
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Royal Century Resources Holdings Limited, you should at once hand this Prospectus to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed “16. Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 38D of the Companies (Winding up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of this Prospectus or any other documents referred to above.

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

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

Dealings in the securities of the Company and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

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



Royal Century Resources Holdings Limited

仁德資源控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 8125)

RIGHTS ISSUE ON THE BASIS OF FIVE RIGHTS SHARES FOR EVERY ONE SHARE HELD ON THE RECORD DATE

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

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. There is no statutory requirement regarding minimum subscription level in respect of the Rights Issue. The Rights Issue is subject to the fulfilment of conditions set out in the section headed “Letter from the Board – Conditions of the Rights Issue” in this Prospectus. Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers. If the Rights Issue is not fully subscribed, the Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placées under the Compensatory Arrangements. The Placing Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue.

The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Wednesday, 29 November 2023. The procedures for acceptance and transfer are set out in the paragraph headed “Procedures for acceptance and payment or transfer” on pages 13 to 14 of this Prospectus.

15 November 2023

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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EXPECTED TIMETABLE

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

Event	2023
Despatch of Prospectus Documents	Wednesday, 15 November
First day of dealings in nil-paid Rights Shares	Friday, 17 November
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Tuesday, 21 November
Last day of dealings in nil-paid Rights Shares	Friday, 24 November
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Wednesday, 29 November
Announcement of the number of the Placing Shares subject to the Compensatory Arrangements	Monday, 4 December
Commencement of placing of the Placing Shares	Tuesday, 5 December
Latest time of placing of the Placing Shares	6:00 p.m. on Tuesday, 12 December
Last day for the Rights Issue and placing of the Placing Shares to become unconditional	Tuesday, 12 December
Announcement of results of the Rights Issue (including results of the placing of the Placing Shares and the amount of the Net Gain per Placing Share)	Wednesday, 13 December
Refund cheques to be despatched (if the Rights Issue does not proceed)	Thursday, 14 December
Certificates for fully-paid Rights Shares to be despatched	Thursday, 14 December
Expected commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Friday, 15 December
Payment of Net Gain	Friday, 29 December

All times and dates in this Prospectus refer to Hong Kong times and dates.

EXPECTED TIMETABLE

Dates or deadlines specified in the expected timetable above or in other parts of this Prospectus are indicative only and may be extended or varied by the Company. Any change to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

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

The latest time for acceptance of and payment for the Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or “extreme conditions” caused by super typhoons announced by the government of Hong Kong or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Wednesday, 29 November 2023. Instead the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same business day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Wednesday, 29 November 2023. Instead the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the “Expected timetable” above may be affected. An announcement will be made by the Company in such event as soon as practicable.

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following expressions have the meanings as set out below:

“Board”	the board of Directors
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“ChaoShang”	Hong Kong ChaoShang Group Limited, a shareholder of the Company
“Companies (WUMP) Ordinance”	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Royal Century Resources Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on GEM of the Stock Exchange
“Compensatory Arrangements”	placing of the Placing Shares by the Placing Agent
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company on Wednesday, 1 November 2023 at 11:00 a.m. approving the Share Consolidation and the Rights Issue
“ES Unsold Rights Shares”	the Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form that have not been sold by the Company
“Excluded Shareholders”	those Overseas Shareholders whom the Rights Shares are not offered
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Third Parties”	third parties independent of and not connected with the Company and its connected persons

DEFINITIONS

“Last Trading Day”	15 September 2023, being the last full trading day before the publication of the announcement in respect of the Rights Issue
“Latest Practicable Date”	9 November 2023, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information referred to in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Wednesday, 29 November 2023, being the latest time for acceptance of the offer of and payment for the Rights Shares
“Net Gain”	any premiums paid by the Placees over the Subscription Price for the Placing Shares placed by the Placing Agent
“Nil Paid Rights”	rights to subscribe for Rights Shares before the Subscription Price is paid
“No Action Shareholders”	Qualifying Shareholders or their renounees who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or such persons who are holders of Nil Paid Rights at the time such Nil Paid Rights lapse
“Old Shares”	ordinary shares of the Company before the Share Consolidation becoming effective
“Overseas Shareholders”	the Shareholders (whose names appear on the register of members of the Company at the close of business on the Record Date) with registered addresses outside Hong Kong
“PALs”	the provisional allotment letters to be issued to the Qualifying Shareholders
“Placees”	individuals, corporate, institutional investors or other investors, procured by the Placing Agent and/or its sub-placing agents to subscribe for the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares

DEFINITIONS

“Placing Agent”	SBI E2-Capital Securities Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO, being the placing agent appointed by the Company to place the Placing Shares under the Compensation Arrangements
“Placing Agreement”	the placing agreement dated 15 September 2023 entered into between the Company and the Placing Agent in relation to the placing of the Placing Shares
“Placing Shares”	the Unsubscribed Rights Shares and the ES Unsold Right Shares
“Prospectus”	the prospectus to be issued to the Shareholders containing details of the Rights Issues
“Prospectus Documents”	the Prospectus and the PAL
“Prospectus Posting Date”	15 November 2023 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders
“Qualifying Shareholders”	Shareholders, other than the Excluded Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date
“Record Date”	14 November 2023, being the date by reference to which the Shareholders’ entitlements to the Rights Issue are to be determined
“Rights Issue”	the issue of the Rights Shares by way of rights on the basis of five Rights Shares for every one Share held by the Qualifying Shareholders on the Record Date at the Subscription Price
“Rights Shares”	up to 156,780,000 new Shares to be allotted and issued pursuant to the Rights Issue
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Shares”	ordinary shares of the Company after the Share Consolidation having become effective
“Share Consolidation”	the consolidation of every five Old Shares into one Share
“Shareholders”	holders of the Shares
“Share Registrar”	Tricor Investor Services Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.23 per Rights Share under the Rights Issue
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Unsubscribed Rights Shares”	the Rights Shares that are not subscribed by the Qualifying Shareholders

LETTER FROM THE BOARD



Royal Century Resources Holdings Limited

仁德資源控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 8125)

Executive Directors:

Mr. Chan Chi Yuen (*Chairperson*)

Mr. Wang Jun

Mr. Yau Yan Yuen

Registered office:

Suite 2201, 22/F.

China Resources Building

26 Harbour Road

Wanchai

Hong Kong

Independent non-executive Directors:

Mr. Wu Zhao

Mr. Lam Cheok Va

Ms. Tsang Hau Wai

15 November 2023

To the Shareholders

Dear Sir or Madam,

**RIGHTS ISSUE ON THE BASIS OF FIVE RIGHTS SHARES
FOR EVERY ONE SHARE HELD ON THE RECORD DATE**

INTRODUCTION

Reference is made to the circular of the Company dated 9 October 2023 in relation to the Share Consolidation and the Rights Issue.

At the EGM held on 1 November 2023, the relevant resolution approving the Share Consolidation and the Rights Issue were duly passed by the Shareholders or the independent Shareholders by way of poll. The Share Consolidation has become effective on 3 November 2023.

LETTER FROM THE BOARD

RIGHTS ISSUE

Issue statistics

Basis of Rights Issue	:	Five Rights Shares for every one Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.23 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	31,356,000 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 156,780,000 Rights Shares
Number of Shares in issue immediately upon completion of the Rights Issue	:	Up to 188,136,000 Shares
Maximum funds raised before expenses	:	Up to HK\$36.1 million

As at the Latest Practicable Date, the Group had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into the Shares. The 156,780,000 Rights Shares to be issued under the Rights Issue represent (i) 500% of the total number of issued Shares; and (ii) 83.3% of the total number of issued Shares as enlarged by the allotment and issue of the Rights Shares.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. If the Rights Issue is not fully subscribed, the Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placers under the Compensatory Arrangements. The Placing Shares which remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. There is also no statutory requirement regarding minimum subscription level in respect of the Rights Issue.

LETTER FROM THE BOARD

As the Rights Issue will proceed on a non-underwritten basis, Shareholders who apply to take up all or part of their entitlements under the PALs may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules.

