 of the Takeovers Code.

LETTER FROM LEGO SECURITIES

The Offeror will not increase the Offer Price for the Offer Shares as set out above. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.

The procedures for acceptance and further details of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

Comparison of value

The Offer Price of HK\$0.19 per Offer Share represents:

- (i) a discount of approximately 15.18% to the closing price of HK\$0.224 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 46.48% to the closing price of HK\$0.355 per Share as quoted on the Stock Exchange on the last trading day prior to the commencement of the Offer Period (i.e. the date of the Announcement made pursuant to Rule 3.7 of the Takeovers Code);
- (iii) a discount of approximately 50.65% to the closing price of HK\$0.385 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iv) a discount of approximately 44.28% to the average of the closing prices of approximately HK\$0.341 per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day;
- (v) a premium of approximately 28.47% over the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$0.148 per Share (based on the total number of the issued Shares as at the Latest Practicable Date) as at 31 March 2025, being the date to which the latest published audited annual financial results of the Group were made up; and
- (vi) a premium of approximately 48.79% over the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$0.128 per Share (based on the total number of the issued Shares as at the Latest Practicable Date) as at 30 September 2025, being the date to which the latest published unaudited interim financial results of the Group were made up.

Highest and lowest Share prices

During the Relevant Period, the highest and lowest closing prices of the Shares as quoted on the Stock Exchange were HK\$0.385 per Share (on 22, 23, 26, 27 and 28 January 2026) and HK\$0.058 per Share (on 17 December 2025), respectively.

LETTER FROM LEGO SECURITIES

Irrevocable Undertaking

The Vendor has irrevocably and unconditionally undertaken to and covenant with the Company and the Offeror not to transfer, pledge or dispose of the Shares (other than the Sale Shares) it holds prior to the expiry of the Offer Period, and will not tender the Retained Shares for acceptance under the Offer. The Irrevocable Undertaking will remain valid until the earlier of the closing or lapse of the Offer, which it would cease to be binding on the Vendor.

Value of the Offer

Based on the Offer Price of HK\$0.19 per Offer Share and 800,000,000 Shares in issue as at the Latest Practicable Date, the entire market capitalisation of the Company was HK\$152 million. Excluding the 500,800,000 Shares held by the Offeror and the Offeror Concert Parties as at the Latest Practicable Date, a total of 299,200,000 Shares are subject to the Offer and the value of the Offer is HK\$56,848,000 (assuming there is no change in the number of issued Shares from the Latest Practicable Date up to the Closing Date).

Confirmation of financial resources available for the Offer

Excluding the 500,800,000 Shares held by the Offeror and the Offeror Concert Parties as at the Latest Practicable Date and the 79,200,000 Retained Shares subject to the Irrevocable Undertaking, the maximum consideration payable by the Offeror for the Offer was HK\$41,800,000.

The Offeror intends to finance the Offer by its internal resources provided by the resources of its shareholders, which was not borrowed from or provided by any third parties.

Lego Corporate Finance, being the financial adviser to the Offeror, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration payable upon full acceptance of the Offer.

Effect of accepting the Offer

By accepting the Offer, the Independent Shareholders will sell their Shares free from all encumbrances together with all rights attached thereto, including but not limited to all right to any dividends or other distributions declared, made or paid on or after the date on which the Offer is made, being the date of this Composite Document.

Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as otherwise permitted under the Takeovers Code.

LETTER FROM LEGO SECURITIES

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event no later than seven Business Days after the date on which the duly completed acceptance of the Offer and the relevant documents of title in respect of such acceptances are received by the Offeror (or its agent) to render each such acceptance complete and valid.

No fractions of a cent will be payable and the amount of cash consideration payable to a Shareholder who accepts the Offer will be rounded up to the nearest cent.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty on acceptance of the Offer is at the rate of 0.1% of the total consideration payable in respect of relevant acceptances or, if higher, the market value of the Offer Shares subject to such acceptance, will be deducted from the amounts payable to Independent Shareholders who accept the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the Independent Shareholders who accept the Offer and pays the buyer's Hong Kong ad valorem stamp duty in connection with the acceptances of the Offer and the transfers of the relevant Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Taxation Advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, the Offeror Concert Parties, the Company, Lego Securities, Lego Corporate Finance and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Availability of the Offer

The Offeror intends to make the Offer available to all Independent Shareholders, including the Overseas Shareholders. However, the Offer to persons not resident in Hong Kong may be affected by the laws and regulations of the relevant jurisdiction which they are resident. The making of the Offer to persons with a registered addresses in jurisdictions outside Hong Kong may be prohibited or limited by the laws and regulations of the relevant jurisdiction. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should fully observe any applicable legal or regulatory requirements and, where necessary, seek independent legal advice. It is the responsibilities of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from such Overseas Shareholders in respect of such jurisdictions).

LETTER FROM LEGO SECURITIES

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

Any acceptance of the Offer by any Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the applicable local laws and requirements have been complied with. Overseas Shareholders should consult their professional advisers if in doubt.

INFORMATION ON THE GROUP

Your attention is also drawn to the information on the Group set out in the section headed “Information on the Group” in the “Letter from the Board” and Appendices II and III as contained in this Composite Document.

INFORMATION ON THE OFFEROR AND THE OFFEROR CONCERT PARTIES

The Offeror

The Offeror is incorporated in the British Virgin Islands on 6 January 2026 with limited liability, and is an investment holding company incorporated for the sole purpose of the Offer. As at the Latest Practicable Date, the Offeror is ultimately beneficially owned as to 60% by Mr. Ng, 20% by Mr. Choi and 20% by Mr. Soong, respectively. The directors of the Offeror are Mr. Ng JY, Mr. Choi and Mr. Soong.

The Offeror Concert Parties

Mr. Ng, aged 69, has over 35 years of experience in the construction and building services engineering industry.

Mr. Choi, aged 61, has over 40 years of experience in the construction and building services engineering industry.

Mr. Soong, aged 55, has over 20 years of experience in the construction and building services engineering industry.

Mr. Ng, Mr. Choi and Mr. Soong are the directors of Fortune Peace Holdings Limited (“**Fortune Peace**”), a company incorporated in Hong Kong with limited liability principally engaged in (i) building construction; (ii) building services; (iii) electric cables services; and (iv) property management. Fortune Peace is ultimately beneficially owned as to 60% by Mr. Ng and his family, 20% by Mr. Choi and 20% by Mr. Soong, respectively.

Save as disclosed in this Composite Document and other than being parties acting in concert for the purpose of the Takeovers Code and business partners in other business collaborations, there is no other relationship among Mr. Ng, Mr. Choi and Mr. Soong.

LETTER FROM LEGO SECURITIES

Unistress Building Construction Limited (“Unistress”), a principal subsidiary of Fortune Peace, holds certain International Organisation for Standardisation (ISO) certifications and licenses, and is an approved contractor for public works under Group C (Confirmed) of the building turn-key category, and an approved specialist contractor for repair and restoration of historic buildings, interior design and fitting-out works (Group I) and structural steel. Unistress has involved in various construction of new buildings and repair, maintenance and alteration of existing projects in both the government and private sectors, which include residential, commercial, hotels, education institutes and government building.

INTENTION OF THE OFFEROR ON THE GROUP

Following the close of the Offer, the Offeror has no intention to discontinue the employment of the employees or to dispose of (other than the change in proposed change of the Board composition as detailed below) or re-deploy the assets of the Group other than those in its ordinary course of business. The Offeror also intends to continue the existing principal business of the Group.

Nevertheless, the Offeror will conduct a detailed review on the existing principal businesses and operations, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group’s long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. As at the Latest Practicable Date, no investment or business opportunities has been identified nor have the Offeror entered into any agreement, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group.

PROPOSED CHANGE OF BOARD COMPOSITION

As at the Latest Practicable Date, the Board comprised of three executive Directors, namely Mr. Lam Kin Wing Eddie, Mr. Shut Yu Hang and Mr. Lam Arthur Chi Ping, and four independent non-executive Directors, namely Mr. Tang Chi Wang, Mr. Tse Ting Kwan, Mr. Wong Kwong On and Ms. Yeung Cheuk Chi Vivian.

It was intended that, except for Mr. Lam Arthur Chi Ping, all of the executive Directors and independent non-executive Directors would resign with effect from the earliest time permitted under the Takeovers Code. As disclosed in Joint Announcement I, the Offeror intended to nominate Mr. Ng JY, Mr. Choi and Mr. Soong as executive Directors. No concerns have been raised regarding Mr. Choi and Mr. Soong’s suitability to act as a Director. Nevertheless, after further deliberations and taking into account (i) the time commitment and attention required to discharge the responsibilities as an executive Director; (ii) Mr. Choi and Mr. Soong’s current personal and business commitments, which also require their attention and dedication; and (iii) the academic background and qualifications of Mr. Choi’s son (Mr. Choi SYD) and Mr. Soong’s daughter (Ms. Soong WS), the Offeror finds it appropriate, and believes that it will be in the interest of the Company, to nominate Mr. Ng JY, Mr. Choi SYD and Ms. Soong WS as executive Directors.

LETTER FROM LEGO SECURITIES

As at the Latest Practicable Date, the Offeror intends to nominate Mr. Ng JY, Mr. Choi SYD and Ms. Soong WS as executive Directors and Mr. Ip Yik Nam, JP, Mr. Tso Ping Cheong Brian and Ms. Leung Wai Yan as independent non-executive Directors for appointment to the Board with effect from a time no earlier than that as permitted under the Takeovers Code or such later date as the Offeror considers to be appropriate. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

The biographical information of the proposed Directors nominated by the Offeror is set out below:

Proposed Executive Directors

Mr. NG Jonathan Yee (伍怡), aged 35, has almost 10 years of experience in the construction and building services engineering industry. From March 2020 to March 2026, he was a director of various companies principally engaged in construction and engineering.

He obtained a Bachelor of Science degree in Electrical Engineering from the University of California Los Angeles, the United States of America, in 2013, a Master of Science degree in High Performance Buildings from The Hong Kong Polytechnic University in 2016 and a Master of Corporate Governance degree from The Hong Kong Polytechnic University in 2024.

He is the son of Mr. Ng, who is one of the ultimate beneficial owners of World Nexus Holdings Limited (holding 62.6% equity interests in the Company).

Save as disclosed herein, as at the Latest Practicable Date, Mr. Ng JY (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Mr. CHOI Sheung Yi Derek (蔡尚易), aged 34, has approximately seven years of experience in the construction and building services engineering industry. From August 2020 to March 2026, he was a director of various companies principally engaged in construction and engineering.

He obtained a Bachelor of Arts degree in Economics and Psychology from The University of British Columbia, Kelowna, Canada, in 2015 and a Master of Business Administration degree in Finance Concentration from City University of Hong Kong in 2019. He also achieved NEC4: TSC Service Manager Accreditation in 2024.

LETTER FROM LEGO SECURITIES

He is the son of Mr. Choi, who is one of the ultimate beneficial owners of World Nexus Holdings Limited (holding 62.6% equity interests in the Company).

Save as disclosed herein, as at the Latest Practicable Date, Mr. Choi SYD (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Ms. SOONG Wing Suen (宋泳漩) (alias Chantal Soong), aged 30, has worked for a main contractor since 2019. From August 2020 to March 2026, she was a director of various companies principally engaged in construction and engineering.

She obtained a Bachelor of Laws degree with honours from Swansea University, the United Kingdom, in 2017 and a Master of Science degree in construction project management from the University of Hong Kong in 2023. She also achieved NEC4: ECC Project Manager Accreditation in 2024.

She is the daughter of Mr. Soong, who is one of the ultimate beneficial owners of World Nexus Holdings Limited (holding 62.6% equity interests in the Company).

Save as disclosed herein, as at the Latest Practicable Date, Ms. Soong WS (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Proposed Independent non-executive Directors

Mr. IP Yik Nam, JP (葉亦楠), aged 46, has over 20 years of management experience through assuming various management roles in companies in the United States of America (“USA”) and Hong Kong.

From September 2016 to February 2020 and from September 2016 to April 2022, Mr. Ip was the chief executive officer and an executive director of Able Engineering Holdings Limited, the issued shares of which are listed on Main Board of the Stock Exchange (stock code: 1627), respectively. Mr. Ip is currently a director of Arrano Group Holdings Limited, which is principally engaged in the provision of security solutions (including facility management and AI-integrated technology-based security systems) for public and private sectors, such as airport operators, contractors and non-profit organisations.

LETTER FROM LEGO SECURITIES

Mr. Ip graduated from Hong Kong Baptist University with a Bachelor of Business Administration degree in Human Resources Management in December 2002. He further obtained a Master of Business Administration degree from Long Island University, the USA, in May 2004 and a Bachelor of Laws degree from University of London in August 2011.

Mr. Ip is currently a District Council member of the Central and Western District and a member of each of the Fight Crime Committee, Action Committee Against Narcotics, Security and Guarding Services Industry Authority, District Fire Safety Committee of the Central and Western District, and Correctional Services Department Complaints Appeal Board.

Save as disclosed herein, as at the Latest Practicable Date, Mr. Ip (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Mr. TSO Ping Cheong Brian (曹炳昌), aged 45, has over 20 years of experience in finance and accounting. Mr. Tso founded Teton CPA Company, an accounting firm, in January 2013 and has served as a sole proprietor since then.

He is currently a practising member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, a fellow member of each of the Hong Kong Chartered Governance Institute (formerly known as the Hong Kong Institute of Chartered Secretaries) and the Chartered Governance Institute (formerly known as the Institute of Chartered Secretaries and Administrators).

Mr. Tso has been an independent non-executive director of each of (i) Huasheng International Holding Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1323), since February 2015; (ii) Maxicity Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2295), since November 2019; and (iii) Shenglong Splendecor International Limited, a company listed on GEM of the Stock Exchange (stock code: 8481), since June 2018.

He also served as an independent non-executive director of each of (i) EFT Solutions Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8062), from September 2019 to January 2024; and (ii) Guoen Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8121), from May 2014 to May 2023.

Mr. Tso received a degree of Bachelor of Arts in accountancy and a degree of master of corporate governance from the Hong Kong Polytechnic University in 2003 and 2013, respectively.

LETTER FROM LEGO SECURITIES

Save as disclosed herein, as at the Latest Practicable Date, Mr. Tso (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Ms. Leung Wai Yan (梁焯茵), aged 40, has over 15 years of experience in catering, retail and corporate management, with a focus on online and offline business development in both the PRC and Hong Kong.

