THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Rykadan Capital Limited 宏基資本有限公司**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

RYKADAN
CAPITAL

RYKADAN CAPITAL LIMITED
宏基資本有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2288)

MAJOR TRANSACTION
ACQUISITION OF PROPERTY

Capitalised terms used in this cover page shall have the meanings set out in the section headed "Definitions" of this circular.

A letter from the Board is set out on pages 4 to 12 of this circular.

The Company has obtained written Shareholders' approval for the Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules from a closely allied group of Shareholders who together hold more than 50% of the voting rights at a general meeting to approve the Agreement and the transactions contemplated thereunder. Accordingly, no Shareholders' meeting will be held to approve the Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules. This circular is being despatched to the Shareholders for information only. This circular is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.rykadan.com).

Hong Kong, 25 July 2025

CONTENTS

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

"Acquisition"	the acquisition of the Property by the Purchaser from the Vendor pursuant to the Agreement
"Agreement"	the agreement for sale and purchase dated 30 May 2025 entered into between the Vendor and the Purchaser in relation to the Acquisition
"Assignment"	the assignment dated 30 May 2025 entered into between the Vendor and the Purchaser in relation to the Acquisition
"Board"	the board of Directors
"business day(s)"	a day (except Saturdays, Sundays, public holidays and any day on which a tropical cyclone warning signal No. 8 or above or a "black" rainstorm warning signal is in force at any time between 9:00 a.m. and 12:00 noon) on which licensed banks are generally open for normal banking business in Hong Kong
"BVI"	British Virgin Islands
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Company"	Rykadan Capital Limited, an exempt company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2288)
"Completion"	completion of the Acquisition in accordance with the Agreement
"Consideration"	an aggregate sum of HK$47,594,399, being the consideration payable by the Purchaser in relation to the Acquisition
"Director(s)"	the director(s) of the Company
"Divine Power"	Divine Power Holdings Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
"Dynamic Power"	Dynamic Power Global Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of Fastest Runner

"Fastest Runner"	Fastest Runner Limited, a company incorporated in the BVI with limited liability and an affiliated company of the Company
"Group"	the Company and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	independent third party(ies) who is(are) not connected person(s) (as defined under the Listing Rules) of the Company
"Latest Practicable Date"	22 July 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loans"	the loans (including accrued interests) advanced to the Wong Chuk Hang Project Group by the Group as defined under the section headed "Reasons for and Benefits of the Acquisition" in the Letter from the Board of this circular
"Mr. Chan"	Mr. Chan William, Chairman, Chief Executive Officer and an Executive Director of the Company, and a substantial Shareholder
"Mr. Ng"	Mr. Ng Tak Kwan, a non-executive Director and a substantial Shareholder
"Property"	collectively, (i) the 29th Floor of Rykadan One, (ii) Reserved Area of Rykadan One, (iii) Motorcycle Parking Spaces Nos. M1, M2 and M3 on Basement 1 Floor of Rykadan One, and (iv) Office Car Parking Spaces Nos. P1, P2, P3, P4 and P8 on the Basement 1 Floor of Rykadan One
"Purchaser"	Golden Wealth (HK) Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

"Rykadan Fund"	Rykadan Real Estate Fund LP, an exempted limited partnership established and registered in the Cayman Islands and its general partner is Rykadan Real Estate Fund GP Limited, which in turn is a company incorporated in the Cayman Islands and an indirect wholly-owned subsidiary of the Company
"Rykadan One"	the property known as Rykadan One (宏基匯) located at No. 23 Wong Chuk Hang Road, Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of the Company
"Shareholder(s)"	registered holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tiger Crown"	Tiger Crown Limited, a company incorporated in the BVI with limited liability and a substantial Shareholder, and a controlled corporation of Mr. Chan under the SFO
"Vendor"	Capital Universal Investment Limited, a company incorporated in Hong Kong with limited liability
"Wong Chuk Hang Project Group"	collectively, Fastest Runner and its subsidiaries (including the Vendor)
"29th Floor of Rykadan One"	comprises Offices 1, 2, 3, 4, 5 and 6 on the 29th Floor of Rykadan One
"%"	per cent.

RYKADAN CAPITAL LIMITED
宏基資本有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2288)

Executive Directors:
Mr. Chan William（陳偉倫）
(Chairman and Chief Executive Officer)
Mr. Lo Hoi Wah, Heywood（勞海華）
(Chief Financial Officer)

Non-executive Director:
Mr. Ng Tak Kwan（吳德坤）

Independent Non-executive Directors:
Mr. To King Yan, Adam（杜景仁）
Mr. Ho Kwok Wah, George（何國華）
Ms. Khan Sabrina（簡佩詩）

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

Principal Place of Business in Hong Kong:
29/F, Rykadan One
23 Wong Chuk Hang Road
Wong Chuk Hang, Hong Kong

25 July 2025

To the Shareholders

Dear Sir/Madam,

MAJOR TRANSACTION
ACQUISITION OF PROPERTY

INTRODUCTION

Reference is made to the announcement of the Company dated 30 May 2025 in relation to the Acquisition.

The purpose of this circular is to provide you with, among other things, (i) further details of the Acquisition; (ii) the financial information of the Group; (iii) the valuation report on the Property; and (iv) such other information as required by the Listing Rules.

THE ACQUISITION

On 30 May 2025 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Agreement with the Vendor in respect of the sale and purchase of the Property at a Consideration of HK$47,594,399 and upon and subject to the terms and conditions set out therein.

THE AGREEMENT

The principal terms of the Agreement are summarised as follows:

Date

30 May 2025

Parties

(1) Golden Wealth (HK) Investment Limited (an indirect wholly-owned subsidiary of the Company) as the Purchaser; and

(2) Capital Universal Investment Limited as the Vendor.

As at the date of the Agreement and the Latest Practicable Date, the Vendor was an indirect wholly-owned subsidiary of Fastest Runner, and Fastest Runner was in turn an affiliated company of the Company and in which the Group had an effective interest of approximately 24.21%. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, save as mentioned above, the Vendor and its ultimate beneficial owner(s) are Independent Third Parties.

Property to be acquired

Pursuant to the Agreement, the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the Property upon and subject to the terms and conditions set out therein.

The Property consists of (i) the 29th Floor of Rykadan One, (ii) Reserved Area of Rykadan One, (iii) Motorcycle Parking Spaces Nos. M1, M2 and M3 on Basement 1 Floor of Rykadan One, and (iv) Office Car Parking Spaces Nos. P1, P2, P3, P4 and P8 on Basement 1 Floor of Rykadan One. The Property, of which the 29th Floor of Rykadan One is currently leased by the Group as its headquarters and principal place of business in Hong Kong, will be sold on an "as is" basis and free from encumbrances but otherwise subject to the existing lettings. For those parts of the Property which are not subject to the aforesaid lettings (the "**Vacant Portions**"), vacant possession of such Vacant Portions shall be delivered to the Purchaser upon Completion.

Consideration and payment terms

Pursuant to the Agreement, the Consideration for the Acquisition shall be HK$47,594,399. Upon Completion, the Consideration will be set off against part of the Loans outstanding as at the date of Completion in an amount equal to the Consideration, and no cash shall be paid by the Purchaser to the Vendor in connection with the Acquisition.