Undertaking

As at the Latest Practicable Date, ChaoShang is interested in 9,244,320 Shares (representing 29.5% of the issued Shares). ChaoShang has irrevocably undertaken to the Company that it

- (i) will not sell, transfer or otherwise dispose of the Shares held during the period up to the Rights Issue having become unconditional or the date on which the Company announces that the Rights Issue will not proceed, whichever is earlier (both dates inclusive); and
- (ii) will accept and subscribe in full for all the Rights Shares in which it beneficially entitles under the Rights Issue on and subject to the terms and conditions of the Rights Issue provided that the total number of the Rights Shares to be subscribed by it under the Rights Issue will be scaled down to the extent that it and its associates will not trigger a general offer obligation under the Takeovers Code in accordance with Rule 10.26(2) of the GEM Listing Rules.

Save for the above irrevocable undertakings, the Company has not received, as at the Latest Practicable Date, any other information or irrevocable undertaking from other Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them under the Rights Issue.

Subscription Price

The Subscription Price of HK\$0.23 per Rights Share is payable in full when the Qualifying Shareholders accept the relevant provisional allotment of Rights Shares or when transferees of nil-paid Rights Shares accept the provisional allotment of the relevant Rights Shares. Assuming that all the Rights Shares are fully subscribed, the net price per Rights Share is estimated to be HK\$0.22.

LETTER FROM THE BOARD

The Subscription Price represents:

- (i) a discount of 19.3% to the theoretical closing price of HK\$0.285 per Share (based on the closing price of HK\$0.057 per Old Share) as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of 17.9% to the theoretical average closing price of HK\$0.28 per Share (based on the average closing price of HK\$0.056 per Old Share as quoted on the Stock Exchange) for the five consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of 3.8% to the theoretical ex-rights price of HK\$0.239 per Share (based on the closing price of HK\$0.057 per Old Share as quoted on the Stock Exchange) on the Last Trading Day;
- (iv) a discount of 25.8% to the closing price of HK\$0.31 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (v) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of 16.1% represented by the theoretical diluted price of HK\$0.239 to the benchmarked price of HK\$0.285 per Share (as defined under Rule 10.44A of the GEM Listing Rules) based on the closing price of HK\$0.057 per Old Share and the average closing price of HK\$0.056 per Old Share as quoted on the Stock Exchange on the Last Trading Day and for the five consecutive trading days immediately prior to the Last Trading Day respectively;
- (vi) a discount of 85.0% over the audited net asset value per Share of HK\$1.53 (based on the audited consolidated net asset value of the Group of HK\$48 million as at 31 March 2023 and 31,356,000 Shares in issue as at the Latest Practicable Date); and
- (vii) a discount of 82.7% over the unaudited net asset value per Share of HK\$1.33 (based on the unaudited consolidated net asset value of the Group of HK\$41.8 million as at 30 September 2023 and 31,356,000 Shares in issue as at the Latest Practicable Date).

The Subscription Price was determined with reference to (i) the market price of the Old Shares under the prevailing market conditions and the impact of the Share Consolidation; (ii) the prevailing market conditions of the capital market in Hong Kong which has been volatile and on a downward trend since the beginning of this year; (iii) the latest business performance and financial position of the Group; and (iv) the reasons for and benefits of the Rights Issue as detailed in this Prospectus. The Board is of the view that (i) as the Shares have been trading substantially below the net asset value of the Company, it is necessary to set the Subscription Price with reference to its market price instead of its net asset value; (ii) as it is a common practice for listed companies to issue rights shares at a discount to the prevailing market price in order to enhance the attractiveness of the rights issue, it is beneficial to the Company to follow the market practice to set the Subscription Price at a discount to the prevailing market price of the Shares to encourage the Shareholders to participate in the Rights Issue; and (iii) as the Rights Shares are offered to all Qualifying Shareholders and each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its existing shareholding

LETTER FROM THE BOARD

in the Company, it is beneficial to the Qualifying Shareholders by setting the Subscription Price at a discount to the recent market price of the Shares for their participation in the Rights Issue and hence the future growth of the Group.