Since founding Evvoke (Hong Kong) Limited and Evvoke Catering Limited in 2014 and 2018, respectively, Ms. Leung has served as the founder, responsible for the overall strategic planning and business expansion of the companies. Prior to that, she worked as Strategy Development Manager at China South City Holdings Limited (“**China South City**”), the issued shares of which are listed on Main Board of the Stock Exchange (stock code: 1668), from 2012 to 2014, in charge of strategic planning and business development. From 2008 to 2012, she was Assistant General Manager and Executive Director at Splendid City Hotel under China South City, accumulating experience in corporate management and operations.

Ms. Leung obtained her Master of Business Administration degree from The Chinese University of Hong Kong in 2011. She also earned her Bachelor of Business Administration degree in International Hotel Management with Finance from Les Roches International School of Hotel Management, Switzerland, in 2007.

Save as disclosed herein, as at the Latest Practicable Date, Ms. Leung (i) does not hold any position in the Company or other members of the Group; (ii) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; and (iv) does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that:

- (a) if, at the close of the offer, the Stock Exchange believes that: -
- a false market exists or may exist in the trading of the Shares; or
 - an orderly market does not exist or may not exist;

LETTER FROM LEGO SECURITIES

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

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

- the Stock Exchange will add a designated marker to the stock name of the Shares; and
- the Stock Exchange will cancel the listing of the Shares if the Company fails to re-comply with rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offeror intends the Company to remain listed on the Stock Exchange after the close of the Offer. The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The directors of the Offeror and the new Directors to be appointed to the Board will jointly and severally undertake to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of rule 13.32B, they will take appropriate steps to ensure the Company's compliance with rule 13.32B at the earliest possible moment, such as disposal of Shares held by the Offeror and the Offeror Concert Parties and/or issue of additional Shares by the Company for this purpose. The Company and the Offeror will issue a separate announcement as and when necessary in this regard.

ACCEPTANCE AND SETTLEMENT OF THE OFFER

Your attention is drawn to the details regarding the procedures for acceptance and settlement of the Offer as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

GENERAL

To ensure equality of treatment of all Independent Shareholders, those Independent Shareholders who hold the Shares as nominee for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for the beneficial owners of the Shares, whose investments are registered in nominee names, to accept the Offer, it is essential that they provide instructions to their nominees of their intentions with regard to the Offer.

LETTER FROM LEGO SECURITIES

All documents and remittances will be sent to the Independent Shareholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members of the Company, or, in case of joint holders to the Independent Shareholder whose name appears first in the said register of members. None of the Offeror, Offeror Concert Parties, the Company, Lego Corporate Finance, Lego Securities, the Joint Independent Financial Advisers, the Registrar nor their respective ultimate beneficial owners, directors, officers, advisers, agents or associates, as applicable, or any other person involved in the Offer will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offer set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. You are reminded to read carefully the “Letter from the Board”, the “Letter from the Independent Board Committee” and the letter of advice by the Joint Independent Financial Advisers to the Independent Board Committee in respect of the Offer as set out in the “Letter from the Joint Independent Financial Advisers” as contained in this Composite Document before deciding whether or not to accept the Offer.

If you are in doubt about your position in connection with the Offer, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

Yours faithfully,
For and on behalf of
Lego Securities Limited
Kelvin Li
Director

LETTER FROM THE BOARD

THELLOY DEVELOPMENT GROUP LIMITED

德萊建業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1546)

Executive Directors:

Mr. Lam Kin Wing Eddie

Mr. Shut Yu Hang

Mr. Lam Arthur Chi Ping

Registered office:

PO Box 309

Ugland House

Grand Cayman

KY1-1104, Cayman Islands

Independent Non-executive Directors:

Mr. Tang Chi Wang

Mr. Tse Ting Kwan

Mr. Wong Kwong On

Ms. Yeung Cheuk Chi Vivian

Principal place of business in

Hong Kong:

19/F, The Globe,

79 Wing Hong Street,

Lai Chi Kok, Kowloon,

Hong Kong

20 March 2026

To the Independent Shareholders

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF WORLD NEXUS HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN
THELLOY DEVELOPMENT GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE OFFEROR AND
THE OFFEROR CONCERT PARTIES)**

INTRODUCTION

References are made to the Joint Announcements whereby the Offeror and the Company jointly issued on 28 January 2026 and 12 February 2026 in relation to, among other things, the Sale and Purchase Agreement and the Offer. Unless otherwise specified, capitalised terms used in this letter shall have the same meanings as those defined in this Composite Document.

LETTER FROM THE BOARD

As disclosed in the Joint Announcements, the Company was informed by the Vendor and the Offeror that on 23 January 2026 (before trading hours), the Vendor, Mr. Lam and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor agreed to sell and the Offeror agreed to purchase an aggregate of 500,800,000 Sale Shares, representing 62.6% of the total issued shares of the Company as at the Latest Practicable Date. The total consideration for the Sale Shares was HK\$95,152,000, which was equivalent to HK\$0.19 per Sale Share. It was paid by the Offeror's internal resources provided by the resources of its shareholders, which was not borrowed from or provided by any third parties. Completion took place on 12 February 2026.

As at the Latest Practicable Date, the Company has 800,000,000 Shares in issue, and save for the Shares, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

Immediately prior to the Completion, none of the Offeror and the Offeror Concert Parties held, owned, controlled or had the right of direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after the Completion, the Offeror and the Offeror Concert Parties are interested in a total of 500,800,000 Shares, representing 62.6% of the total issued shares of the Company as at the Latest Practicable Date.

Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and the Offeror Concert Parties).

The purpose of this Composite Document (of which this letter forms part) is to provide you with, among other things, (i) the details of the Offer (including the expected timetable and the terms of the Offer); (ii) the letter from Lego Securities containing details of the Offer; (iii) the letter from the Independent Board Committee containing its recommendations to the Independent Shareholders in relation to the Offer; (iv) the letter from the Joint Independent Financial Advisers containing their advice to the Independent Board Committee and the Independent Shareholders on whether the Offer is fair and reasonable so far as the Independent Shareholders are concerned and on acceptance in respect of the Offer; and (v) further information relating to the Group and the Offeror, together with the Form of Acceptance.

INDEPENDENT BOARD COMMITTEE AND JOINT INDEPENDENT FINANCIAL ADVISERS

Under Rule 2.1 and Rule 2.8 of the Takeovers Code, a board which receives an offer or which is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation: (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to the acceptance.

LETTER FROM THE BOARD

As disclosed in the announcement of the Company dated 12 March 2026, Mr. Wong Kwong On (being an independent non-executive Director) has informed the Company that, due to recent developments, it has come to his attention that his law firm represents certain clients, who are independent third parties to the Company, in on-going legal disputes involving claims against companies controlled by Mr. Ng and his family, Mr. Choi and Mr. Soong. Mr. Wong Kwong On has therefore ceased to be a member of the Independent Board Committee.

The Independent Board Committee, comprising all the remaining independent non-executive Directors (namely Mr. Tang Chi Wang, Mr. Tse Ting Kwan and Ms. Yeung Cheuk Chi Vivian) has been established for the purpose of making recommendation to the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

With the approval of the Independent Board Committee, Cinda International and Rainbow Capital have been appointed by the Company as the Joint Independent Financial Advisers to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer as to whether the Offer is fair and reasonable and as to the acceptance of the Offer.

The full text of the letter from the Independent Board Committee addressed to the Independent Shareholders and the letter from the Joint Independent Financial Advisers addressed to the Independent Board Committee and the Independent Shareholders are set out in this Composite Document. **You are advised to read both letters and the additional information contained in the appendices to this Composite Document carefully before taking any action in respect of the Offer.**

MANDATORY UNCONDITIONAL CASH OFFER

As disclosed in the “Letter from Lego Securities” in this Composite Document, Lego Securities, for and on behalf of the Offeror, is making the Offer to acquire all the Offer Shares (other than those already owned and/or agreed to be acquired by the Offeror and the Offeror Concert Parties) in compliance with the Takeovers Code and on the terms set out in this Composite Document and the Form of Acceptance on the following basis:

The Offer

Offer Price for each Offer Share HK\$0.19 in cash

The Company confirms that as at the Latest Practicable Date, (i) the Company had not declared any dividend which remains unpaid; and (ii) it did not have any intention to make, declare or pay any future dividend/make other distributions on or before the close of the Offer.

Further details of the Offer are set out under the section headed “Letter from Lego Securities” and Appendix I to this Composite Document and the accompanying Form of Acceptance, which together set out the terms and conditions of the Offer and certain related information.

LETTER FROM THE BOARD

INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 1546). The Group is principally engaged in the provision of (i) building construction services; (ii) repair, maintenance, alteration and addition works services; and (iii) design and build services in Hong Kong as main contractor.

Pursuant to Note 3 to Rule 2 of the Takeovers Code, the Board would like to draw the attention of the Independent Shareholders to the existence of a material uncertainty related to the Group's ability to continue as a going concern as at 31 March 2025 as set out in the annual report of the Company for the year ended 31 March 2025, the details of which are disclosed in Appendix II to this Composite Document.

The material uncertainty relating to the "going concern" basis of the Company means that the Independent Shareholders are advised to take into account the foregoing and consider carefully the terms of the Offer. If the Independent Shareholders decide not to accept the Offer, they should be aware of the potential risks associated with the material uncertainty in respect of the "going concern" issue.

Your attention is drawn to Appendices II and III to this Composite Document which contain further financial and general information of the Group.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately prior to the Completion; and (ii) after the Completion and as at the Latest Practicable Date:

Shareholders	Immediately prior to the Completion		After the Completion and as at the Latest Practicable Date	
	Number of Shares	%	Number of Shares	%
The Offeror and the Offeror Concert Parties (1)	–	–	500,800,000	62.6
Cheers Mate (2)	580,000,000	72.5	79,200,000	9.9
Other public Shareholders	<u>220,000,000</u>	<u>27.5</u>	<u>220,000,000</u>	<u>27.5</u>
Total	<u>800,000,000</u>	<u>100</u>	<u>800,000,000</u>	<u>100</u>

LETTER FROM THE BOARD

Notes:

1. The Offeror is incorporated in the British Virgin Islands with limited liability, and is an investment holding company ultimately beneficially owned as to 60% by Mr. Ng, 20% by Mr. Choi and 20% by Mr. Soong, respectively.
2. Mr. Lam beneficially owns 100% of the issued shares of Cheers Mate. By virtue of the SFO, Mr. Lam is deemed to be interested in the Shares held by Cheers Mate.
3. As at the Latest Practicable Date, save for Mr. Lam, no other Director holds any interest in the Shares.

Your attention is also drawn to Appendices II and III to this Composite Document which contain the financial information and general information of the Group, respectively.

FUTURE INTENTIONS OF THE OFFEROR REGARDING THE GROUP

Your attention is drawn to the paragraph headed “Intention of the Offeror on the Group” in the “Letter from Lego Securities” in this Composite Document.

The Board is pleased to note the intention of the Offeror in respect of the Group as disclosed. The Board is willing to cooperate with the Offeror for the best interests of the Company and its Shareholders as a whole.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that:

- (a) if, at the close of the offer, the Stock Exchange believes that: –
 - a false market exists or may exist in the trading of the shares; or
 - an orderly market does not exist or may not exist;it will consider exercising its discretion to suspend dealings in the shares; and
- (b) if, at the close of the offer, the listed issuer has a Significant Public Float Shortfall (as defined in rule 13.32F), then: –
 - the Stock Exchange will add a designated marker to the stock name of the listed shares; and
 - the Stock Exchange will cancel the listing of the issuer’s shares if the issuer fails to re-comply with rule 13.32B for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

LETTER FROM THE BOARD

As stated in the “Letter from Lego Securities” in this Composite Document, the Offeror intends the Company to remain listed on the Stock Exchange after the close of the Offer. The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The directors of the Offeror and the new Directors to be appointed to the Board will jointly and severally undertake to the Stock Exchange that if, at the close of the Offer, the Company fails to comply with the requirement of rule 13.32B, they will take appropriate steps to ensure the Company’s compliance with rule 13.32B at the earliest possible moment, such as disposal of Shares held by the Offeror and the Offeror Concert Parties and/or issue of additional Shares by the Company for this purpose. The Company and the Offeror will issue a separate announcement as and when necessary in this regard.

RECOMMENDATIONS

None of the members of the Independent Board Committee is interested in or involved in the Offer.

Your attention is drawn to (i) the letter from the Independent Board Committee as set out on pages 27 to 28 of this Composite Document, which contains its recommendation to the Independent Shareholders in respect of the Offer; and (ii) the letter from the Joint Independent Financial Advisers as set out on pages 29 to 52 of this Composite Document, which contains their advice to the Independent Board Committee and the Independent Shareholders in relation to the Offer and the principal factors considered by them before arriving at their recommendation.

ADDITIONAL INFORMATION

You are advised to read the “Letter from Lego Securities” in this Composite Document. Your attention is also drawn to the additional information contained in the appendices to this Composite Document. You are also recommended to read carefully “Further terms and procedures for acceptance of the Offer” set out in Appendix I to this Composite Document and the accompanying Form of Acceptance for further details in respect of the procedures for acceptance of the Offer.

In considering what action to take in connection with the Offer, you should consider your own tax positions, if any, and, in case of any doubt, consult your professional advisers.

Yours faithfully,
For and on behalf of the Board
Thelloy Development Group Limited
Lam Kin Wing Eddie
Chairman and Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

THELLOY DEVELOPMENT GROUP LIMITED

德萊建業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1546)

20 March 2026

To the Independent Shareholders

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF WORLD NEXUS HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN
THELLOY DEVELOPMENT GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED
TO BE ACQUIRED BY THE OFFEROR AND
THE OFFEROR CONCERT PARTIES)**

INTRODUCTION

We refer to the composite offer and response document (the “**Composite Document**”) dated 20 March 2026 jointly issued by the Company and the Offeror, of which this letter forms part. Capitalised terms used herein shall have the same meanings as defined in the Composite Document unless the context requires otherwise.

We have been appointed by the Board to form the Independent Board Committee for the purpose of advising the Independent Shareholders in respect of the Offer, as to whether the Offer is fair and reasonable and as to acceptance of the Offer.