Basis of determination of the Consideration

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to recent transaction prices for office units and car parking spaces of Rykadan One and other comparables in the vicinity, the preliminary valuation (adopting the market approach) of the Property as at 31 March 2025 at HK$51,020,000 as indicated by an independent valuer and the prevailing property market condition and sentiment. For the purpose of compliance with Rule 5.07 of the Listing Rules, the valuation of the Property is updated to the date as of 31 May 2025 adopting the same market approach, the text of which is set out in Appendix II to this circular. According to the valuation report on the Property as set out in Appendix II to this circular, as at 31 May 2025, the appraised value of the Property remained unchanged at HK$51,020,000.

In the said valuation report on the Property, the market approach has been adopted by the valuer to appraise the Property as there are sufficient readily available transactions of comparable properties recorded within a few years of the valuation date of 31 May 2025. The selection criteria for the comparable properties include (a) location, i.e. the properties are located within the same development, Rykadan One, which are deemed to share the highest similarity with the Property; (b) transaction date, i.e. the transactions are within one year prior to the valuation date of 31 May 2025 to ensure relevance; and (c) property type, i.e. only transactions of office units (with or without car parking spaces) within Rykadan One which are deemed similar to the Property are selected for comparison. The valuer has selected 7 office unit transactions within Rykadan One as comparables. The transaction dates of the comparable properties all fall within one year prior to the valuation date of 31 May 2025, ranging from November 2024 to April 2025, whereas the transaction prices range from HK$6,200,000 to HK$39,400,000 (which is approximately HK$10,301 to HK$14,031 per sq. ft. on saleable area) without car parking spaces, and from HK$6,200,000 to HK$42,800,000 (which is approximately HK$11,258 to HK$15,342 per sq. ft. on saleable area) with car parking spaces.

In assessing the market value of the car parking portion of the Property, the selection criteria for the comparables include (a) location: the valuer has primarily adopted comparables within Rykadan One which are deemed to share the highest similarity with the Property, and search has also been extended to the whole Southern District for transactions within 2025, which include South Horizons, E Tat Factory Building and Sham Wan Towers; and (b) transaction date: as there is a lack of transactions within Rykadan One in the past year, the valuer has adopted 3 comparables within Rykadan One which were transacted in 2023. The valuer has extended the search to comparables in other developments which were transacted in 2025 to provide a more updated insight on the value of the parking spaces. The transaction dates of the comparable parking spaces fall within 2023 and 2025, whereas the transaction prices range from HK$1,250,000 to HK$2,000,000 per space. The valuer has made adjustments for various factors, including transaction time, type of property, building age and accessibility to arrive at the market value of the office car parking spaces at HK$1,700,000 per space. One transaction within Rykadan One was a bundle transaction of one office car parking space and one motorcycle parking space at HK$2,100,000, which was the only motorcycle parking space transaction, implying that the market value of the motorcycle parking space was at HK$100,000 per space considering the other office car parking spaces were transacted at HK$2,000,000 within similar time frames.

In view of the relevance and quality of the selected office unit and car parking space comparables, and considering that statistical outliers have been identified and excluded to ensure the reliability and consistency of its analysis, the valuer is of the view that the selection of office unit and car parking space comparables is representative and comprehensive.

Owing to the heterogeneous nature of real estate properties, in the course of valuation, the valuer has also made appropriate adjustments for relevant factors, including transaction time, size, floor level, and view of the comparable properties to reflect the differences between the comparable properties and the Property, to arrive at the market value of the Property, which was one of the factors that had been taken into account in determining the Consideration.

The Directors consider that the work performed by the valuer, including the valuation method and assumptions adopted in deriving the valuation of the Property, is fair and reasonable. Further, having considered the selection criteria and the comparable office units and car parking spaces selected by the valuer which have suitably similar characteristics to the Property, the Board considers that the comparable constitute fair and representative samples for comparison. Accordingly, the Directors are of the view that the valuation of the Property is fair and reasonable for the purpose of determining the Consideration.

Completion

Completion shall take place on 30 May 2025. Pursuant to the Agreement, Completion took place on 30 May 2025.

INFORMATION ON THE PROPERTY

The Property consists of (i) the 29th Floor of Rykadan One, with an aggregate saleable area of approximately 330 square metres, (ii) Reserved Area of Rykadan One, (iii) Motorcycle Parking Spaces Nos. M1, M2 and M3 on Basement 1 Floor of Rykadan One, and (iv) Office Car Parking Spaces Nos. P1, P2, P3, P4 and P8 on Basement 1 Floor of Rykadan One.

The Company is currently leasing the 29th Floor of Rykadan One as its headquarters and principal place of business in Hong Kong pursuant to the tenancy agreement dated 15 April 2025 entered into between the Vendor as the landlord and Rykadan Management Services Limited (a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company) as the tenant for a term commencing from 15 April 2025 to 31 October 2025 (both days inclusive). Following Completion, the

Property has become owned as to 100% by the Group and the 29th Floor of Rykadan One has continued to be used as the headquarters and principal place of business of the Group in Hong Kong. All parking spaces have been retained by the Purchaser for its own use.

For each of the two financial years ended 31 March 2024 and 31 March 2025, no revenue was generated in respect of the Property as the Property was held by the Vendor for sale.

According to the preliminary valuation (adopting the market approach) of the Property, the value of the Property was approximately HK$51,020,000 as at 31 March 2025. According to the valuation report on the Property as set out in Appendix II to this circular, as at 31 May 2025, the appraised value of the Property remained unchanged at HK$51,020,000.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Rykadan One is a new commercial and retail property redeveloped from a property previously located at No. 23 Wong Chuk Hang Road, Hong Kong and owned by the Vendor. The Group has invested in this redevelopment project since 2017 when the Vendor was wholly acquired by Dynamic Power. Dynamic Power is a company in which the Group has an effective interest of 24.21%. To finance the aforementioned acquisition and the subsequent redevelopment of Rykadan One and the general working capital of the Wong Chuk Hang Project Group, the Group had from time to time advanced loans to the Wong Chuk Hang Project Group (the "**Loans**"). The total amount of Loans (including accrued interests) which remained outstanding as at the Latest Practicable Date (i.e. after the Consideration was applied towards the setting off of part of the Loans outstanding immediately prior to Completion) amounted to approximately HK$219.4 million. The Loans (including accrued interests) which were outstanding immediately prior to Completion amounted to approximately HK$267 million, the principal amounts of which include, (i) the advance of approximately HK$7.04 million which was unsecured, non-interest bearing and due for repayment on 30 June 2025; (ii) the advance of HK$40 million which was unsecured, interest-bearing at 15% per annum up to 31 August 2024 and thereafter non-interest bearing and due for repayment on 30 June 2025 (the advances mentioned in (i) and (ii) above collectively, the "**Set-off Loans**"); and (iii) the various advances in the aggregate amount of approximately HK$219.4 million which are non-interest bearing, unsecured and have no fixed terms of repayment (the "**Non-interest bearing Loans**"). The Loans were made pro rata to the percentage of shareholding of the relevant subsidiary of the Group in the Wong Chuk Hang Project Group.

Due to the prolonged sluggish property market condition, the considerable decline in the prices of commercial and retail properties and the prevailing market sentiment, the Wong Chuk Hang Project Group has been incurring losses and is unable to repay the loans advanced by its investors (including the Loans outstanding immediately prior to Completion) in full. In view of that, since the financial year ended 2019, in the consolidated financial statements of the Group for the relevant financial years, parts of the Loans then outstanding had been impaired as a result of the absorption of losses in respect of the Group's investment in the Wong Chuk Hang Project Group, with the accumulated amount of losses so recognized in the consolidated financial statements of the Group for the financial year ended 31 March 2024 amounted to approximately HK$139.6 million. The Group has sought to recover part of the outstanding Loans (plus interest accrued thereon) from the Wong Chuk Hang Project Group out of its assets, namely, the Property. Accordingly, the Vendor and the Purchaser had agreed that, the entire amount of the Consideration was to be used to set off against the Set-off Loans (plus interest accrued thereon) and as such, no cash was paid by the Purchaser to the Vendor in connection with the Acquisition. Since the entire amount of the outstanding Non-interest bearing Loans had been impaired as a result of the absorption of losses in respect of the Group's investment in the Wong Chuk Hang Project Group in the consolidated financial statements of the Group for the financial year ended 31 March 2025 and there were no other available assets in the Wong Chuk Hang Project Group for the repayment of the Non-interest bearing Loans, the entire amount of the outstanding Non-interest bearing Loans is considered as unrecoverable.

Furthermore, prior to Completion, the Group had been leasing the 29th Floor of Rykadan One from the Vendor for use as the Group's new headquarters and principal place of business in Hong Kong, and the lease will expire on 31 October 2025. The Board considers that the Acquisition would enable the Group to secure the continual use of the Property to ensure long-term operational stability, while at the same time reduce ongoing and future rental expenses and relocation expenses, which may be exposed to market fluctuations. By acquiring the Property through the Acquisition, the Group also hopes to benefit from any potential capital appreciation in the future.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the Latest Practicable Date, other than (i) part of the Loans in the amount of HK$130,000 and HK$108,500 which were repaid to the Group by the Wong Chuk Hang Project Group in December 2023 and May 2025 respectively, and (ii) the Loans (including accrued interests) which were outstanding immediately before Completion in the amount of approximately HK$267 million, there is no, and in the past twelve months, there has not been, any other material loan arrangement between (a) the Vendor, any of its directors and legal representatives and/or any ultimate beneficial owner(s) who can exert influence on the Acquisition; and (b) the Company, any connected person at the Company's level and/or any connected person of the Company's subsidiaries involved in the Acquisition.

Given the foregoing, the Directors believe that the terms of the Acquisition (including the Consideration) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE ACQUISITION

Earnings

As disclosed in the section headed "Reasons for and Benefits of the Acquisition" above, the Group is currently leasing the 29th Floor of Rykadan One as its headquarters and principal place of business in Hong Kong. The Property has continued to be used for the same purpose following Completion, and the Group will no longer be required to lease additional office premises. The Group expects that there will be an annual rental saving of approximately HK$1.4 million related to its current leased office premises, while annual depreciation expenses for the Property are expected to increase by approximately HK$1 million following Completion. It is expected that the earnings of the Group will not be materially impacted as a result of the Acquisition.

Assets and Liabilities

Based on the audited financial position of the Group as at 31 March 2025, upon Completion, (i) the property, plant and equipment of the Group is expected to increase by approximately HK$50 million (taking into account the Consideration of HK$47,594,399 and other estimated transaction costs such as stamp duty attributable to the Acquisition), (ii) loan to an associate is expected to decrease by HK$47,594,399, and (iii) cash position is expected to decrease by approximately HK$2 million. Accordingly, it is expected that the net assets of the Group will not be materially impacted as a result of the Acquisition.

Save as disclosed above, there will be no immediate material effect on the earnings and net assets of the Group associated with the Acquisition.

INFORMATION ON THE PARTIES TO THE AGREEMENT

The principal activities of the Group are property development, property investment, asset, investment and fund management and distribution of construction and interior decorative materials. The Purchaser is an indirect wholly-owned subsidiary of the Company and is principally engaged in property holding and investment.

The Vendor is an indirect wholly-owned subsidiary of Fastest Runner and the owner of Rykadan One, including the Property (prior to Completion) but excluding those units which had already been disposed of. It is principally engaged in property development business. Fastest Runner is held as to 20% by Divine Power and 80% by the Rykadan Fund. The general partner of the Rykadan Fund is Rykadan Real Estate Fund GP Limited, a company incorporated in the Cayman Islands and an indirect wholly-owned subsidiary of the Company and, through it and another wholly-owned subsidiary of the Company, the Company is indirectly holding an approximately 5.26% equity interest in the Rykadan Fund. The remaining approximately 94.74% equity interest in the Rykadan Fund is held by 11 limited partners (one of them being two individual co-owners), all being companies and individuals which are Independent Third Parties to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries. The largest limited partner, being a company incorporated in Hong Kong whose principal business is investment holding, holds approximately 31.61% equity interest in the Rykadan Fund. The Group is able to exercise significant influence over it as the Group has one representative on its investment committee which comprises of three members, pursuant to the limited partnership agreement that was entered into by the Group acting as general partner with other limited partners. The Group's equity interest in the Rykadan Fund is accounted for as interests in associates in the consolidated financial statements of the Group using equity method. Through the indirect holding of approximately 5.26% equity interest in the Rykadan Fund, and together with the indirect holding of 20% equity interest in Fastest Runner, the Group has an effective interest of approximately 24.21% of the Vendor.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition exceeds 25% but all of them are less than 100%, the entering into of the Agreement constitutes a major transaction of the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Written Shareholders' approval

Pursuant to Rule 14.44 of the Listing Rules, Shareholders' approval may be obtained by written Shareholders' approval in lieu of convening a general meeting if (a) no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Acquisition; and (b) written approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the issued share capital of the Company giving the right to attend and vote at the general meeting to approve the Acquisition.

As at the date of the Agreement and the Latest Practicable Date, Tiger Crown, Mr. Chan and Mr. Ng held 97,104,000 Shares, 33,700,000 Shares (for the avoidance of doubt not including the Shares held by Tiger Crown in which Mr. Chan is indirectly interested) and 63,024,000 Shares respectively, representing approximately 25.86%, 8.98% and 16.79% respectively (and approximately 51.63% in aggregate) of the issued share capital of the Company. Tiger Crown, which has been a Shareholder ever since the Company's incorporation in April 2009, has been and is still indirectly wholly-owned by Mr. Chan (who has been and is still its sole director). As for Mr. Chan and Mr. Ng, they have been Shareholders and Directors ever since the Company's incorporation and have developed a solid and close working relationship, and are closely allied and coordinated insofar as the making of business decisions of the Company is concerned. Except where any of them had been required to abstain from voting, Tiger Crown, Mr. Chan and Mr. Ng have all voted affirmatively on shareholders' resolutions at all extraordinary general meetings of the Company, and in the past, where Shareholders' approval in respect of the relevant transactions was permitted to be obtained by written Shareholders' approval in lieu of convening a general meeting pursuant to the Listing Rules, Tiger Crown, Mr. Chan and Mr. Ng had also given their joint approval to such transactions.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, no Shareholder is required to abstain from voting if the Company were to convene an extraordinary general meeting for approving the Agreement and the transactions contemplated thereunder. The Company has obtained the joint written approval of Tiger Crown, Mr. Chan and Mr. Ng for the purpose of approving the Agreement and the transactions contemplated thereunder. Such written approval has been accepted in lieu of holding a general meeting of the Company for approving the Acquisition. Therefore, no extraordinary general meeting of the Company to approve the Agreement and the transactions contemplated thereunder will be convened pursuant to Rule 14.44 of the Listing Rules.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
Rykadan Capital Limited
宏基資本有限公司
Chan William
Chairman and Chief Executive Officer