Cinda International and Rainbow Capital have been appointed as the Joint Independent Financial Advisers with our approval to advise us in this respect of the Offer and as to the acceptance thereof. Details of their advice and the principal factors taken into consideration in arriving at their recommendation are set out in the “Letter from the Joint Independent Financial Advisers” on pages 29 to 52 of the Composite Document.

We also wish to draw your attention to the sections headed “Letter from Lego Securities”, the “Letter from the Board” and the additional information set out in the appendices to this Composite Document and the accompanying Form of Acceptance in respect of the terms of the Offer and the acceptance and settlement procedures for the Offer.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

RECOMMENDATION

Having taken into account the terms of the Offer, the advice and recommendation from the Joint Independent Financial Advisers together with the principal factors and reasons taken into account in arriving at their recommendation, we are of the opinion that the Offer is fair and reasonable so far as the Independent Shareholders are concerned and therefore we recommend the Independent Shareholders to accept the Offer.

The Independent Shareholders who wish to realise their investment in the Group are reminded that they should carefully and closely monitor the market price of the Shares during the Offer Period and consider selling their Shares in the open market during the Offer Period, rather than accepting the Offer, if the net proceeds from the sales of such Shares in the open market would exceed the net amount receivable under the Offer. In any event, the Independent Shareholders should note that there is no certainty that the current trading volume and/or current trading price level of the Shares will be sustainable during or after the Offer Period.

Notwithstanding our recommendation, the Independent Shareholders are strongly advised that the decision to realise or to hold their investment is subject to individual circumstances and investment objectives. If in doubt, the Independent Shareholders should consult their own professional advisers for professional advice.

Furthermore, the Independent Shareholders who wish to accept the Offer are recommended to read carefully the procedures for accepting the Offer as detailed in the Composite Document and the Form of Acceptance. If in any doubt, the Independent Shareholders should consult their own professional advisers for professional advice.

Yours faithfully,

For and on behalf of

Independent Board Committee of

Thelloy Development Group Limited

Mr. Tang Chi Wang

*Independent non-executive
Director*

Mr. Tse Ting Kwan

*Independent non-executive
Director*

Ms. Yeung Cheuk Chi Vivian

*Independent non-executive
Director*

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

The following is the full text of a letter of advice from Cinda International Capital and Rainbow Capital, the Joint Independent Financial Advisers to the Independent Board Committee and Independent Shareholders in respect of the Offer, which has been prepared for the purpose of incorporation in this Composite Document.



20 March 2026

To: the Independent Board Committee and Independent Shareholders

Dear Sirs,

**MANDATORY UNCONDITIONAL CASH OFFER BY
LEGO SECURITIES LIMITED
FOR AND ON BEHALF OF WORLD NEXUS HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN
THELLOY DEVELOPMENT GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
THE OFFEROR CONCERT PARTIES)**

INTRODUCTION

We refer to our appointment as the Joint Independent Financial Advisers to advise the Independent Board Committee in respect of the Offer, details of which are set out in the “Letter from the Board” of this Composite Document to the Independent Shareholders dated 20 March 2026, of which this letter forms part. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in this Composite Document.

On 23 January 2026 (before trading hours), the Vendor, Mr. Lam and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell and the Offeror has conditionally agreed to purchase an aggregate of 500,800,000 Sale Shares, representing approximately 62.6% of the total issued shares of the Company as at the Latest Practicable Date. The total consideration for the Sale Shares is HK\$95,152,000, equivalent to HK\$0.19 per Sale Share. Completion took place on 12 February 2026.

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

Immediately prior to Completion, the Offeror and the Offeror Concert Parties did not hold, own, control or have direction over any Shares in the share capital or voting rights of the Company. Immediately upon Completion, the Offeror and the Offeror Concert Parties are interested in 500,800,000 Shares, representing approximately 62.6% of the total issued shares of the Company. Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror is required to make a mandatory unconditional cash offer for all issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and the Offeror Concert Parties). Lego Securities is, for and on behalf of the Offeror and in compliance with the Takeovers Code, making the Offer at the Offer Price of HK\$0.19 per Offer Share in cash.

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee, comprising three independent non-executive Directors, namely Mr. Tang Chi Wang, Mr. Tse Ting Kwan and Ms. Yeung Cheuk Chi Vivian, has been established by the Board to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to acceptance of the Offer.

We, Cinda International Capital and Rainbow Capital, have been appointed as the Joint Independent Financial Advisers to advise the Independent Board Committee in the same regard and such appointment has been approved by the Independent Board Committee in accordance with Rule 2.1 of the Takeovers Code.

We are not associated or connected financially or otherwise with the Company, the Vendor, the Offeror, their respective substantial shareholders and professional advisers, or any party acting, or presumed to be acting, in concert with any of them. In the last two years prior to the commencement of the Offer Period, there was no engagement or connection between the Group, the Vendor, the Offeror, or the parties acting in concert with any of them on one hand and us on the other hand. Apart from normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Company, the Vendor, the Offeror, their respective substantial shareholders and financial or other professional advisers, or any party acting, or presumed to be acting, in concert with any of them. Accordingly, we are considered eligible to give independent advice to the Independent Board Committee in respect of the Offer.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have considered, among other things, (i) the information and facts contained or referred to in this Composite Document; (ii) the annual report of the Company for the year ended 31 March 2025 (the “**2025 Annual Report**”) and the interim report of the Company for the six months ended 30 September 2025 (the “**2025 Interim Report**”); (iii) the information and opinions provided by the Directors and the management of the Group; and (iv) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in this Composite Document were true, accurate and complete in all material respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

representations made or referred to in this Composite Document are true in all material respects at the time they were made and continue to be true in all material respects as at the Latest Practicable Date and all such statements of belief, opinions and intentions of the Directors and the management of the Group and those as set out or referred to in this Composite Document were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of such information and representations provided to us by the Directors and the management of the Group. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in this Composite Document and that all information or representations provided to us by the Directors and the management of the Group are true, accurate, complete and not misleading in all material respects at the time they were made and continued to be so until the Latest Practicable Date.

The Independent Shareholders will be informed by the Company and us as soon as possible if there is any material change to the information disclosed in this Composite Document in accordance with Rule 9.1 of the Takeovers Code during the Offer Period, in which case we will consider whether it is necessary to revise our opinion and inform the Independent Board Committee and the Independent Shareholders accordingly.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in this Composite Document so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the management of the Group, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company, the Offeror or any of their respective subsidiaries and associates.

We have not considered the tax and regulatory implications on the Independent Shareholders of acceptance or non-acceptance of the Offer since these depend on their individual circumstances. In particular, the Independent Shareholders who are residents overseas or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions and, if in any doubt, should consult their own professional advisers.

PRINCIPAL TERMS OF THE OFFER

Lego Securities is, for and on behalf of the Offeror and in compliance with the Takeovers Code, making the Offer to acquire all the Offer Shares (other than those already owned and/or agreed to be acquired by the Offeror and Offeror Concert Parties) on the following basis:

Offer Price for each Offer Share HK\$0.19 in cash

The Offer Price of HK\$0.19 per Offer Share is equivalent to the price per Sale Share under the Sale and Purchase Agreement.

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

The Offer is unconditional in all respects. The Offer is extended to all Shares in issue other than those Shares held by the Offeror and the Offeror Concert Parties.

As at the Latest Practicable Date, 800,000,000 Shares were in issue and the Company does not have any outstanding options, derivatives, warrants or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares or which confer rights to require the issue of Shares.

The Vendor has irrevocably and unconditionally undertaken to and covenant with the Company and the Offeror not to transfer, pledge or dispose of the Shares (other than the Sale Shares) it holds prior to the expiry of the Offer Period, and will not tender the Retained Shares for acceptance under the Offer. The Irrevocable Undertaking will remain valid until the earlier of the closing or lapse of the Offer, which it would cease to be binding on the Vendor.

The Board confirms that, as at the Latest Practicable Date, (i) no dividend or distributions have been declared but unpaid; and (ii) there is no intention for the Company to make, declare or pay any dividend or distributions. If, after the Latest Practicable Date, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror will reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Independent Shareholders pursuant to Note 3 to Rule 26.3 and Note 11 to Rule 23.1 of the Takeovers Code.

The Offeror will not increase the Offer Price for the Offer Shares as set out above. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.

Further details of the Offer including, among other things, the expected timetable and the terms and procedures for acceptance of the Offer are set out in the sections headed “Expected timetable”, “Letter from Lego Securities” and “Further Terms and Procedures for Acceptance of the Offer” to this Composite Document and the Form of Acceptance.

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation to the Independent Board Committee and Independent Shareholders with regard to the Offer, we have taken into account the following principal factors and reasons:

1. Background information of the Group

The Company is an investment holding company listed on the Main Board of the Stock Exchange. The Group is principally engaged in providing (i) building construction services, (ii) repair, maintenance, alteration and addition (“**RMAA**”) works and services and (iii) design and build services in Hong Kong.

The Group’s revenue is primarily generated from building construction services which accounted for approximately 92.3% and 93.3% of the Group’s revenue for the year ended 31 March 2025 and the six months ended 30 September 2025, respectively. In terms of the customers mix, 58.8% of the Group’s revenue for the year ended 31 March 2025 was derived from government departments, with the remaining 41.2% sourced from private customers. In terms of the geographical location, all of the Group’s revenue was generated in Hong Kong, based on the location where services were delivered. The Group recognized its revenue over time by reference to the progress towards complete satisfaction of the performance obligation of the contracts with customers.

Set out below is a summary of the consolidated financial information of the Group for (i) the years ended 31 March 2024 and 2025 (“**FY2024**” and “**FY2025**”, respectively) as extracted from the 2025 Annual Report; and (ii) the six months ended 30 September 2024 and 2025 (“**6M2025**” and “**6M2026**”, respectively) as extracted from the 2025 Interim Report:

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

(i) Financial performance

	FY2024 <i>HK\$'000</i> <i>(audited)</i>	FY2025 <i>HK\$'000</i> <i>(audited)</i>	6M2025 <i>HK\$'000</i> <i>(unaudited)</i>	6M2026 <i>HK\$'000</i> <i>(unaudited)</i>
Revenue	257,992	400,168	180,671	260,341
Direct costs	(227,763)	(391,900)	(176,170)	(255,559)
Gross profit	30,229	8,268	4,501	4,782
Other income	1,532	2,107	944	917
Impairment losses (recognized) reversed under expected credit loss model, net	142	(183)	(152)	185
Administrative expenses	(34,977)	(34,824)	(16,035)	(15,886)
Share of (losses) profits of joint ventures	16,375	(19,531)	(99)	(3,365)
Finance costs	(4,510)	(7,436)	(2,952)	(2,807)
(Loss)/profit before tax	8,791	(51,599)	(13,793)	(16,174)
Income tax credit (expense)	(512)	241	-	-
(Loss)/profit and total comprehensive income (expenses) for the period attributable to owners of the Company	8,279	(51,358)	(13,793)	(16,174)

FY2025 as compared to FY2024

The Group's revenue increased moderately by approximately 55.1% from approximately HK\$258.0 million for FY2024 to approximately HK\$400.2 million for FY2025, primarily attributable to the increase in revenue from building construction services from approximately HK\$188.9 million for FY2024 to approximately HK\$369.5 million for FY2025, representing an increase of approximately HK\$180.6 million or 95.6%. The increase was mainly driven by the progress of two major projects awarded in 2022 and 2023, which have entered the final stage of construction during FY2025. As works in the later stage of construction typically carry higher contract values, this resulted in a significant increase in recognised revenue during the period. The increase was partially offset by the decrease in revenue from RMAA works from approximately HK\$43.9 million for FY2024 to approximately HK\$30.1 million for FY2025, representing a decrease of approximately HK\$13.8 million or approximately 31.4%.

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

Although the Group recorded moderate increase in revenue, the Group's gross profit decreased by approximately 72.6% from approximately HK\$30.2 million for FY2024 to approximately HK\$8.3 million for FY2025, and the gross profit margin decreased from approximately 11.7% for FY2024 to approximately 2.1% for FY2025. The decline in profitability was primarily due to: (i) the lower overall gross profit recognized for certain projects awarded in 2022 and 2023 which carried limited tender margins amid intense market competition, (ii) an increase in staff and labour costs due to prolonged project duration, and (iii) a shortfall in the compensation received under the contract price fluctuation clause for public projects, as the actual amount certified and recoverable under the relevant contracts was lower than anticipated, giving rise to the shortfall.

The Group recorded a turnaround from profit attributable to owners of the Company of approximately HK\$8.3 million for FY2024 to loss attributable to owners of the Company of approximately HK\$51.4 million for FY2025. Such turnaround was primarily attributable to (i) the decrease in gross profit as explained above, (ii) the recognition of share of losses of joint ventures as a result of a decrease in the fair value of investment property held by a joint venture, and (iii) the increase in finance costs driven by higher interest rate and addition of bank borrowings for FY2025.

6M2026 as compared to 6M2025

The Group's revenue increased by approximately 44.1% from approximately HK\$180.7 million for 6M2025 to approximately HK\$260.3 million for 6M2026, primarily attributable to the increase in revenue from building construction services from approximately HK\$164.8 million for 6M2025 to approximately HK\$242.9 million for 6M2026, representing an increase of approximately HK\$78.1 million or 47.4%. Similar to FY2025, the increase in revenue from building construction services in 6M2026 as compared to 6M2025 was mainly attributable to the progress of the aforementioned major projects, and was therefore driven by works progress during the period.

The Group's gross profit slightly increased by approximately 6.2% from approximately HK\$4.5 million for 6M2025 to approximately HK\$4.8 million for 6M2026, while the gross profit margin decreased from approximately 2.5% to approximately 1.8%. The decrease in gross profit margin was primarily attributable to the increase in subcontracting costs and direct staff costs.

The Group's net loss attributable to owners of the Company increased by approximately 17.3% from approximately HK\$13.8 million for 6M2025 to approximately HK\$16.2 million for 6M2026. Such increase in loss was mainly attributable to the increase in the share of losses of joint ventures for 6M2026,

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

primarily due to a one-off loss recognised by a joint venture, which was principally engaged in property investment and development arising from the disposal of its subsidiaries during the period.

(ii) Financial position

	As at 31 March		As at 30 September
	2024	2025	2025
	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(unaudited)
Non-current assets, including:	217,802	200,315	182,959
– Property, plant and equipment	94,571	89,698	87,099
– Interests in joint ventures	119,793	108,954	89,723
Current assets, including:	135,050	199,467	205,372
– Trade and other receivables	33,200	59,597	44,130
– Contract assets	57,183	95,320	110,897
– Cash and cash equivalents	32,066	31,381	39,261
Total assets	352,852	399,782	388,331
Current liabilities, including:	180,765	280,003	280,836
– Trade and other payables	104,105	123,925	125,969
– Bank borrowings	71,000	154,420	152,419
Net current liabilities	45,715	80,536	75,464
Non-current liabilities	2,409	1,459	5,349
Total liabilities	183,174	281,462	286,185
Equity attributable to owners of the Shareholders	169,678	118,320	102,146

As at 30 September 2025, total assets of the Group amounted to approximately HK\$388.3 million, which mainly consisted of (i) contract assets of approximately HK\$110.9 million, (ii) interests in joint ventures of approximately HK\$89.7 million, (iii) property, plant and equipment of approximately HK\$87.1 million, (iv) trade and other receivables of approximately HK\$44.1 million, and (v) cash and cash equivalents of approximately HK\$39.3 million. The Group's contract assets mainly represent the Group's right to receive consideration for the work completed but not yet billed, as the rights are conditional upon the customers satisfaction and certification on the construction work completed by the Group. These assets are reclassified to trade receivables when the rights to payment become unconditional.

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

As at 30 September 2025, total liabilities of the Group amounted to approximately HK\$286.2 million, which mainly consisted of (i) bank borrowings of approximately HK\$152.4 million and (ii) trade and other payables of approximately HK\$126.0 million. Trade and other payables mainly represent amounts due to subcontractors and suppliers in relation to the Group's construction activities, while bank borrowings were utilized to finance the Group's working capital requirements in connection with its ongoing construction projects.

The Group recorded a net current liabilities of approximately HK\$75.5 million and a gearing ratio of 155.1% (calculated as bank borrowings and lease liabilities divided by total equity) as at 30 September 2025. Based on the unaudited net asset value ("NAV") of the Group of approximately HK\$102.1 million as at 30 September 2025 and 800,000,000 Shares in issue as at the Latest Practicable Date, the unaudited NAV per Share was approximately HK\$0.1277.

(iii) Business outlook and prospects of the Group

Despite the modest growth in revenue of the Group for FY2025, we are of the view that the prospects of the Group's business remain uncertain in the future, after taking into account the following factors:

Persistent Challenges in the Operating Environment

The Group is principally engaged in providing (i) building construction services, (ii) RMAA works and services and (iii) design and build services in Hong Kong.

As disclosed in the 2025 Annual Report and the 2025 Interim Report, despite moderate growth of Hong Kong's economy in 2025, private consumption and investment sentiment remained relatively subdued amid geopolitical tensions, evolving international trade policies and uncertainty over timing and pace of interest rate adjustments. The developers have adopted a more cautious approach to new private construction and the government's fiscal conditions came under significant pressure.

The construction industry in Hong Kong continues to face challenges, including shortages of skilled labour, an ageing workforce, rising wage level, fluctuating material prices, intense tender competition and the difficulty in securing financing. The longstanding industry issue of delayed payments has deteriorated further across the supply chain, leading to cash flow constraints during project execution, project disruptions or incidents of wage arrears.

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

Amid such market conditions, the Company's revenue performance has been supported by government and government-funded capital works projects, while profitability has been adversely affected by (i) lower margins on projects awarded during highly competitive tender periods in 2022 and 2023, (ii) increases in labour and staff costs due to prolonged project duration, (iii) shortfalls in contract price fluctuation compensation, and (iv) delayed receipt of outstanding payment after project completion. As for more recent tender projects, such as the term contracts extended by the Buildings Department of the Government of the Hong Kong Special Administrative Region in June 2025, the number of work orders issued was lower than anticipated. This resulted in reduced revenue, while fixed costs remained largely unchanged, thereby further compressing profit margins. The Company has undertaken cost control and financial resilience measures, including organizational streamlining, workflow optimization, tighter budgetary controls, and selected asset divestments, while also investing in productivity and technology enhancement.

Looking ahead, the outlook for the construction sector in Hong Kong remains mixed and subject to macroeconomic and policy developments. Private sector construction demand is expected to remain relatively subdued in the near term due to continued weakness in the property market, high financing costs and cautious investment sentiment. Public sector works are expected to remain a key source of industry activity, supported by government initiatives in public housing and large-scale development programmes, including the Northern Metropolis development, as well as planned increases in capital works expenditure. However, competition for public sector tenders is expected to remain intense, which may continue to exert pressure on pricing and margins. To capture future business opportunities and enhance its competitiveness, the Group intends to focus on public sector building works and renovation, maintenance and alteration projects relating to ageing infrastructure, and to pursue inclusion in additional approved contractor lists to increase tender opportunities.

According to the 2025-26 Budget and the press release in relation to capital works expenditure from the Hong Kong Government (<https://www.info.gov.hk/gia/general/202507/09/P2025070900640.htm>), the actual capital expenditure for each year from 2020-21 financial year to 2024-25 financial year ranged from approximately HK\$70.0 billion to HK\$105.3 billion. In medium forecast range (over next five years), the capital works expenditure is expected to increase from an estimated HK\$90 billion per annum on average to about HK\$120 billion per annum on average, representing an increase of approximately 33.3% increase of per annum spending.

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

Material Uncertainty Regarding Going Concern

Notwithstanding the above, it was contained in the auditor's report of the Company for FY2025 an opinion about the existence of a material uncertainty related to the Group's going concern, including but not limited to: (i) a net loss of HK\$51.4 million and a net operating cash outflow of HK\$63.8 million for FY2025; (ii) the Group's current liabilities exceeded its current assets by HK\$80.5 million as at 31 March 2025; and (iii) the bank borrowings classified as current liabilities amounted to HK\$154.4 million, as compared to the cash and cash equivalents of only HK\$31.4 million as at 31 March 2025.

The auditor concluded that these conditions indicate a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, noting that the operational continuity of the Group is dependent on maintaining sufficient financing resources, closely monitoring banking facilities, and complying with loan covenants. However, our review of the Group's interim performance for the 6M2026 shows that this situation has not materially improved. The Group continued to report net losses and operate with a net current liabilities position during the interim period, underscoring the persistence of the financial challenges identified by the auditor.

Pursuant to Note 3 to Rule 2 of the Takeovers Code, we would like to draw the attention of the Independent Shareholders to the existence of a material uncertainty related to the Group's ability to continue as a going concern as at 31 March 2025 as set out in the annual report of the Company for the year ended 31 March 2025, the details of which are disclosed in Appendix II to this Composite Document.

The material uncertainty relating to the "going concern" basis of the Company means that the Independent Shareholders are advised to take into account the foregoing and consider carefully the terms of the Offer. If the Independent Shareholders decide not to accept the Offer, they should be aware of the potential risks associated with the material uncertainty in respect of the "going concern" issue.

Your attention is drawn to Appendices II and III of this Composite Document which contain further financial and general information of the Group.

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

2. Information on the Offeror and the Offeror Concert Parties and their intention regarding the Group

Details on the information on the Offeror and the Offeror Concert Parties and their intention regarding the Group are set out in the sections headed “Information on the Offeror and the Offeror Concert Parties” and “Intention of the Offeror on the Group” in the “Letter from Lego Securities” in this Composite Document, which are summarised as follows:

(i) Information on the Offeror

The Offeror is incorporated in the British Virgin Islands on 6 January 2026 with limited liability, and is an investment holding company incorporated for the sole purpose of the Offer. As at the Latest Practicable Date, the Offeror is ultimately beneficially owned as to 60% by Mr. Ng and his family, 20% by Mr. Choi and 20% by Mr. Soong, respectively. The directors of the Offeror are Mr. Ng JY, Mr. Choi and Mr. Soong.

Mr. Ng, Mr. Choi and Mr. Soong are the directors of Fortune Peace, a company incorporated in Hong Kong with limited liability principally engaged in (i) building construction; (ii) building services; (iii) electric cables services; and (iv) property management. Fortune Peace is ultimately beneficially owned as to 60% by Mr. Ng, 20% by Mr. Choi and 20% by Mr. Soong, respectively.

(ii) Information on the Offeror Concert Parties

Mr. Ng, aged 68, has over 35 years of experience in the construction and building services engineering industry. Mr. Choi, aged 61, has over 40 years of experience in the construction and building services engineering industry. Mr. Soong, aged 55, has over 20 years of experience in the construction and building services engineering industry.

Unistress Building Construction Limited (“**Unistress**”), a principal subsidiary of Fortune Peace, holds certain International Organisation for Standardisation (ISO) certifications and licenses, and is an approved contractor for public works under Group C (Confirmed) of the building turn-key category, and an approved specialist contractor for repair and restoration of historic buildings, interior design and fitting-out works (Group I) and structural steel. Unistress has involved in various construction of new buildings and repair, maintenance and alteration of existing projects in both the government and private sectors, which include residential, commercial, hotels, education institutes and government building.

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

Having considered that the Offeror and the Offeror Concert Parties have accumulated experience in the construction and building services industry, we are of the view that they may be able to bring positive influence to the business of the Group. Nevertheless, whether such experience will ultimately be utilised or translated into tangible benefits for the Group remains to be seen, as it will depend on the specific strategies and actions to be taken by them following the close of the Offer.

(iii) *Intention of the Offeror regarding the Group*

(a) *Business*

As set out in the “Letter from Lego Securities” in this Composite Document, the Offeror has no intention to discontinue the employment of the employees or to dispose of (other than the change in proposed change of the Board composition as detailed below) or re-deploy the assets of the Group other than those in its ordinary course of business. The Offeror also intends to continue the existing principal business of the Group.

Nevertheless, the Offeror will conduct a detailed review on the existing principal businesses and operations, and the financial position of the Group for the purpose of formulating business plans and strategies for the Group’s long-term business development and will explore other business opportunities for the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider whether any assets and/or business acquisitions or disposals by the Group will be appropriate in order to enhance its growth. As at the Latest Practicable Date, no investment or business opportunities have been identified nor has the Offeror entered into any agreement, arrangement, understandings or negotiation in relation to the injection of any assets or business into the Group.

(b) *Board composition*

As at the Latest Practicable Date, the Board comprised of three executive Directors, namely Mr. Lam, Mr. Shut Yu Hang and Mr. Lam Arthur Chi Ping, and four independent non-executive Directors, namely Mr. Tang Chi Wang, Mr. Tse Ting Kwan, Mr. Wong Kwong On and Ms. Yeung Cheuk Chi Vivian.

It was intended that, except for Mr. Lam Arthur Chi Ping, all of the executive Directors and independent non-executive Directors would resign with effect from the earliest time permitted under the Takeovers Code. As disclosed in Joint Announcement I, the Offeror intended to nominate Mr. Ng JY, Mr. Choi and Mr. Soong as executive Directors. No concerns have been raised regarding Mr. Choi and Mr. Soong’s suitability to act as a Director. Nevertheless, after further deliberations and taking into account (i) the time commitment and

LETTER FROM THE JOINT INDEPENDENT FINANCIAL ADVISERS

attention required to discharge the responsibilities as an executive Director; (ii) Mr. Choi and Mr. Soong's current personal and business commitments, which also require their attention and dedication; and (iii) the academic background and qualifications of Mr. Choi's son (Mr. Choi SYD) and Mr. Soong's daughter (Ms. Soong WS), the Offeror finds it appropriate, and believes that it will be in the interest of the Company, to nominate Mr. Ng JY, Mr. Choi SYD and Ms. Soong WS as executive Directors.

As at the Latest Practicable Date, the Offeror intends to nominate Mr. Ng JY, Mr. Choi SYD and Ms. Soong WS as executive Directors and Mr. Ip Yik Nam, JP, Mr. Tso Ping Cheong Brian and Ms. Leung Wai Yan as independent non-executive Directors for appointment to the Board with effect from a time no earlier than that as permitted under the Takeovers Code or such later date as the Offeror considers to be appropriate. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

Further details of biographical information of the proposed Directors nominated by the Offeror are set out under the section headed "Letter from Lego Securities" to this Composite Document.

(c) Maintenance of the Company's listing status

As stated in "Letter from Lego Securities" in this Composite Document, the Offeror intends the Company to remain listed on the Stock Exchange after the close of the Offer. The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer. The directors of the Offeror and the new Directors to be appointed to the Board will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares, such as disposal of Shares held by the Offeror and the Offeror Concert Parties and/or issue of additional Shares by the Company for this purpose.

We noted that (a) the Offeror has yet to provide any concrete plans regarding the long-term strategy for the future development of the Group or for improving the Group's business operations and financial position; and (b) it is intended that all of the existing Directors, except Mr. Lam Arthur Chi Ping, will resign from the Board and be replaced by the proposed new executive directors who are all second-generation family members of the Offeror's ultimate beneficial owners. While the proposed new executive directors possess relevant academic qualifications and industry experience, their experience serving as directors of listed companies is limited, and their ability to lead the Group's turnaround and enhance its financial position remains unproven. In our view,

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these further reinforces the uncertainty regarding the Group's future direction and prospects after the close of the Offer. Independent Shareholders are therefore advised to carefully monitor any further announcements from the Company regarding the implementation of these intentions.