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for each of the three years ended 31 March 2023, 2024 and 2025 are disclosed in the following documents which have been published on both the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.rykadan.com), and can be accessed by the links as follows:

– the 2023 annual report of the Company for the year ended 31 March 2023 published on 28 July 2023 (pages 50 to 119) at:
https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0728/2023072801283.pdf

– the 2024 annual report of the Company for the year ended 31 March 2024 published on 31 July 2024 (pages 49 to 111) at:
https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0731/2024073100493.pdf

– the 2025 annual results of the Company for the year ended 31 March 2025 published on 27 June 2025 (pages 2 to 25) at:
https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0627/2025062702368.pdf

2. INDEBTEDNESS STATEMENT

As at 31 May 2025, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had the following indebtedness:

Bank loans

As at 31 May 2025, the Group had unsecured and unguaranteed bank loan amounting to approximately HK$38.6 million, and secured and guaranteed bank loans amounting to approximately HK$114.3 million. Such secured bank loans were secured by mortgages over certain properties for sales of the Group with a total carrying amount of approximately HK$418.2 million.

Lease liabilities

As at 31 May 2025, the Group had lease liabilities amounting to approximately HK$2.9 million which were secured by rental deposits and guaranteed.

Contingent liabilities

As at 31 May 2025, the Group had no material contingent liabilities.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal payables and accruals in the ordinary course of business of the Group, the Group did not have any other debt securities, term loans or other outstanding overdrafts or loans, or other similar indebtedness, mortgages, charges, guarantees, material capital commitment or other material contingent liabilities outstanding as at 31 May 2025.

3. WORKING CAPITAL

After taking into account the financial resources presently available to the Group, including cash and cash equivalent on hand, internally generated funds, available and existing banking facilities and the effect of the Acquisition, and in the absence of unforeseen circumstances, the Directors after due and careful enquiry are of the opinion that the Group has sufficient working capital for its present requirements for at least twelve months from the date of publication of this circular. The Company has obtained the relevant letter as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

The Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2025 (being the date to which the latest published audited consolidated financial statements of the Group had been made up) up to the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group always commits to its long-term strategy of managing its value-added investment portfolio, efficiently growing its asset value and monetising the investments within a three-to-five-year period to preserve value for its Shareholders.

Despite the challenges arising from market uncertainties and escalating trade tensions which are expected to have a dampening effect on the overall global business sentiment and consumer confidence, the Group will continue to adhere to its long-term investment principles by focusing on asset monetisation of its existing projects.

Meanwhile, in consideration of the persistent sluggishness of the property sector and the broader instability of global macroeconomic conditions, the Group is maintaining a cautious and disciplined approach to capital deployment and project development in the near term. Preserving financial flexibility and managing risks remain key priorities of the Group.

Looking ahead, the Group will focus on monetising its existing investment portfolio, progressing planning approvals and cautiously unlocking value from its assets in a subdued market. In the meantime, it will continue to assess the market for new opportunities. Should external conditions improve in the near term, including a rebound in market sentiment, the

Group is well-positioned to respond swiftly. It will leverage its experienced investment team, robust risk management capabilities and diversified regional platforms to pursue higher-quality and risk-adjusted opportunities with the goal of generating sustainable returns for its Shareholders.

The following is the text of a valuation report prepared for the purpose of incorporation in this circular received from CBRE Advisory Hong Kong Limited, an independent valuer, in connection with their valuation as at 31 May 2025 of the Property located in Hong Kong.

CBRE Advisory Hong Kong Limited

Our Reference: C2505-1357-DV

The Board of Directors
Rykadan Capital Limited
29/F, Rykadan One,
23 Wong Chuk Hang Road,
Wong Chuk Hang, Hong Kong

CBRE

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cbre.com.hk

地產代理(公司)牌照號碼
Estate Agent's License No: C-093779

25 July 2025

Dear Sirs,

RE: Offices 1, 2, 3, 4, 5 and 6 on 29/F, Reserved Area, Motorcycle Parking Space Nos. M1-M3 on B1/F, Office Car Parking Space Nos. P1-P4 & P8 on B1/F of Rykadan One, 23 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong (the "Property")

We refer to the instructions from Rykadan Capital Limited (the "**Instructing Party**") for us to carry out a valuation of the Property, which is intended for owner-occupation, as at the Date of Valuation (defined hereinafter). Details are set out in the attached valuation certificate. We confirm that we have made relevant investigations and enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the Market Value of the Property in its existing state as at 31 May 2025 (the "**Date of Valuation**") for inclusion in the circular issued by the Instructing Party on the date hereof (the "**Circular**"). We have valued the Property in its existing status and assumed it is free from encumbrances.

Valuation Basis

Unless otherwise specified in the report, the valuations are conducted in accordance with the HKIS Valuation Standards 2024 and compliant with the RICS Valuation – Global Standards 2025 and IVSC valuation standards (IVS), effective from 31 January 2025, where applicable and appropriate. All valuations are undertaken by appropriately qualified professionals and the definition of Market Value and valuation methodologies are in line with the above standards, unless otherwise specified.

Our valuation is made on the basis of Market Value, which is defined under the HKIS Valuation Standards 2024 as "the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion" (the "**Market Value**").

We have also complied with all the requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Valuation Assumptions

Market Value is understood as the estimated amount for which an asset or liability should exchange on the Date of Valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The value stated in this report represents our objective opinion of value in accordance with the definition set out above as of the Date of Valuation. Our assessment assumes (amongst other things) that the Property has been properly marketed and that exchange of contracts took place on that date.

Our valuation has been made on the assumption that the owner sells the Property on the open market without the benefit and burden of any deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to affect the value of the Property.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Unless otherwise stated, we have valued the Property on the assumption that it is freely disposable and transferable for the whole of the unexpired land lease term without any land premium payment.

Unless otherwise stated, our valuation assumes that the use of the Property complies with the land lease, license, and all other statutory regulations.

We have conducted internal and external inspections of the Property on 3 June 2025 to such extent that we consider necessary for the purpose of this valuation. We were not instructed to undertake any structural surveys, test the services, or arrange for any investigations to be carried out to determine whether any deleterious materials have been used in the construction of the Property. Our valuation has therefore been undertaken on the basis that the Property is in satisfactory repair and condition and contains no deleterious materials and that services function satisfactorily. Based on our inspection, we understand the Property is connected to all primary utility services including water, electricity, telephone, sewage and drainage.

We have not undertaken archaeological, ecological, or environmental surveys. Our valuation is on the basis that these aspects are satisfactory, that no extraordinary expenses will be incurred due to any archaeological or ecological matter. This report does not make any allowance for contamination or pollution of land, if any, which may have occurred as a result of past usage.

Valuation Methodology

We have adopted the market approach in assessing the Market Value of the Property in its existing state.

The market approach is the most widely used method of valuation and is based on comparing the Property to be valued directly with other comparable properties which have recently transacted. Given that comparable properties are readily available, we have adopted the market approach for the valuation of the Property. However, because of the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the value likely to be achieved by the Property under consideration. In the course of our valuation, we have made appropriate adjustments for relevant factors including transaction time, size, floor level, and view to the comparables to reflect the differences between the comparables and the Property.

Given the substantial volume of market transactions within the same development, characterized by a high degree of similarity in terms of property attributes and risk-return profiles, we consider the market approach to be the most appropriate method for determining the Market Value of the Property. This approach is particularly suitable when there is ample and relevant transactional evidence available, as it directly reflects prevailing market conditions.

Alternative methods, such as the income approach, require extensive assumptions regarding rental income projections and yield expectations. In the context of this valuation, such assumptions introduce greater uncertainty and are therefore deemed less reliable when compared to the market approach, especially in the presence of robust comparable sales data.

Source of Information

We have obtained the Land Register records of the Property from the Land Registry. However, we have not inspected the original document to verify ownership or to ascertain the existence of any amendment which may not appear on the copy handed to us. We have not perused any original land documentation. We have assumed that there is no easement or encumbrance which may affect the value but is not shown in the Land Register records.

We have relied to a considerable extent on the information provided by the Instructing Party and have accepted the advice given to us. No on-site measurement has been taken. Dimension, measurement and area included in the valuation certificate are based on the information provided by the Instructing Party, or the information contained in or our measurement of the plans and documents available to us. We have made our best endeavour to cross-check the area information via scale-off measurement on the approved building plan. We have no reason to doubt the truth and accuracy of the information provided to us, which may be material to the valuation. Please note that all measurements are only approximations.

Property Inspection

Mr. Terence Yeung (CFA MRICS MHKIS) has provided professional assistance and inspected the Property on 3 June 2025.

We have inspected both the interior and exterior of the Property. In the course of our inspection, we did not notice any serious defects.

Currency

Unless otherwise stated, all monetary amounts are stated in Hong Kong Dollar ("**HK$**").

Confidentiality and Disclaimers

This valuation report is for the sole use of Rykadan Capital Limited and the persons directly provided with it by CBRE. Use by, or reliance upon this valuation report by anyone other than the Instructing Party is not authorised by CBRE and CBRE will not be liable for any loss arising from such unauthorised use or reliance.

CBRE has prepared this valuation report of the Property relying on and referring to information provided by third parties including financial and market information ("**Information**"). CBRE assumes that the Information is accurate, reliable and complete and it has not tested the Information in that respect.

CBRE has prepared this valuation report for inclusion within the Circular but has not been involved in the preparation of the remainder of the Circular. CBRE does not approve or endorse any part of the Circular other than this valuation report. CBRE disclaims any liability to any person in the event of false and misleading statements included in, or an omission from, any part of the Circular other than this valuation report.

CBRE's maximum aggregate liability to the Instructing Party and to any authorised (by CBRE) reliant party ("**Reliant Party**"), howsoever arising under, in connection with or pursuant to reliance upon this valuation report, and whether in contract, tort, negligence or otherwise shall not exceed three times the fees received by CBRE for this valuation report.

If you are neither the Instructing Party nor a Reliant Party, then you are viewing this valuation report on a non-reliance basis and for informational purposes only. You may not rely on this valuation report for any purpose whatsoever and CBRE shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorised use of or reliance on this valuation report. CBRE disclaims all liability to any investor. CBRE gives no undertaking to provide any additional information or correct any inaccuracies in this valuation report.

Other than towards the Instructing Party, no responsibility is accepted for any loss or damage arising as a result of reliance upon this valuation report.

CBRE is not a financial advisor, and this letter does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in/with the Instructing Party.

None of the information in this valuation report constitutes advice as to the merits of entering into any form of transaction. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

The liability of CBRE Advisory Hong Kong Limited and its directors and employees is limited to the addressee of this report only. No accountability, obligation, or liability to any third parties is accepted.

Valuer's Interest

This valuation was prepared by Ms. Hannah Jeong (FRICS MHKIS R.P.S. (GP) RICS Registered Valuer), Head of Valuation and Advisory Services in CBRE and assisted by Mr. Terence Yeung (CFA MRICS MHKIS). Hannah has over 19 years of property valuation experience in Hong Kong.

We hereby certify that the valuer is suitably qualified and authorised to practise as a valuer; does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Property (including the parties with whom the Instructing Party is dealing, including the lender or selling agent, if any); accepts instructions to value the Property only from the Instructing Party.

We enclose herewith a summary of valuation and our valuation certificate, and Assumptions, Disclaimers, Limitations & Qualifications.

Yours faithfully,
For and on behalf of
CBRE Advisory Hong Kong Limited

Hannah Jeong
MSc (Real Estate) FRICS MHKIS R.P.S. (GP) RICS Registered Valuer
Executive Director
Head of Valuation & Advisory Services

Hannah Jeong is a Member of Hong Kong Institute of Surveyors, Registered Professional Surveyor (General Practice), Fellow of the Royal Institution of Chartered Surveyors and RICS Registered Valuer, with nearly two decades of experience in property valuations in Hong Kong

Encl.

Property interest for which the Instructing Party considers acquiring for owner-occupation:

VALUATION CERTIFICATE

Property	Description	Details of Occupancy	Market Value as at 31 May 2025
1. Offices 1, 2, 3, 4, 5 and 6 on 29/F, Reserved Area, Motorcycle Parking Spaces Nos. M1-M3 on B1/F, Office Car Parking Spaces Nos. P1-P4 & P8 on B1/F of Rykadan One, No. 23 Wong Chuk Hang Road, Hong Kong (the "**Property**") 662/14,700 shares of and in the Remaining Portion of Aberdeen Inland Lot No. 282	Rykadan One (the "**Building**") is an office building in the western fringe of Wong Chuk Hang. It comprises 24 retail/office floors from 2/F to 29/F (excluding 4/F, 13/F, 14/F & 24/F from floor numbering) and carpark facilities from B1/F to B3/F. According to the Occupation Permit No. HK39/2021 (OP), the Building was completed in 2021. The Property comprises an office floor, various car parking spaces and motorcycle parking spaces within the Building. The office portion of the Property has a total Saleable Area of approximately 3,553 square feet based on the information provided by the Instructing Party and counter-checked by our scale-off measurement.	According to the information provided by the Instructing Party, the office portion of the Property is currently leased to Rykadan Management Services Limited at a monthly rent of HK$120,000 (inclusive of Government rent, rates, management fee, etc.) as the Instructing Party's headquarters and principal place of business in Hong Kong. The car parking portion of the Property is vacant as at the Date of Valuation.	**HK$51,020,000 (HONG KONG DOLLARS FIFTY-ONE MILLION TWENTY THOUSAND ONLY)**

Notes:

1. The Property is held under Government Lease for a term of 75 years renewable for 75 years commencing from 10 December 1962. The annual Government Rent is HK$164 per annum for the entire Aberdeen Inland Lot No. 282.

2. As per the Land Register record as at 27 May 2025, the Property was owned by Capital Universal Investment Limited as per an assignment dated 17 March 2008 registered vide Memorial No. 08040101920105.