3. Offer Price comparison

The Offer Price of HK\$0.19 per Offer Share represents:

- (i) a discount of approximately 15.18% to the closing price of HK\$0.224 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 46.48% to the closing price of HK\$0.355 per Share as quoted on the Stock Exchange on the last trading day prior to the commencement of the Offer Period (i.e. the date of the announcement made pursuant to Rule 3.7 of the Takeovers Code);
- (iii) a discount of approximately 50.65% to the closing price of HK\$0.385 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iv) a discount of approximately 44.28% to the average closing price of approximately HK\$0.341 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 28.52% to the average closing price of approximately HK\$0.2658 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (vi) a premium of approximately 32.81% to the average closing price of approximately HK\$0.1431 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day;
- (vii) a premium of approximately 78.63% to the average closing price of approximately HK\$0.1064 per Share as quoted on the Stock Exchange for the last sixty (60) consecutive trading days up to and including the Last Trading Day;
- (viii) a premium of approximately 28.47% over the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$0.1479 per Share as at 31 March 2025 based on 800,000,000 Shares in issue as at the Latest Practicable Date; and

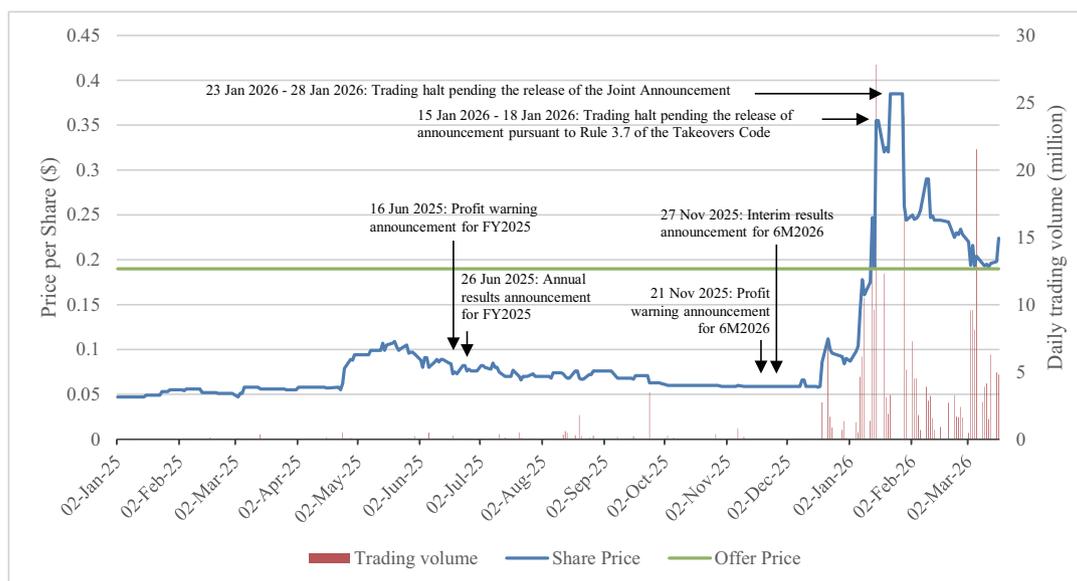
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- (ix) a premium of approximately 48.81% over the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$0.1277 per Share as at 30 September 2025 based on 800,000,000 Shares in issue as at the Latest Practicable Date.

4. Trading performance of the Shares

(i) Historical Share price performance

Set out below is a chart showing the movement of the closing prices of the Shares as quoted on the Stock Exchange from 2 January 2025 to the Last Trading Day (i.e. 22 January 2026) (the “**Review Period**”), being approximately one year preceding the Last Trading Day, and up to the Latest Practicable Date. We consider the Review Period is adequate to reflect the general market sentiment and illustrates the general trend and level of movement of the daily closing price of the Shares.



Source: the website of the Stock Exchange

Note: The trading of the Shares on the Stock Exchange was suspended at 1:46 p.m. on 15 January 2026 pending the release of announcement of the Company pursuant to Rule 3.7 of the Takeovers Code on 16 January 2026 (“**Rule 3.7 Announcement**”). Trading of the Shares on the Stock Exchange was resumed at 9:00 a.m. on 19 January 2026 and then was suspended again at 9:00 a.m. on 23 January 2026 pending the release of the Joint Announcement. Trading of the Shares on the Stock Exchange was resumed at 9:00 a.m. on 29 January 2026.

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As shown above, the closing prices of the Shares traded in the range of HK\$0.047 to HK\$0.112 during the period from 2 January 2025 to 31 December 2025. During 2025, the lowest closing price of the Share was HK\$0.047 recorded between 2 January 2025 and 15 January 2025, while the highest closing price of the Share was HK\$0.112, recorded on 22 December 2025. The closing prices of the Shares were mostly traded at below HK\$0.1 and remained below the Offer Price of \$0.19 throughout 2025.

Since January 2026, the closing price of the Share increased sharply and exceeded the Offer price on 13 January 2026 with a closing price of HK\$0.247. Thereafter, the closing price continued to rise generally up to the Last Trading Day, peaking at HK\$0.385 on the Last Trading Day. Corresponding to the surge in closing prices, it is noted that trading volume in the Shares also increased substantially in January 2026. The trading volume of the Shares will be analysed further in the next section.

During the Review Period, the lowest closing price of the Share was HK\$0.047, recorded between 2 January 2025 and 15 January 2025, while the highest closing price of the Share was HK\$0.385, recorded on the Last Trading Day. The average daily closing price of the Share over the Review Period was approximately HK\$0.0816. The Offer Price of HK\$0.19 per Offer Share represents (i) a premium of approximately 304.26% over the lowest closing price during the Review Period; (ii) a discount of approximately 50.65% to the highest closing price during the Review Period; and (iii) a premium of approximately 132.89% over the average daily closing price of the Share over the Review Period. The Offer Price was higher than the daily closing price of the Share on 253 out of the 265 trading days during the Review Period.

Following the publication of the Joint Announcement, the closing price dropped to HK\$0.26 on 29 January 2026 and remained above the Offer Price as at the Latest Practicable Date. The closing price of the Share closed at HK\$0.224 as at the Latest Practicable Date, to which the Offer Price represents a discount of approximately 15.18%. We have made enquiries with the management of the Company and concur that save as the publication of the Rule 3.7 Announcement and the Joint Announcement, the Company is not aware of any information that caused the surge in the Share price since January 2026 and up to the Latest Practicable Date.

Although the Offer Price represents a discount of approximately 50.65% to the closing price of the Share of the Last Trading Day and a discount of approximately 15.18% to the closing price of the Share of the Latest Practicable Date, Independent Shareholders should note that there is no guarantee that the prevailing level of market price of the Shares will sustain during and after the Offer Period. Particularly noting that (i) the absence of any inside information, material business developments or fundamental catalysts driving such elevated prices, as confirmed by the Company; (ii)

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the fact that the Offer Price was above the closing price of the Shares for 253 trading days, representing more than 95% of trading days during the Review Period; and (iii) the Offer Price represents a premium of approximately 132.89% over the average daily closing price of the Share over the Review Period, we consider the Offer Price to be justifiable and reasonable when assessed over a longer historical timeframe.

(ii) Liquidity of the Shares

The following table sets out the average daily trading volume of the Shares for each month or period and the percentages of such average daily trading volume to the total number of Shares in issue and held by the public during the period from 2 January 2025 to the Latest Practicable Date:

	Number of trading days (Note 1)	Approximate average daily trading volume	Approximate percentage of average daily trading volume to total number of Shares in issue	Approximate percentage of average daily trading volume to total number of Shares held by the public (Note 2)
2025				
January	19	3,789	0.0005%	0.0017%
February	20	15,600	0.0020%	0.0071%
March	21	26,667	0.0033%	0.0121%
April	19	49,684	0.0062%	0.0226%
May	20	24,400	0.0031%	0.0111%
June	21	45,714	0.0057%	0.0208%
July	22	59,273	0.0074%	0.0269%
August	21	204,952	0.0256%	0.0932%
September	22	184,727	0.0231%	0.0840%
October	20	42,400	0.0053%	0.0193%
November	20	50,800	0.0064%	0.0231%
December	21	712,762	0.0891%	0.3240%
2026				
From 1 January to the Last Trading Day	14	6,857,857	0.8572%	3.1172%
From 29 January to 28 February	19	3,919,579	0.4899%	1.7816%
From 1 March to the Latest Practicable Date	12	6,475,000	0.8094%	2.9432%

Source: the website of the Stock Exchange

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Notes:

- 1. Number of trading days of the Shares represents number of trading days during the month or period which excludes any trading day on which trading of the Shares on the Stock Exchange was suspended for the whole trading day.*
- 2. Based on the number of Shares held by public Shareholders as calculated by deducting the Shares held by the Vendor before Completion from the total number of the Shares in issue at the end of each month or period.*

As illustrated in the table above, the trading of the Shares was generally inactive during the Review Period. The average daily trading volume for the respective month during 2025 ranged from approximately 3,789 Shares in January 2025 to approximately 712,762 Shares in December 2025, representing approximately 0.0005% to 0.0891% of the total number of the Shares in issue and approximately 0.0017% to 0.3240% of the total number of the Shares held by the public, respectively. From 1 January 2026 to the Last Trading Day, the average trading volume increased to approximately 6,857,857 Shares, representing approximately 0.8572% of the total number of the Shares in issue and approximately 3.1172% of the total number of the Shares held by the public.

Following the publication of the Joint Announcement and the resumption of trading of the Shares on 29 January 2026, the average daily trading volume decreased to approximately 3,919,579 Shares during the period from 29 January 2026 to 28 February 2026, representing approximately 0.4899% of the total number of the Shares in issue and approximately 1.7816% of the total number of the Shares held by the public. The average trading volume then increased to approximately 6,475,000 Shares during the period from 1 March 2026 to the Latest Practicable Date, representing approximately 0.8094% of the total number of the Shares in issue and approximately 2.9432% of the total number of the Shares held by the public.

Given the historical thin liquidity of the Shares, it may be difficult for the Independent Shareholders to dispose of a significant number of the Shares on the market in a short period of time without exerting downward pressure on the Share price. Accordingly, the market trading price of the Shares may not necessarily reflect the proceeds that the Independent Shareholders can receive through the disposal of their Shares in the open market and therefore, the Offer provides a viable alternative exit for the Independent Shareholders, particularly for those who hold a large volume of Shares, to realize their investment in the Company at the Offer Price of HK\$0.19 per Offer Share.

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Having considered that (i) the overall price performance with closing price of Shares traded at a level below the Offer Price for a majority of time during the Review Period and the surge of Share price close to the Joint Announcement; and (ii) the trading volume of the Shares was generally thin during Review Period, we are of the view that the Independent Shareholders are recommended to closely monitor the Share price and trading volume of the Shares during the Offer Period. If the Independent Shareholders wish to dispose of a significant number of the Shares, which may cause the Share price to fall and result in the sale proceeds being lower than the proceeds receivable from the Offer, they should consider accepting the Offer.

5. Comparable analysis

The Group is principally engaged in providing (i) building construction services, (ii) RMAA works and services and (iii) design and build services in Hong Kong. For FY2025, the Group generated approximately HK\$369.5 million revenue from building construction, representing approximately 92.3% of its total revenue. The Group's revenue are all derived from Hong Kong based on the location of services delivered for FY2025. The Group were loss making for FY2025 and 6M2026.

Price-to-earnings (“**P/E(s)**”), price-to-book (“**P/B(s)**”) and price-to-sale (“**P/S(s)**”) multiples are the three most commonly used benchmarks in valuing a company. Given that the Group was loss making for FY2025; and (ii) the Group recorded net assets position as at 30 September 2025, we consider both P/B and P/S multiple to be appropriate in valuing the Group. Based on (i) the Offer Price of HK\$0.19 per Offer Share; (ii) 800,000,000 Shares in issue on the Last Trading Day; and (iii) the revenue of approximately 400.2 million for FY2025 and the net assets of approximately 102.1 million as at 30 September 2025, the P/S and P/B multiples implied by the Offer Price are approximately 0.38 times (the “**Implied P/S**”) and 1.49 times (the “**Implied P/B**”), respectively.

In evaluating the fairness and reasonableness of the Offer Price, we have, based on our search on Bloomberg, identified an exhaustive list of companies (the “**Comparable Companies**”) which (i) are principally engaged in and generated a majority (i.e. over 50%) of their revenue from building construction services in Hong Kong in their respective latest financial year; (ii) have their shares listed on the Stock Exchange; and (iii) with a market capitalization between HK\$150.0 million and HK\$300.0 million as at the Last Trading Day, which we consider to be comparable to that of the Company. We note that the market capitalization of the Company was HK\$308.0 million as at the Last Trading Day, compared to the market capitalization of the Company implied by the Offer Price of HK\$152.0 million (calculated by multiplying Offer Price of HK\$0.19 per Offer Share by 800,000,000 Shares in issue on the Last Trading Day). Having considered that both figures, we consider the selection criteria of market capitalization between HK\$150.0 million and HK\$300.0 million to be a reasonable benchmark range for the purpose of identifying comparable companies. Based on the aforesaid criteria, we have identified 9 Comparable Companies.

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The following table sets out the details of the Comparable Companies:

Company name (stock code)	Principal activities	Market capitalization as at the Last Trading Day (HK\$ million)	P/S on the Last Trading Day (times)	P/B on the Last Trading Day (times)
Skymission Group Holdings Limited (1429.HK)	Principally engaged in the provision of formwork works services.	294.4	0.73	1.17
Chinney Alliance Group Limited (385.HK)	Principally engaged in the construction business.	273.7	0.04	0.13
Hanison Construction Holdings Limited (896.HK)	Principally engaged in construction engineering businesses.	259.7	0.13	0.08
Wecon Holdings Limited (1793.HK)	Principally engaged in provision of building construction services and RMAA works	224.0	0.21	0.82
Million Hope Industries Holdings Limited (1897.HK)	Principally engaged in design, supply and installation of curtain walls, aluminium windows, doors and other products for new buildings	194.9	0.47	0.37
SFK Construction Holdings Limited (1447.HK)	Principally engaged in general building services including engineering services of substructure or superstructure of building and RMAA works	186.0	0.04	0.51
CR Construction Group Holdings Limited (1582.HK)	Principally engaged in the construction operations including contract works as a main contractor in respect of building construction works and RMAA works	170.0	0.03	0.24
Shing Chi Holdings Limited (1741.HK)	Principally engaged in the construction contracting businesses	158.4	1.04	6.97
KPa-BM Holdings Limited (2663.HK)	Principally engaged in the building construction business including provision of structural engineering works	155.9	0.23	0.61
		Maximum	1.04	6.97
		Minimum	0.03	0.08
		Median	0.21	0.51
		Mean	0.32	1.21
The Company		152.0 (Note 3)	0.38 (Note 1)	1.49 (Note 2)

Source: Bloomberg and financial reports of the Comparable Companies

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Notes:

1. *Being the Implied P/S, based on the Offer Price multiplied by the number of Shares in issue of the Company on the Last Trading Day, and then dividing it by the revenue for FY2025.*
2. *Being the Implied P/B, based on the Offer Price multiplied by the number of Shares in issue of the Company on the Last Trading Day, and then dividing it by the net assets as at 30 September 2025.*
3. *Being the market capitalization of the Company implied by the Offer Price.*

As shown in the table above, the P/Ss of the Comparable Companies as at the Last Trading Day range from approximately 0.03 times to 1.04 times with a median and mean of approximately 0.21 times and 0.32 times, respectively. The Implied P/S of approximately 0.38 times is (i) within the range of P/Ss of the Comparable Companies; and (ii) higher than the median and mean of the P/Ss of the Comparable Companies.