3. The Property is subject to the following encumbrances/legal documents:

   - Modification Letter with Plan dated 25 February 2011, registered vide Memorial No. 11030702450017 (Remarks: Re AIL 282)
   - Modification Letter with Plan dated 28 October 2015, registered vide Memorial No. 15103002470010 (Remarks: From The Government of The Hong Kong Special Administrative Region by The District Lands Officer/Hong Kong West and South Re AIL 282)
   - Finance Undertaking in favour of The Government of The Hong Kong Special Administrative Region and The Director of Lands dated 7 June 2021, registered vide Memorial No. 21061001570015 (Remarks: By United Overseas Bank Limited)
   - Certificate of Compliance dated 17 October 2022, registered vide Memorial No. 22102400560019 (Remarks: From District Lands Office/Hong Kong West & South Lands Department)

- Deed of Mutual Covenant and Management Agreement with Plans in favour of Savills Property Management Limited (Manager) dated 13 June 2023, registered vide Memorial No. 23070300960035

4. The Building lies within an area zoned as "Other Specified Uses (Business 2)" in Hong Kong Planning Area No. 15 & 16 under the Approved Aberdeen & Ap Lei Chau Outline Zoning Plan No. S/H15/33 approved on 31 August 2018. The Property complies with the planning regulation within this zoning.

5. Pursuant to the land grant and town planning restriction, the Property is permitted to be used for non-industrial uses such as office. The prevailing use of the Property is considered to be in compliant with the relevant regulations.

6. The Property's locality and accessibility are summarised as follows:

Locality	Wong Chuk Hang is an emerging district that has undergone mass revitalisation and redevelopment in recent years, transforming from an industrial hub to a commercial node with new office buildings and commercial elements. A large-scale development atop the Wong Chuk Hang MTR Depot, The Southside, providing over 5,000 residential units and a sizeable shopping mall, has been completed by phases since 2022, introducing more population and commercial activities into the area. New commercial developments in the neighbourhood includes Viva Place (completed in 2024), Landmark South (completed in 2022) and Marina 8 (completed in 2021).
Accessibility	Accessibility of the Property is excellent. Vehicular access is via Yip Kan Street, which joins Wong Chuk Hang Road, leading to Aberdeen Tunnel to the east and Aberdeen Praya Road to the west. Wong Chuk Hang Road is a major carriageway connecting the entire Wong Chuk Hang area.

Approximate Road Distance to Notable Locations	Causeway Bay	:	6.6 km
	Central	:	6.7 km
	Tsim Sha Tsui	:	10.0 km
	Hong Kong International Airport	:	43.4 km

7. Hong Kong Office Market Overview

Hong Kong's office market remains anchored in traditional core districts like Central, Admiralty, Wan Chai, and Tsim Sha Tsui, with the Central and Western district alone comprising 25% of the city's total office stock. The financial sector dominates Grade A office occupancy, followed by legal and professional services. Decentralized areas such as Quarry Bay, Wong Chuk Hang, Kowloon Bay, and Kwun Tong are gaining traction due to improved connectivity and more affordable rents.

Office investment sentiment has weakened significantly, with Q1 2025 transactions plunging 82% quarter-on-quarter. Economic uncertainty, geopolitical tensions, and cautious corporate strategies are dampening new leasing and expansion demand. Most occupiers now favor lease renewals, especially when incentivized by landlords.

Looking ahead, new office supply of 2.8 million sq. ft. in 2025, mostly in core areas, will likely push vacancy rates to 19% by year-end. Landlords are expected to offer more flexible terms and additional incentives amid high vacancies and rents are forecasted to decline 5-10% across most submarkets in the full year of 2025.

8. In assessing the Market Value of the office portion of the Property, we have collected and analyzed sales comparable in the locality transacted over the past year. We have selected seven comparables based on the below selection criteria.

Selection Criteria	Details
Location	We have primarily adopted comparables within the same development i.e. Rykadan One which are deemed to share the highest similarity with the Property.
Date of Transaction	We have relied on comparables that transacted within one year prior to the Date of Valuation to ensure relevance.
Property Type	We have only selected office (with or without car parking spaces) transactions within the same development which are deemed similar to the Property.

9. In our course of valuation of the office portion, we have selected Office No. 1 of 29/F as the Reference Unit (the "**Reference Unit**"). After selecting the comparables, we have made adjustments on various factors including transaction time, size, floor level, and view to account for the differences against the Reference Unit. Internal adjustments in terms of view and size have been further made to derive the Market Value of the remaining units on 29/F. The rationale of adjustment factors is highlighted below:

Adjustment Factors	Details
Transaction Time	Adjustment was made to reflect the differences in market situation as at the date of transaction against the Date of Valuation. Private office price index published by the Rating and Valuation Department is adopted for the adjustment.
Floor Level	Adjustment was made to reflect the differences in floor level of comparables and the Property. In general, office units located on higher floors fetch a higher unit rate, and vice versa.
Size	Adjustment was made to reflect the differences in saleable area of comparables and the Property. In general, office units with smaller unit size command a higher unit rate due to larger pool of investors / end-user, and vice versa.
View	Adjustment was made to reflect the differences in terms of view between comparables and the Property. Based on our inspection and empirical transaction evidence, units with mountain view command a higher unit rate against open city view or building view.

In view of the relevance and quality of the selected comparables, we consider our selection to be both representative and comprehensive. Statistical outliers have been identified and excluded to ensure the reliability and consistency of the analysis. Comparables which achieved a unit rate significantly lower or higher than the average transaction price (i.e. above 30% variance) within the observation period (1 year) are considered as statistical outliers.

The selected comparables are transacted with a unit rate (without carparking space) in a range from HK$10,301 to HK$14,031 per sq. ft. on saleable area.

With the above adjustment factors, the adjusted unit rates of the comparables range from HK$10,397 to HK$13,987 per sq. ft. on saleable area. By assigning equal weighting on each comparable, we have derived an adopted unit rate of about HK$11,600 per sq.ft. on saleable area for the reference unit. We have then made further internal adjustment in terms of size and view to derive the unit rate of HK$11,883 per sq. ft. on saleable area (SA) for the whole office portion.

	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name of Development	Rykadan One	Rykadan One	Rykadan One	Rykadan One
Address	23 Wong Chuk Hang Road	23 Wong Chuk Hang Road	23 Wong Chuk Hang Road	23 Wong Chuk Hang Road
District	Wong Chuk Hang	Wong Chuk Hang	Wong Chuk Hang	Wong Chuk Hang
Floor Level	23	28	27	18
Unit	Units 1-4 + 2 CPS	Whole Floor + 1 CPS	Whole Floor + 2 CPS	Whole Floor + 2 CPS
Completion Year	2021	2021	2021	2021
View	Open/Mountain	Open/Mountain	Open/Mountain	Open/Mountain
Saleable Area (sq. ft.)	2,592	3,553	3,553	3,553
No. of CPS	2	1	2	2
CPS Unit Value* (HK$)	1,700,000	1,700,000	1,700,000	1,700,000
Transaction Date	Apr-25	Apr-25	Mar-25	Dec-24
Consideration (HK$)	39,767,599	41,000,000	40,000,000	42,800,000
Consideration w/o CPS (HK$)	36,367,599	39,300,000	36,600,000	39,400,000
Unit Price on SA (HK$/sq. ft.)	15,342	11,540	11,258	12,046
Unit Price on SA (HK$/sq. ft.) w/o CPS	14,031	11,061	10,301	11,089
Adjustments				
Transaction Time	N/A	N/A	N/A	–
Size	+	+	+	+
Floor Level	+	+	+	+
View	–	–	–	–
Overall	–	+	+	–
Adjusted Unit Rate on SA (HK$/sq. ft.) w/o CPS)	13,987	11,141	10,397	10,788
In Comparison to the Reference Unit	Comparable 1 is superior in view compared to the Reference Unit, so downward adjustments were made for this factor. However, it is inferior in size and floor level, thus, upward adjustments were made for these two factors.	Comparable 2 is superior in view compared to the Reference Unit, so downward adjustments were made for this factor. However, it is inferior in size and floor level, thus, upward adjustments were made for these two factors.	Comparable 3 is superior in view compared to the Reference Unit, so downward adjustments were made for this factor. However, it is inferior in size and floor level, thus, upward adjustments were made for these two factors.	Comparable 4 is superior in transaction time and view compared to the Reference Unit, so downward adjustments were made for these two factors. However, it is inferior in size and floor level, thus, upward adjustments were made for these two factors.
Conclusion	Comparable 1 is considered superior to the Reference Unit.	Comparable 2 is considered inferior to the Reference Unit.	Comparable 3 is considered inferior to the Reference Unit.	Comparable 4 is considered superior to the Reference Unit.