As shown in the table above, the P/Bs of the Comparable Companies as at the Last Trading Day range from approximately 0.08 times to 6.97 times with a median and mean of approximately 0.51 times and 1.21 times, respectively. The Implied P/B of approximately 1.49 times is (i) within the range of P/Bs of the Comparable Companies; and (ii) higher than the median and mean of the P/Bs of the Comparable Companies.

As such, we consider the Offer Price to be fair and reasonable.

RECOMMENDATION

In summary, we have considered the below factors and reasons in arriving at our conclusion and recommendation in relation to the Offer:

- (i) the financial performance and financial position of the Group, including the loss making position of the Group for FY2025 and 6M2026, the moderate increase in revenue in FY2025 and 6M2026, and the reasons leading to the recorded losses for FY2025 and 6M2026;
- (ii) the challenging but potentially improving outlook for the Group's business, taking into account (a) the Group's initiative to control costs and improve efficiency; (b) the anticipated increase in government spending on capital works in the future, which will in turns benefit the construction sector; and (c) the material uncertainty regarding the Group's ability to continue as a going concern, as highlighted in the auditor's report for FY2025 and reflected in its ongoing net current liabilities position;
- (iii) the accumulated industry experience of the Offeror and the Offeror Concert Parties, which we consider could potentially benefit the Group's business, although the realisation of such benefits will ultimately depend on the specific strategies and actions to be taken by them following the close of the Offer;

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- (iv) the appointment of the proposed new executive directors, all of whom are second-generation family members of the Offeror's ultimate beneficial owners. While they possess relevant academic qualifications and industry experience, their experience serving as directors of listed companies is limited, and their ability to lead the Group's turnaround and enhance its financial position has yet to be demonstrated;
- (v) the analysis sets out in the section headed "Historical Share price performance" in this letter, which illustrated that the Offer Price was higher than the daily closing price of the Share for a majority of time during the Review Period and the Offer Price represents a premium of approximately 132.89% over the average daily closing price of the Share over the Review Period;
- (vi) the analysis sets out in the section headed "Liquidity of the Shares" in this letter, which illustrated that the trading in the Shares was mostly inactive throughout the Review Period; and
- (vii) the Implied P/S and Implied P/B are within range and comparable to the Comparable Companies.

We are of the opinion that the Offer is fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to accept the Offer.

For those Independent Shareholders who intend to accept the Offer, we would remind them to closely monitor the market price and liquidity of the Shares during the Offer Period, and having regard to their own circumstances, consider selling the Shares in the open market, instead of accepting the Offer, if the net proceeds from the ultimate sale of such Shares would be higher than that receivable under the Offer.

As such, for those Independent Shareholders who intend to dispose of large blocks of Shares in the open market, we would also remind them of the possible difficulty in disposing of their Shares in the open market without creating downward pressure on the market prices of the Shares as a result of the thin trading in the Shares.

Yours faithfully,
For and on behalf of
Cinda International Capital Limited
PUN Hung Ming
Executive Director

Yours faithfully,
For and on behalf of
Rainbow Capital (HK) Limited
Danny Leung
Managing Director

Mr. PUN Hung Ming is a licensed person and a responsible officer of Cinda International Capital Limited registered with the Securities and Futures Commission to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO. He has over 10 years of experience in the corporate finance industry.

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Mr. Danny Leung is a licensed person and a responsible officer of Rainbow Capital (HK) Limited registered with the Securities and Futures Commission to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO. He has over 10 years of experience in the corporate finance industry.

1. GENERAL PROCEDURES FOR ACCEPTANCE OF THE OFFER

To accept the Offer, you should complete and sign the accompanying Form of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms of the Offer.

- (i) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Offer, you must send the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of the Shares for which you intend to accept the Offer, by post or by hand, to the Registrar, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in an envelope marked “**Thelloy Development Group Limited – Offer**” as soon as possible but in any event so as to reach the Registrar no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and the Offeror and the Company may jointly announce as a result or an extension of the Offer in accordance with the Takeovers Code.
- (ii) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer in respect of your Shares, you must either:
 - (a) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer with the nominee company, or other nominee, with instructions authorising it to accept the Offer on your behalf and requesting it to deliver in an envelope marked “**Thelloy Development Group Limited – Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer to the Registrar; or

- (b) arrange for the Shares to be registered in your name by the Company through the Registrar, and deliver in an envelope marked “**Thelloy Development Group Limited – Offer**” the duly completed and signed Form of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer to the Registrar; or
 - (c) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Offer on your behalf in respect of the number of Shares for which you intend to accept the Offer on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
 - (d) if your Shares have been lodged with your investor participant’s account maintained with CCASS, authorise your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (iii) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost and you wish to accept the Offer in respect of your Shares, the Form of Acceptance should nevertheless be duly completed, signed and delivered in an envelope marked “**Thelloy Development Group Limited – Offer**” to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares should be forwarded to the Registrar as soon as possible thereafter. If you have lost the share certificate(s), you should also write to the Registrar for a letter of indemnity which, when completed and signed in accordance with the instructions given, should be provided to the Registrar. The Offeror shall have the absolute discretion to decide whether any Shares in respect of which the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title is/are not readily available and/or is/are lost will be taken up by the Offeror.

- (iv) If you have lodged transfer of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete and sign the Form of Acceptance and deliver it in an envelope marked “**Thelloy Development Group Limited – Offer**” to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable authority to the Offeror and/or Lego Securities and/or their respective agent(s) to collect from the Company or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar on your behalf and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form of Acceptance.
- (v) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form of Acceptance is received by the Registrar no later than 4:00 p.m. on the Closing Date (or such later time and/or date as the Offeror may determine and announce with the consent of the Executive) and the Registrar has recorded that the acceptance and the relevant documents as required under this paragraph have been so received, and is:
- (a) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the number of Shares for which you intend to accept the Offer and, if that/those share certificate(s) is/are not in your name, such other document(s) in order to establish your right to become the registered holder of the relevant Shares; or
 - (b) from a registered Independent Shareholder or his/her personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another sub-paragraph of this paragraph (v)); or
 - (c) certified by the Registrar or the Stock Exchange.
- (vi) If the Form of Acceptance is executed by a person other than the registered Independent Shareholder, appropriate documentary evidence of authority to the satisfaction of the Registrar must be produced.

- (vii) Seller's ad valorem stamp duty at a rate of 0.1% of the market value of the Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable to the relevant Shareholders on acceptance of the Offer. The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of the accepting Independent Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).
- (viii) No acknowledgement of receipt of any Form of Acceptance and/or share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.
- (ix) The address of the Registrar, Tricor Investor Services Limited, is at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

2. ACCEPTANCE PERIOD AND REVISIONS

- (i) Unless the Offer has previously been revised or extended, with the consent of the Executive, in accordance with the Takeovers Code, the Form of Acceptance must be received by the Registrar no later than 4:00 p.m. on the Closing Date in accordance with the instructions printed on the Form of Acceptance, and the Offer will be closed on the Closing Date.
- (ii) The Offeror and the Company will jointly issue an announcement through the websites of the Stock Exchange and the Company no later than 7:00 p.m. on the Closing Date stating whether the Offer has been extended or revised.
- (iii) In the event that the Offeror decides to extend the Offer, the Offeror will issue an announcement in relation to any extension of the Offer, which announcement will state either the next closing date or, a statement that the Offer will remain open until further notice. In the latter case, at least 14 days' notice by way of announcement will be given, before the Offer is closed, to those Independent Shareholders who have not accepted the Offer.
- (iv) If the Offeror revises the terms of the Offer, all Independent Shareholders, whether or not they have already accepted the Offer will be entitled to accept the revised Offer under the revised terms. The revised Offer must be kept open for at least 14 days following the date on which the revised offer document is posted.

- (v) If the Closing Date is extended, any reference in this Composite Document and in the Form of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the subsequent Closing Date of the Offer so extended.

3. ANNOUNCEMENTS

- (i) As required under Rule 19 of the Takeovers Code, by 6:00 p.m. on the Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension or expiry of the Offer. The Offeror must publish an announcement in accordance with the requirements of the Listing Rules by 7:00 p.m. on the Closing Date stating whether the Offer has been extended or revised. Such announcement must state the following:
 - (a) the total number of Shares and rights over Shares for which acceptances of the Offer have been received;
 - (b) the total number of Shares and rights over Shares held, controlled or directed by the Offeror and the Offeror Concert Parties before the Offer Period;
 - (c) the total number of Shares and rights over Shares acquired or agreed to be acquired by the Offeror and Offeror Concert Parties during the Offer Period;
 - (d) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror and Offeror Concert Parties have borrowed or lent, save for any borrowed Shares which have been either on-lent or sold; and
 - (e) the percentages of the relevant classes of issued share capital of the Company, and the percentages of voting rights, represented by these numbers.
- (ii) In computing the total number of Shares represented by acceptances, only valid acceptances that are complete, and which have been received by the Registrar by no later than 4:00 p.m. on the Closing Date, being the latest time and date for acceptance of the Offer, shall be included.
- (iii) As required under the Takeovers Code, all announcements in respect of the Offer must be made in accordance with the requirements of the Takeovers Code and the Listing Rules.

- (iv) As required under the Takeovers Code and the Listing Rules, any announcement in relation to the Offer, in respect of which the Executive and the Stock Exchange have confirmed that they have no further comments, will be published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (www.thelloy.com).

4. RIGHT OF WITHDRAWAL

Acceptance of the Offer tendered by the Independent Shareholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out below.

If the Offeror is unable to comply with the requirements set out in paragraph headed “3. Announcements” above, the Executive may require pursuant to Rule 19.2 of the Takeovers Code that the Independent Shareholders who have tendered acceptance to the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirement of Rule 19 of the Takeovers Code can be met.

In such case, when the Independent Shareholders withdraw their acceptance(s), the Offeror shall, as soon as possible but in any event no later than (7) seven Business Days thereof, return by ordinary post the Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) lodged with the Form of Acceptance to the relevant Independent Shareholder(s) at their own risks.

5. SETTLEMENT OF THE OFFER

Provided that the accompanying Form of Acceptance for the Shares, together with the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are valid, complete and in good order and have been received by the Registrar no later than 4:00 p.m. on the Closing Date, a cheque for the amount due to each of the accepting Independent Shareholders in respect of the Shares tendered under the Offer (less seller’s ad valorem stamp duty payable by him/her/it) will be despatched to the accepting Independent Shareholders by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days after the date of receipt of all relevant documents to render such acceptance complete and valid by the Registrar in accordance with the Takeovers Code.

Settlement of the consideration to which any accepting Independent Shareholder is entitled under the Offer will be paid by the Offeror in full in accordance with the terms of the Offer (save with respect of the payment of seller’s ad valorem stamp duty) set out in this Composite Document (including this Appendix I) and the accompanying Form of Acceptance, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Independent Shareholder.

Cheque(s) not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and be of no further effect, and in such circumstances cheque holders should contact the Offeror for payment.

6. OVERSEAS SHAREHOLDERS

As the Offer to persons not being resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek professional advice in respect of the Offer. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due from such Overseas Shareholders in respect of such jurisdictions).

The Offeror, the Offeror Concert Parties, the Company, Lego Securities, Lego Corporate Finance, the Joint Independent Financial Advisers, the Registrar or any of their respective ultimate beneficial owners, directors, officers, agents, advisers and associates and any other person involved in the Offer shall be entitled to be fully indemnified and held harmless by such person for any taxes as such person may be required to pay.

Any acceptance of the Offer by such Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the applicable local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

7. TAXATION ADVICE

The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, the Offeror Concert Parties, the Company, Lego Securities, Lego Corporate Finance, the Joint Independent Financial Advisers, the Registrar and (as the case may be) their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

8. GENERAL

- (i) All communications, notices, Form of Acceptance, certificates, transfer receipts and other documents of title and/or of indemnity and/or of any other nature to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Offeror, the Offeror Concert Parties, the Company, Lego Securities, Lego Corporate Finance, the Joint Independent Financial Advisers, the Registrar and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accepts any liability for any loss or any other liabilities whatsoever which may arise as a result thereof.
- (ii) Acceptance of the Offer by any person or persons will be deemed to constitute a warranty by such person or persons to the Offeror and Lego Securities that the Shares tendered under the Offer are sold or tendered by such Independent Shareholder(s) free from all encumbrances and together with all rights and benefits attached thereto, including all rights to any dividends or other distribution declared, made or paid on or after the date on which the Offer is made.
- (iii) Acceptance of the Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares in respect of which it is indicated in the Form of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owners who accept the Offer.
- (iv) The provisions set out in the accompanying Form of Acceptance form part of the terms of the Offer.
- (v) The accidental omission to despatch this Composite Document and/or the accompanying Form of Acceptance or either of them to any person to whom the Offer is made shall not invalidate the Offer in any way.
- (vi) The Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong.
- (vii) Due execution of the Form of Acceptance will constitute an irrevocable authority to the Offeror and/or Lego Securities and/or such person or persons as any of them may direct to complete and execute on behalf of the person(s) accepting the Offer, and to do any other act(s) that may be necessary or expedient for the purpose of vesting in the Offeror, or such person or persons as it may direct the Shares in respect of which such person has accepted the Offer.
- (viii) The Offer is made in accordance with the Takeovers Code.

- (ix) References to the Offer in this Composite Document and in the Form of Acceptance shall include any extension and/or revision thereof.
- (x) The English texts of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.
- (xi) In making their decision, the Independent Shareholders must rely on their own examination of the Offeror, the Group and the Offer, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Form of Acceptance, shall not be construed as any legal or business advice on the part of the Offeror, the Company, Lego Securities, Lego Corporate Finance, the Joint Independent Financial Advisers, the Registrar and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer. The Independent Shareholders should consult their own professional advisers for professional advice.

9. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Shareholders, those registered Independent Shareholders who hold the Shares as nominee on behalf of more than one beneficial owner should, as far as practicable, treat the holding of such beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Set out below is a summary of the audited financial information of the Group for the three years ended 31 March 2025 and for the six months ended 30 September 2024 and 30 September 2025 as extracted from the annual reports of the Company for the years ended 31 March 2024 and 31 March 2025 and the interim report of the Company for the six months ended 30 September 2025, respectively.

Save for the material uncertainty related to going concern expressed by the auditor of the Company for the year ended 31 March 2025, the auditor's report issued by Deloitte Touche Tohmatsu in respect of the Group's audited consolidated financial statements for the three financial years ended 31 March 2025 did not contain any qualified or modified opinion, emphasis of matter or material uncertainty related to going concern.

	For the six months ended		For the year ended 31 March		
	30 September		2025	2024	2023
	2025	2024	2025	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(audited)	(audited)	(audited)
Revenue	260,341	180,671	400,168	257,992	259,138
Direct costs	(255,559)	(176,170)	(391,900)	(227,763)	(212,827)
Gross profit	4,782	4,501	8,268	30,229	46,311
Other income and other losses	917	944	2,107	1,532	3,455
Impairment losses (recognised) reversed under expected credit loss model, net	185	(152)	(183)	142	637
Administrative expenses	(15,886)	(16,035)	(34,824)	(34,977)	(32,939)
Share of profits (losses) of joint ventures	(3,365)	(99)	(19,531)	16,375	(123)
Finance costs	(2,807)	(2,952)	(7,436)	(4,510)	(2,601)
(Loss)/Profit before tax	(16,174)	(13,793)	(51,599)	8,791	14,740
Income tax (expense)/credit	-	-	241	(512)	(2,080)
(Loss)/Profit and total comprehensive income (expense) for the year/ period	(16,174)	(13,793)	(51,358)	8,279	12,660
(Loss)/Earnings per share (HK cents)	(2.02)	(1.72)	(6.42)	1.03	1.58

Save as disclosed, there were no material items of income or expenses in respect of the audited consolidated financial statements of the Group for each of the three years ended 31 March 2025, and the unaudited consolidated financial statements of the Group for each of the six months ended 30 September 2024 and 2025.

Save for the Offer, there have been no other significant events of the Company after 31 March 2025.

There was no payment of dividends for each of the year ended 31 March 2023, 31 March 2024 and 31 March 2025 and six months ended 30 September 2024 and 30 September 2025. Hence dividends per Share for each of the year ended 31 March 2023, 31 March 2024 and 31 March 2025 and six months ended 30 September 2024 and 30 September 2025 was inapplicable.

There was no change in accounting policy applicable to the three years ended 31 March 2023, 2024 and 2025 and six months ended 30 September 2024 and 30 September 2025 which rendered the financial figures not comparable to a material extent.

Material uncertainty related to the Group's going concern for the year ended 31 March 2025

For the year ended 31 March 2025, it was contained in the auditor's report of the Company an opinion about the existence of a material uncertainty related to the Group's going concern, an extract of which is as follows:

“Material Uncertainty Related to Going Concern

We draw attention to note 3.1 to the consolidated financial statements, which indicates that during the year ended 31 March 2025, the Group incurred a net loss of HK\$51,358,000 and resulted a net operating cash outflow and net decrease in cash and cash equivalents of HK\$63,833,000 and HK\$685,000, respectively. As at 31 March 2025, the Group's current liabilities exceeded its current assets by HK\$80,536,000 and the Group's aggregate bank borrowings amounted to HK\$154,420,000, which were due for settlement within twelve months and were classified as current liabilities while the Group had cash and cash equivalents of HK\$31,381,000.

The Group's ability to continue as a going concern depends on its ability to maintain minimal cash outflows from operations and sufficient financing resources to meet its financial obligations as and when they fall due. The Group is actively improving the liquidity and cashflow by continue monitoring the utilisation of bank borrowings and ensuring the compliance with loan covenants, with details as described in note 3.1 to the consolidated financial statements, in order to ensure that the Group has sufficient financial resources to finance its operations and to meet its financial obligations as and when they fall due at least twelve months from the date of approval of the consolidated financial statements.

The Directors have taken into account the unutilised banking facilities available to meet the Group’s operating and financing needs and are of the opinion that sufficient financial resources will be available to finance the Group’s operations and to meet the Group’s financial obligations as and when they fall due at least twelve months from the date of approval of the consolidated financial statements. Accordingly, the consolidated financial statements have been prepared on a basis that the Group will be able to continue as a going concern. However, these conditions, along with other matters as set forth in note 3.1 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.”

2. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

The Company is required to set out or refer to in this Composite Document the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in (i) the audited consolidated financial statements of the Group for the year ended 31 March 2023 (the “**2023 Financial Statements**”); (ii) the audited consolidated financial statements of the Group for the year ended 31 March 2024 (the “**2024 Financial Statements**”); (iii) the audited consolidated financial statements of the Group for the year ended 31 March 2025 (the “**2025 Financial Statements**”), respectively, and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2025 (“**2025 Interim Financial Statements**”), together with the notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial information.

The 2023 Financial Statements are set out on pages 67 to 131 of the annual report of the Company for the year ended 31 March 2023, which was published on 18 July 2023. The annual report of the Company for the year ended 31 March 2023 is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0718/2023071800343.pdf>

The 2024 Financial Statements are set out on pages 89 to 155 of the annual report of the Company for the year ended 31 March 2024, which was published on 30 July 2024. The annual report of the Company for the year ended 31 March 2024 is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0730/2024073000460.pdf>

The 2025 Financial Statements are set out on pages 79 to 143 of the annual report of the Company for the year ended 31 March 2025, which was published on 30 July 2025. The annual report of the Company for the year ended 31 March 2025 is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0730/2025073000379.pdf>

The 2025 Interim Financial Statements are set out on pages 2 to 17 of the interim report of the Company for the six months ended 30 September 2025, which was published on 11 December 2025. The interim report of the Company for the six months ended 30 September 2025 is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/1211/2025121100526.pdf>

The 2023 Financial Statements, 2024 Financial Statements, 2025 Financial Statements (but not any other part of the annual reports of the Company for the year ended 31 March 2023, 31 March 2024 and 31 March 2025, in which they respectively appear) and the 2025 Interim Financial Statements are incorporated by reference into this Composite Document and form part of this Composite Document.

3. INDEBTEDNESS

As at the close of business on 31 December 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Composite Document, the indebtedness of the Group was as follows:

Borrowings

- (i) bank borrowings of HK\$162,500,000, which were secured by corporate guarantees provided by the Company and included a revolving loan facility of HK\$110,000,000, of which HK\$50,000,000 was drawn down as at 31 December 2025. The revolving loan was further secured by a legal charge over certain offices and corporate guarantees from the Company and Grandway Inc. Development Limited.
- (ii) unsecured and interest-free borrowings from a Director and then controlling shareholder of HK\$2,500,000.

Lease liabilities

- (i) lease liabilities amounting to approximately HK\$5,510,000 which were secured by rental deposits amounting to approximately HK\$673,000.

Contingent liabilities

- (i) performance guarantee of approximately HK\$6,377,000 were given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and their customers for construction work. The Group has contingent liabilities to indemnify the banks for any claims from customers under the guarantee due to the failure of the Group's performance.

- (ii) the Group provided a guarantee to a bank in respect of bank facility to World Partners Limited up to a maximum amount of HK\$84,000,000, provided that the liability of the Group in respect of any part of the guaranteed indebtedness shall be several with that of other joint venture partners, and be limited to 34.3% of the guaranteed indebtedness, representing the effective interest of the Group in World Partners Limited.

Save as aforesaid or otherwise disclosed herein and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 December 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Composite Document, the Group did not have any loan capital issued and outstanding, or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or contingent liabilities.

As at the Latest Practicable Date, the Directors confirm that there were no material changes in terms of indebtedness and contingent liabilities of the Group since 31 December 2025 and up to and including the Latest Practicable Date.

4. MATERIAL CHANGE

The Directors confirm that, there had been no material change in the financial or trading position or outlook of the Group since 31 March 2025, being the date to which the latest published audited consolidated financial statements of the Group were made, up to and including the Latest Practicable Date.

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars in compliance with the Takeovers Code and the Listing Rules and for the purpose of giving information with regard to the Group, the Offeror and the Offer.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than the information 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 Composite Document (other than those expressed by the directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any such statement contained in this Composite Document misleading.

2. SHARE CAPITAL

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$20,000,000 divided into 2,000,000,000 Shares of HK\$0.01 each, of which 800,000,000 Shares had been issued and were fully paid or credited as fully paid. All the existing issued Shares are fully paid up and rank *pari passu* in all respects including all rights as to capital, dividends and voting.

The Company has not issued any Shares since 31 March 2025, being the date to which the latest audited financial statements of the Company were made up.

As at the Latest Practicable Date, there were no convertible securities, warrants, options, derivatives or other securities issued by the Company that are convertible or exchangeable into Shares or other types of equity interest in issue.

The Shares are listed and traded on the Stock Exchange. No part of the Shares is listed or dealt in, nor is any listing of or permission to deal in the Shares being or proposed to be sought on any other stock exchange.

3. DISCLOSURE OF INTERESTS

(a) Directors' and Chief Executive's interests in Shares, underlying Shares and debentures

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, or which were required to be disclosed under the Takeovers Code, were as follows:

Name of Director	Nature of interests	Number of Shares held	Percentage of shareholding in the Company's issued share capital (Note 2)
Mr. Lam	Interest in controlled corporation (Note 1)	79,200,000 (L)	9.9%

(L) denotes long position.

Notes:

- Mr. Lam beneficially owns 100% of the issued share capital of Cheers Mate. By virtue of the SFO, Mr. Lam is deemed to be interested in 79,200,000 Shares held by Cheers Mate.
- As at the Latest Practicable Date, the number of issued Shares was 800,000,000.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executive of the Company has registered any interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, or which were required to be disclosed under the Takeovers Code.

(b) Substantial Shareholders' interests and short positions in Shares and underlying Shares

As at the Latest Practicable Date, the following persons (not being the Directors or chief executive of the Company) had or were deemed or taken to have an interest and/or short position in the Shares or the 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 which would be recorded in the register required to be kept under Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of Shareholder	Nature of interests	Number of Shares held	Percentage of shareholding in the Company's issued share capital (Note 5)
Offeror	Beneficial owner (Note 1)	500,800,000(L)	62.6%
Smart Well Developments Limited	Interest in controlled corporation (Note 1)	500,800,000(L)	62.6%
Mr. Ng	Interest in controlled corporation (Note 1)	500,800,000(L)	62.6%
Ms. Yee Suk Chun Sophie	Interest of spouse (Note 2)	500,800,000(L)	62.6%
Cheers Mate	Beneficial owner (Note 3)	79,200,000 (L)	9.9%
Ms. Cheng Pui Wah Theresa	Interest of spouse (Note 4)	79,200,000 (L)	9.9%

(L) denotes long position.

Notes:

- Mr. Ng beneficially owns 100% of the issued share capital of Smart Well Developments Limited, which in turn beneficially owns 60% of the issued share capital of the Offeror. By virtue of the SFO, each of Mr. Ng and Smart Well Developments Limited is deemed to be interested in 500,800,000 Shares held by the Offeror.
- Ms. Yee is the spouse of Mr. Ng. By virtue of the SFO, Ms. Yee is deemed to be interested in the same number of Shares in which Mr. Ng is deemed to be interested under the SFO.
- Mr. Lam beneficially owns 100% of the issued share capital of Cheers Mate. By virtue of the SFO, Mr. Lam is deemed to be interested in 79,200,000 Shares held by Cheers Mate.

4. Ms. Cheng is the spouse of Mr. Lam. By virtue of the SFO, Ms. Cheng is deemed to be interested in the same number of Shares in which Mr. Lam is deemed to be interested under the SFO.
5. As at the Latest Practicable Date, the number of issued Shares was 800,000,000.

There is a duplication of (i) 79,200,000 Shares among Mr. Lam, Cheers Mate and Ms. Cheng; and (ii) 500,800,000 Shares among the Offeror, Smart Well Developments Limited, Mr. Ng and Ms. Yee Suk Chun Sophie.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other persons 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 which would be recorded in the register required to be kept under Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

4. DEALINGS AND INTERESTS IN THE COMPANY'S SECURITIES

During the Relevant Period, save for the disposal of the Sale Shares by Cheers Mate (a company beneficially owned by Mr. Lam) pursuant to the Sale and Purchase Agreement, none of the Directors had dealt for value in, any Shares or any securities, convertible securities, warrants, options or derivatives in respect of any Shares or securities of the Company.

5. OTHER DISCLOSURE OF INTERESTS

As at the Latest Practicable Date:

- (i) the Company had no shareholding in the Offeror or any convertible securities, warrants, options or derivatives in respect of the shares in the Offeror;
- (ii) save for the Retained Shares indirectly held by Mr. Lam through Cheers Mate, none of the Directors was interested in any shares in the Offeror and the Company, or any convertible securities, warrants, options or derivatives in respect of shares in the Offeror and the Company;
- (iii) none of the subsidiaries of the Company, the pension fund of the Company or of its subsidiaries, a person who is presumed to be acting in concert with the Company by virtue of class (5) of the definition of "acting in concert" under the Takeovers Code or who is an associate of the Company by virtue of class (2) of the definition of "associate" under the Takeovers Code owned or controlled any shares or convertible securities, options, warrants, or derivatives of the Company, or had dealt for value in any such securities of the Company during the Relevant Period;

- (iv) no arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code between any person and the Company or any person who is presumed to be acting in concert with the Company by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code or any person who is an associate of the Company by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code, and no such person had owned, controlled or dealt for value in any Shares or any convertible securities, warrants, options or derivatives issued by the Company during the Relevant Period;
- (v) no Shares, convertible securities, warrants, options or derivatives of the Company was managed on a discretionary basis by any fund managers (other than exempt fund managers) connected with the Company, and no such person had dealt for value in any such securities of the Company during the Relevant Period;
- (vi) save for Mr. Lam whose Retained Shares were indirectly held through Cheers Mate and were subject to the Irrevocable Undertaking, none of the Directors had any beneficial shareholdings in the Company which would entitle them to accept or reject the Offer;
- (vii) none of the Company or the Directors had borrowed or lent any Shares, convertible securities, warrants, options or derivatives in respect of any Shares;
- (viii) no benefit (save for statutory compensation required under applicable laws) was or would be given to any Director as compensation for loss of office or otherwise in connection with the Offer;
- (ix) there was no agreement or arrangement between any Director and any other person which is conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer;
- (x) save for the Sale and Purchase Agreement, no material contracts had been entered into by the Offeror in which any Director had a material personal interest;
- (xi) neither the Company nor any of the Directors have any interest or had dealt in the relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Offeror during the Relevant Period; and
- (xii) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between any Shareholder and the Company, its subsidiaries or associated companies.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, save as disclosed below, none of the Directors had any existing or proposed service contract with the Company or any of its subsidiaries or associated companies which (i) (including both continuous and fixed term contracts) had been entered into or amended within 6 months before the date of the commencement of the Offer Period; or (ii) was a continuous contract with a notice period of 12 months or more; or (iii) was a fixed term contract with more than 12 months to run irrespective of the notice period; or (iv) was not determinable by the employer within one year without payment of compensation (other than statutory compensation).

Director	Commencement date (or renewal date, as the case may be)	Initial expiry date	Term of service	Amount of remuneration payable under the service contract, excluding any arrangement for pension payments
<i>Executive Directors</i>				
Mr. LAM Kin Wing Eddie	1 August 2021	31 July 2024	Initial term of three years and renewable automatically for successive terms of one year each	HK\$1,920,000 per annum (last amended to HK\$1,824,000 per annum) plus a discretionary bonus, contributions to retirement fund scheme and benefits under any employee benefit plan (<i>Notes 2 and 3</i>)
Mr. SHUT Yu Hang	1 August 2021	31 July 2024	Initial term of three years and renewable automatically for successive terms of one year each	HK\$1,500,000 per annum (last amended to HK\$1,836,000 per annum) plus a discretionary bonus, contributions to retirement fund scheme and benefits under any employee benefit plan (<i>Notes 1, 2 and 3</i>)
Mr. LAM Arthur Chi Ping	31 December 2021	30 December 2024	Initial term of three years and renewable automatically for successive terms of one year each	HK\$1,080,000 per annum (last amended to HK\$1,362,000 per annum) plus a discretionary bonus, contributions to retirement fund scheme and benefits under any employee benefit plan (<i>Notes 1, 2 and 3</i>)
<i>Independent non-executive Directors</i>				
Mr. TANG Chi Wang	1 August 2021	31 July 2024	Initial term of three years and thereafter may be extended for such period as the parties may agree in writing	HK\$216,000 per annum
	1 August 2024	31 July 2027	Initial term of three years and renewable automatically for successive terms of one year	HK\$240,000 per annum

Director	Commencement date (or renewal date, as the case may be)	Initial expiry date	Term of service	Amount of remuneration payable under the service contract, excluding any arrangement for pension payments
Mr. TSE Ting Kwan	1 August 2021	31 July 2024	Initial term of three years and thereafter may be extended for such period as the parties may agree in writing	HK\$216,000 per annum
	1 August 2024	31 July 2027	Initial term of three years and renewable automatically for successive terms of one year	HK\$240,000 per annum
Mr. WONG Kwong On	1 August 2021	31 July 2024	Initial term of three years and thereafter may be extended for such period as the parties may agree in writing	HK\$216,000 per annum
	1 August 2024	31 July 2027	Initial term of three years and renewable automatically for successive terms of one year each	HK\$240,000 per annum
Ms. YEUNG Cheuk Chi Vivian	20 June 2024	19 June 2027	Initial term of three years and renewable automatically for successive terms of one year each	HK\$240,000 per annum

Notes:

- It was recommended by the Remuneration Committee and adopted by the Board that the remuneration of Mr. Shut Yu Hang and Mr. Lam Arthur Chi Ping shall be increased in the following manner:

Mr. Shut Yu Hang	Mr. Lam Arthur Chi Ping	Effective date
HK\$1,680,000 per annum	HK\$1,200,000 per annum	1 January 2022
HK\$1,800,000 per annum	HK\$1,320,000 per annum	1 January 2023
HK\$1,920,000 per annum	HK\$1,410,000 per annum	1 January 2024

- It was recommended by the Remuneration Committee and adopted by the Board that the remuneration of Mr. Lam, Mr. Shut Yu Hang and Mr. Lam Arthur Chi Ping shall be reduced to HK\$1,824,000, HK\$1,836,000 and HK\$1,362,000 per annum, respectively, with effect from 1 January 2025.
- After each completed year of service, each of Mr. Lam, Mr. Shut Yu Hang and Mr. Lam Arthur Chi Ping may be entitled to a discretionary bonus to be determined by the Board by reference to the audited consolidated net profit attributable to the equity holders of the Company provided that the aggregate amount of discretionary bonuses payable in each financial year to all executive Directors shall not exceed the percentage as recommended by the Remuneration Committee, if any.

Save as disclosed above, there is no variable remuneration (e.g. commission on profit) payable to the above Directors under their respective service contract or appointment letter with the Company.

7. MATERIAL CONTRACTS

No contract (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) had been entered into by members of the Group within the two years preceding 16 January 2026 (being the date of commencement of the Offer Period) and up to the Latest Practicable Date and was or might be material.

8. MATERIAL LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration or claims which would materially or adversely affect the operations of the Company and no litigation, arbitration or claim which would materially or adversely affect the operations of the Company was known to the Directors to be pending or threatened by or against any member of the Group.

9. MARKET PRICES

The table below shows the closing prices of the Shares on the Stock Exchange on (a) the last day on which trading took place in each of the calendar months during the Relevant Period; (b) the last trading day prior to the commencement of the Offer Period; (c) the Last Trading Day; and (d) the Latest Practicable Date.

Date	Closing price per Share (HK\$)
31 July 2025	0.07
29 August 2025	0.076
30 September 2025	0.062
31 October 2025	0.059
28 November 2025	0.059
31 December 2025	0.09
14 January 2026 (being the last full trading day before the trading halt)	0.192
15 January 2026 (being the last trading day prior to the commencement of the Offer Period)	0.355*
22 January 2026 (being the Last Trading Day)	0.385
30 January 2026	0.244
27 February 2026	0.228
17 March 2026 (being the Latest Practicable Date)	0.224

* Trading in the Shares had been halted at the request of the Company during the period from 1:46 p.m. on 15 January 2026 to 9:00 a.m. on 19 January 2026 pending release of the Announcement.

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the Relevant Period, were HK\$0.385 per Share (on 22, 23, 26, 27 and 28 January 2026) and HK\$0.058 per Share (on 17 December 2025), respectively.

10. QUALIFICATION AND CONSENT OF EXPERTS

The following are the qualification of the experts who have given opinion or advice which is contained or referred to in this Composite Document:

Name	Qualification
Cinda International	a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Rainbow Capital	a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

Each expert as set out above has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion of the text of its letter, report, and/or references to its name in the form and context in which it appears.

As at the Latest Practicable Date, each expert as set out above did not have any shareholding, direct or indirect, 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, nor did it has any direct or indirect interest in any assets which had been, since 31 March 2025, being the date of the latest published audited consolidated financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

11. GENERAL

- (i) The registered office of the Company is situated at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. Its head office and principal place of business in Hong Kong is situated at 19/F, The Globe, 79 Wing Hong Street, Lai Chi Kok, Kowloon, Hong Kong.
- (ii) The company secretary of the Company is Mr. Fung Nam Shan, who is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a certified practising accountant of CPA Australia.
- (iii) The Company's principal share registrar and transfer office is Maples Fund Services (Cayman) Limited, situated at PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

- (iv) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited, situated at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (v) The registered office of Cinda International, being one of the Joint Independent Financial Advisers, is situated at Suites 5801-04&08, 58/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.
- (vi) The registered office of Rainbow Capital, being one of the Joint Independent Financial Advisers, is situated at Office No. 710, 7/F, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong.
- (vii) The English text of this Composite Document and the Form of Acceptance shall prevail over the Chinese translation in the case of inconsistency.

12. DOCUMENTS ON DISPLAY

Copies of the following documents will be on display on the websites of the SFC (<http://www.sfc.hk>) and the Company (www.thelloy.com) from the date of this Composite Document up to and including the Closing Date:

- (a) the amended and restated memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the two financial years ended 31 March 2024 and 2025;
- (c) the interim report of the Company for the six months ended 30 September 2025;
- (d) the letter from the Board as set out on pages 21 to 26 of this Composite Document;
- (e) the letter from the Independent Board Committee as set out on pages 27 to 28 of this Composite Document;
- (f) the letter from the Joint Independent Financial Advisers as set out on pages 29 to 52 of this Composite Document;
- (g) the Irrevocable Undertaking;
- (h) the service contracts referred to under the paragraph headed “6. Service Contracts” in this appendix;
- (i) the written consents referred to in the paragraph headed “10. Qualification and Consent of Experts” in this appendix; and
- (j) this Composite Document and the accompanying Form of Acceptance.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS AND SECURITIES OF THE COMPANY

As at the Latest Practicable Date, the Offeror and the Offeror Concert Parties are interested in a total of 500,800,000 Shares, representing 62.6% of the total issued shares of the Company.

Save for the aforesaid, as at the Latest Practicable Date, none of the Offeror and the Offeror Concert Parties held, owned, controlled or had the right of direction over any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

3. ADDITIONAL DISCLOSURE OF INTERESTS AND DEALING IN SECURITIES OF THE COMPANY

The Offeror confirms that, as at the Latest Practicable Date:

- (i) save for the Sale Shares, none of the Offeror and the Offeror Concert Parties holds, owns or has control or direction over any voting rights or rights over any Shares, convertible securities, warrants, options or derivatives of the Company;
- (ii) save for the Irrevocable Undertaking, none of the Offeror and the Offeror Concert Parties has received any irrevocable commitment to accept or reject the Offer;
- (iii) save for the acquisition of the Sale Shares, none of the Offeror and the Offeror Concert Parties had dealt for value in any Shares or any options, warrants, derivatives or securities convertible into Shares or other derivatives in respect of securities in the Company during the Relevant Period;
- (iv) there is no outstanding derivative in respect of securities in the Company which is owned, controlled or directed by, or has been entered into by the Offeror and the Offeror Concert Parties;
- (v) there is no agreement, arrangement or understanding that any securities acquired in pursuance of the Offer or the Sale Shares would be transferred, charged or pledged to any other persons;

- (vi) none of the Offeror and the Offeror Concert Parties has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (vii) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares which might be material to the Offer;
- (viii) save for the Sale and Purchase Agreement, there is no agreement or arrangement to which the Offeror and the Offeror Concert Parties is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or condition to the Offer;
- (ix) there is no understanding, agreement, arrangement or special deal (as defined under Rule 25 of the Takeovers Code) between the Vendor and parties acting in concert with it on one hand and the Offeror and the Offeror Concert Parties on the other hand;
- (x) save for the total consideration for the Sale Shares of HK\$95,152,000, there is no other consideration, compensation or benefit in whatever form paid or payable by the Offeror and the Offeror Concert Parties to the Vendor and parties acting in concert with it;
- (xi) there was no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror, the Offeror Concert Parties and any Director, recent Directors, Shareholders or recent Shareholders which had any connection with or dependence upon the Offer;
- (xii) save for the Sale and Purchase Agreement and the Irrevocable Undertaking, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii) the Offeror and the Offeror Concert Parties; and
- (xiii) no benefit (other than statutory compensation required under applicable laws) was or would be given to any Directors as compensation for loss of office or otherwise in connection with the Offer.

4. EXPERT AND CONSENT

The following is the name and the qualification of the expert whose letter, opinion or advice is contained or referred to in this Composite Document:

Name	Qualification
Lego Securities	A corporation licensed by the SFC to conduct Type 1 (dealing in securities) regulated activity under the SFO

As at the Latest Practicable Date, Lego Securities has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion herein of its letter, opinion or advice and the references to its name, logo and/or its qualifications included herein in the form and context in which they appear.

5. MARKET PRICES

The table below sets out the closing price of the Shares on the Stock Exchange on (1) the last day on which trading took place in each of the calendar months during the Relevant Period, (2) the last trading day prior to the commencement of the Offer Period, (3) the Last Trading Day, and (4) the Latest Practicable Date:

Date	Closing price per Share (HK\$)
31 July 2025	0.07
29 August 2025	0.076
30 September 2025	0.062
31 October 2025	0.059
28 November 2025	0.059
31 December 2025	0.09
14 January 2026 (being the last full trading day before the trading halt)	0.192
15 January 2026 (being the last trading day prior to the commencement of the Offer Period)	0.355*
22 January 2026 (being the Last Trading Day)	0.385
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27 February 2026	0.228
17 March 2026 (being the Latest Practicable Date)	0.224

* Trading in the Shares had been halted at the request of the Company during the period from 1:46 p.m. on 15 January 2026 to 9:00 a.m. on 19 January 2026 pending release of the Announcement.

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the Relevant Period, were HK\$0.385 per Share (on 22, 23, 26, 27 and 28 January 2026) and HK\$0.058 per Share (on 17 December 2025), respectively.

6. MISCELLANEOUS

As at the Latest Practicable Date,

- (i) the Offeror is a company incorporated in the British Virgin Islands with limited liability, which is ultimately beneficially owned as to 60% by Mr. Ng, 20% by Mr. Choi and 20% by Mr. Soong. The directors of the Offeror are Mr. Ng JY, Mr. Choi and Mr. Soong.
- (ii) the registered office of the Offeror is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.
- (iii) the correspondence address of the Offeror is 9/F., Sui Ying Industrial Building, 1 Yuk Yat Street, To Kwa Wan, Kowloon, Hong Kong.
- (iv) the registered office address of Lego Securities is at Room 1506, 15/F, Wheelock House, 20 Pedder Street, Central, Hong Kong.
- (v) the English text of this Composite Document and the accompanying Form of Acceptance shall prevail over their respective Chinese texts, in case of any inconsistency.

7. DOCUMENTS ON DISPLAY

Copies of the following documents are published (i) on the website of the SFC (www.sfc.hk) and (ii) on the website of the Company (www.thelloy.com) from the date of this Composite Document up to and including the Closing Date:

- (a) the memorandum and articles of association of the Offeror;
- (b) the letter from Lego Securities, the text of which is set out in this Composite Document; and
- (c) the written consent referred to under the paragraph headed “4. Expert and Consent” in this Appendix IV.