	Comparable 5	Comparable 6	Comparable 7
Name of Development	Rykadan One	Rykadan One	Rykadan One
Address	23 Wong Chuk Hang Road	23 Wong Chuk Hang Road	23 Wong Chuk Hang Road
District	Wong Chuk Hang	Wong Chuk Hang	Wong Chuk Hang
Floor Level	17	12	12
Unit	1	1	6
Completion Year	2021	2021	2021
View	Open	Building	Mountain
Saleable Area (sq. ft.)	645	645	498
No. of CPS	0	0	0
CPS Unit Value* (HK$)	–	–	–
Transaction Date	Dec-24	Dec-24	Nov-24
Consideration (HK$)	7,622,800	7,786,600	6,200,000
Consideration w/o CPS (HK$)	7,622,800	7,786,600	6,200,000
Unit Price on SA (HK$/sq. ft.)	11,818	12,072	12,450
Unit Price on SA (HK$/sq. ft.) w/o CPS	11,818	12,072	12,450
Adjustments			
Transaction Time	–	–	–
Size	N/A	N/A	–
Floor Level	+	+	+
View	N/A	+	–
Overall	–	+	–
Adjusted Unit Rate on SA (HK$/sq. ft.) w/o CPS)	11,460	12,363	11,268
In Comparison to the Reference Unit	Comparable 5 is superior in transaction time compared to the Reference Unit, so downward adjustments were made for this factor. However, it is inferior in floor level, thus, upward adjustments were made for this factor.	Comparable 6 is superior in transaction time compared to the Reference Unit, so downward adjustments were made for this factor. However, it is inferior in floor level and view, thus, upward adjustments were made for these two factors.	Comparable 7 is superior in transaction time, size and view compared to the Reference Unit, so downward adjustments were made for these three factors. However, it is inferior in floor level, thus, upward adjustments were made for this factor.
Conclusion	Comparable 5 is considered superior to the Reference Unit.	Comparable 6 is considered inferior to the Reference Unit.	Comparable 7 is considered superior to the Reference Unit.

Remarks: "-": downward adjustment; "+": upward adjustment; "N/A": remain unchanged

* *Apportioned Value (see below)*

10. In assessing the Market Value of the carparking portion of the Property, we have collected and analyzed sales comparables in the locality transacted from 2023 to the Date of Valuation. We have selected six comparables based on the below selection criteria:

Selection Criteria	**Details**
Location	We have primarily adopted comparables within the same development i.e. Rykadan One which are deemed to share the highest similarity with the Property. Search has been extended to the whole Southern District for transactions within 2025 as well.
Date of Transaction	We have relied on comparables within the same development, i.e. Rykadan One within the past few years. However, given that the latest transactions for car parking spaces happened in 2023, we have extended our search to comparables in the other developments which are transacted in 2025 to provide a more updated insight on the value of carparking space.

11. Upon selecting the comparables, adjustments have been made to derive the market value of the subject office carparking spaces. The rationale of adjustment factors is highlighted below:

Adjustment Factors	**Details**
Transaction Time	Adjustment was made to reflect the differences in market situation as at the date of transaction against the Date of Valuation.
Type of Property	Adjustment was made to reflect the differences in the type of development where the comparables are situated. Private car parking spaces situated in industrial buildings generally fetch a lower unit rate compared with office and residential developments.
Accessibility	Adjustment was made to reflect the accessibility. Private car parking spaces with ramp access enjoy better accessibility compared with car parking spaces with car lift access only. Office car parking spaces located in the Property is only accessible via car lift. Private car parking spaces with only car lift access fetch a lower unit rate compared with car parking spaces with ramp-access.
Building Age	Adjustment was made to reflect the differences in terms of building age and hence the quality of the building. Older buildings fetch a lower unit rate compared to new developments, and vice versa.

In view of the relevance and quality of the selected comparables, we consider our selection to be both representative and comprehensive.

In the course of our valuation, we have primarily relied on the most recent transaction within the same development. However, due to the limited number of car parking space transactions over the past two years, we have extended our search to include other developments in the vicinity. In selecting comparables from these nearby developments, we have sourced the most recent transactions that best reflect current market conditions.

	Comparable 1	Comparable 2	Comparable 3
Name of Development	South Horizons	E Tat Factory Building	Sham Wan Towers
Address	25-33A Yi Nam Road	4 Heung Yip Road	3 Ap Lei Chau Drive
District	Ap Lei Chau	Wong Chuk Hang	Ap Lei Chau
Floor Level	B2	G	3
Unit	CP304	CP030	CPC25
Completion Year	1993	1974	2004
Transaction Date	Apr-25	Apr-25	Mar-25
Consideration (HK$)	1,550,000	1,250,000	2,000,000
Adjustments			
Transaction Time	N/A	N/A	N/A
Accessibility	–	–	–
Property Type	N/A	+	N/A
Building Age	+	+	+
Overall	–	+	–
Adjusted Unit Rate (HK$)	1,510,000	1,370,000	1,930,000
In Comparison to the Reference Unit	Comparable 1 is superior in accessibility compared to the Property, so downward adjustments were made for this factor. However, it is inferior in building age, thus, upward adjustments were made for this factor.	Comparable 2 is superior in accessibility compared to the Property, so downward adjustments were made for this factor. However, it is inferior in property type and building age, thus, upward adjustments were made for these two factors.	Comparable 3 is superior in accessibility compared to the Property, so downward adjustments were made for this factor. However, it is inferior in building age, thus, upward adjustments were made for this factor.
Conclusion	Comparable 1 is considered superior to the Property.	Comparable 2 is considered inferior to the Property.	Comparable 3 is considered superior to the Property.

	Comparable 4	Comparable 5	Comparable 6
Name of Development	Rykadan One	Rykadan One	Rykadan One
Address	23 Wong Chuk Hang Road	23 Wong Chuk Hang Road	23 Wong Chuk Hang Road
District	Wong Chuk Hang	Wong Chuk Hang	Wong Chuk Hang
Floor Level	B2	B2	B2
Unit	P16 & M4	P8	P7
Completion Year	2021	2021	2021
Transaction Date	May-23	Apr-23	Apr-23
Consideration (HK$)	2,100,000^	2,000,000	2,000,000
Adjustments			
Transaction Time	–	–	–
Accessibility	N/A	N/A	N/A
Type of Property	N/A	N/A	N/A
Building Age	N/A	N/A	N/A
Overall	–	–	–
Adjusted Unit Rate (HK$)	1,790,000	1,700,000	1,700,000
In Comparison to the Reference Unit	Comparable 4 is superior in transaction time compared to the Property, so downward adjustments were made for this factor.	Comparable 5 is superior in transaction time compared to the Property, so downward adjustments were made for this factor.	Comparable 6 is superior in transaction time compared to the Property, so downward adjustments were made for this factor.
Conclusion	Comparable 4 is considered superior to the Property.	Comparable 5 is considered superior to the Property.	Comparable 6 is considered superior to the Property.

Remarks: "-": downward adjustment; "+": upward adjustment; "N/A": remain unchanged, "^": Consideration for comparable 4 represent 1 private carparking space and 1 motorcycle parking space

12. Private car parking space comparables were transacted in a range from HK$1,250,000 to HK$2,000,000 per space (while comparable 4 comprises a bundled transaction of 1 private car parking space and 1 motorcycle parking space). With the aforementioned adjustment factors applied, the adjusted unit rates of the comparables ranged from approximately HK$1,370,000 to HK$1,930,000 per space. By assigning equal weighting on each comparable, we have derived an adopted Market Value of the office car parking spaces at HK$1,700,000 per space. This also applied to the comparable analysis for the apportioned values.

13. Market Value for motorcycle parking space has been derived from Comparable 4, which was transacted at HK$2,100,000 and represented a bundle transaction of office car parking space and motorcycle parking space. The transaction is the only motorcycle parking space transaction (apart from transactions including office units) within Rykadan One, implying that the market value of the motorcycle parking space is at HK$100,000 per space considering the other office car parking spaces were transacted at HK$2,000,000 within similar time frames.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

(1) Interests of Directors and chief executive

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (a) 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 the Directors and chief executive of the Company were taken or deemed to have pursuant to such provisions of the SFO); (b) entered in the register required to be kept under Section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "**Model Code**") were as follows:

Long position in the Shares

Name	Nature of interest and capacity	Number of Shares	Approximate percentage of the issued share capital of the Company (%)
Mr. Chan	Interest in a controlled corporation *(Note 1)*	97,104,000	25.86
	Beneficial owner	33,700,000	8.98
		130,804,000	34.84
Mr. Ng	Beneficial owner	63,024,000	16.79
Mr. Lo Hoi Wah, Heywood	Beneficial owner	64,166	0.02

Notes:

1. Tiger Crown, which beneficially owned 97,104,000 Shares, is 100% owned by Rykadan Holdings Limited which in turn is 100% held by Mr. Chan. Mr. Chan is also the sole director of Tiger Crown and Rykadan Holdings Limited.

2. All the Shares shown in the table above are ordinary shares.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to any Director and chief executive of the Company, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have 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 he was taken or deemed to have under such provisions of the SFO), or which were entered in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(2) Interests of Substantial Shareholders

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the interests and short positions of the Shareholders (other than a Director or chief executive of the Company) who had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Long position

Name	Nature of interest and capacity	Number of Shares	Approximate percentage of the issued share capital of the Company (%)
Rykadan Holdings Limited	Interest in a controlled corporation *(Note 1)*	97,104,000	25.86
Tiger Crown *(Note 1)*	Beneficial owner	97,104,000	25.86

Notes:

1. Tiger Crown is 100% owned by Rykadan Holdings Limited which in turn is 100% held by Mr. Chan. Rykadan Holdings Limited is therefore deemed to be interested in the 97,104,000 Shares beneficially owned by Tiger Crown.

2. All the Shares shown in the table above are ordinary shares.

Save as disclosed above, so far as is known to any Director and chief executive of the Company, as at the Latest Practicable Date, no other persons or companies had any interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept by the Company pursuant to Section 336 of the SFO.

As at the Latest Practicable Date, so far as was known to the Directors, Mr. Chan was also a director of Tiger Crown which has an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' INTERESTS IN SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which was not determinable by the Group within one year without payment of compensation other than statutory compensation.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors nor their respective close associates had any interest in any business which competed or is likely to compete with the business of the Group.

5. DIRECTORS' INTERESTS IN CONTRACTS AND ARRANGEMENTS/ASSETS

As at the Latest Practicable Date:

(i) none of the Directors had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to, or are proposed to be acquired or disposed of by or leased to, any member of the Group since 31 March 2025, being the date up to which the latest published audited consolidated financial statements of the Group were made up; and

(ii) none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group.

6. LITIGATION

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

7. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business of the Group were entered into by members of the Group within the two years immediately preceding the Latest Practicable Date and which are, or may be, material:

(a) (i) the provisional agreement for sale and purchase dated 3 December 2024 entered into between Win Expo Enterprises Limited ("**Win Expo**"), an indirect wholly-owned subsidiary of the Company, and German Pool (Hong Kong) Limited (the "**German Pool HK**") in relation to the disposal of the 27th Floor and car parking spaces nos. P11, P12, P13 and P14 on the 1st Floor of Rykadan Capital Tower located at No. 135 Hoi Bun Road, Kowloon, Hong Kong ("**Rykadan Capital Tower**") by Win Expo to German Pool HK ("**Disposal A**"), and the formal agreement for sale and purchase dated 17 December 2024 and the assignment dated 30 April 2025, both entered into between Win Expo and German Pool HK in relation to Disposal A; and (ii) the provisional agreement for sale and purchase dated 3 December 2024 entered between Prime Talent Development Limited ("**Prime Talent**"), an indirect wholly-owned subsidiary of the Company, and German Pool HK in relation to the disposal of the 28th Floor and car parking spaces nos. P7, P8, P9 and P10 on the 1st Floor of Rykadan Capital Tower by Prime Talent to German Pool HK ("**Disposal B**"), and the formal agreement for sale and purchase dated 17 December 2024 and the assignment dated 30 April 2025, both entered into between Prime Talent and German Pool HK in relation to Disposal B, at an aggregate consideration of HK$163,526,400; and

(b) the Agreement and the Assignment.

8. EXPERT'S CONSENT AND QUALIFICATION

The following is the qualification of the expert who has given opinion, letter or advice which is contained in this circular:

Name	**Qualification**
CBRE Advisory Hong Kong Limited	independent professional valuer

As at the Latest Practicable Date, the above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its opinion, letter and/or report and references to its name in the form and context in which it appears.

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

9. GENERAL

(a) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

(b) The Hong Kong head office and principal place of business of the Company is situated at 29/F, Rykadan One, 23 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong.

(c) The Company's branch share registrar and transfer office in Hong Kong is Tricor Investor Services Limited situated at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

(d) The company secretary of the Company is Mr. Lui Man Kit, a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.rykadan.com) for display for a period of 14 days from the date of this circular:

(a) the Agreement and the Assignment;

(b) the valuation report of the Property from CBRE Advisory Hong Kong Limited, the text of which is set out in Appendix II to this circular;

(c) the written consent referred to in the paragraph under the heading "EXPERT'S CONSENT AND QUALIFICATION" in this Appendix III to this circular; and

(d) this circular.