Given the above, the Board considers that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotment

The basis of the provisional allotment shall be five Rights Shares for every one Share held by the Qualifying Shareholders as at the close of business on the Record Date. The PAL relating to the Rights Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance for the Rights Shares being applied for with the Share Registrar on or before the Latest Time for Acceptance.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be an Excluded Shareholder on the Record Date. In order to be registered as a member of the Company on the Record Date, Shareholders must lodge the relevant documents for transfer of Shares (with the relevant share certificates) with the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Tuesday, 7 November 2023.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company. For Shareholders whose Shares are held by a nominee (or held in CCASS) and would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Share Registrar for registration no later than 4:30 p.m. on Tuesday, 7 November 2023.

Rights of Overseas Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. Based on the register of members of the Company, there is no Overseas Shareholder as at the Record Date and, therefore, all Shareholders are Qualifying Shareholders.

LETTER FROM THE BOARD

Status of the Rights Shares

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

Fractional entitlement to the Rights Shares

On the basis of provisional allotment of five Rights Shares for every one Share held by the Qualifying Shareholders on the Record Date, no fractional entitlement to the Rights Shares will arise under the Rights Issue.

Compensatory Arrangements

The Company will make arrangements described in Rule 10.31(1)(b) of the GEM Listing Rule to dispose of the Placing Shares by offering the Placing Shares to independent Placees for benefit of the Shareholders to whom they are offered by way of the Rights Issue. There will be no excess application arrangement in relation to the Rights Issue.

The Company has appointed the Placing Agent to place the Placing Shares after the Latest Time for Acceptance of the Rights Shares to independent Placees on a best effort basis. The Placing Agent will, on a best effort basis, procure, by not later than 6:00 p.m., on Tuesday, 12 December 2023, acquirers for all (or as many as possible) of those Placing Shares. Any premium over the Subscription Price and the expenses of procuring such acquirers (including commission and other related expenses/fees) that is realised will be paid to the No Action Shareholders on a pro-rata basis. All Placing Shares which are not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

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

- (i) where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL; and
- (ii) where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holders of those nil-paid rights in CCASS.

It is proposed that Net Gain of HK\$100 or more to the individual No Action Shareholder mentioned in (i) to (ii) above will be paid to them in Hong Kong Dollars only and the Company will retain individual amount of less than HK\$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised and, accordingly, the No Action Shareholders may or may not receive any Net Gain.

LETTER FROM THE BOARD

Procedures for acceptance and payment or transfer

A PAL is enclosed with this Prospectus which entitles the Qualifying Shareholder to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance with the Share Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by not later than 4:00 p.m. on Wednesday, 29 November 2023 (or, under bad weather conditions, such later time and/or date as mentioned in the section headed “Expected timetable – Effect of bad weather and/or extreme conditions on the Latest Time for Acceptance of and Payment for the Rights Shares”). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier’s orders which must be issued by, a licensed bank in Hong Kong and made payable to “**ROYAL CENTURY RESOURCES HOLDINGS LIMITED – PAL ACCOUNT**” and crossed “**ACCOUNT PAYEE ONLY**”. It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Wednesday, 29 November 2023, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole and absolute discretion, treat a PAL as valid and binding on the person by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer part or all of his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Tuesday, 21 November 2023 to the Share Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second business day after the surrender of the original PAL. It should be noted that stamp duty is payable in connection with a transfer of rights to subscribe for the Rights Shares.

LETTER FROM THE BOARD

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

PLACING AGREEMENT

On 15 September 2023 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by itself or through its sub-placing agents) to procure independent Placers, on a best effort basis, to subscribe for the Placing Shares. Details of the Placing are as follows:

Date	:	15 September 2023
Parties	:	(i) the Company, as issuer; and (ii) the Placing Agent
Placing Agent	:	SBI E2-Capital Securities Limited, appointed as the Placing Agent to place the Placing Shares on a best effort basis. The Placing Agent has confirmed that it is an Independent Third Party.
Fees and expenses	:	1% of the amount which is equal to the placing price multiplied by the Placing Shares that are successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement and reimbursed for the expenses in relation to the Placing, which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion.

LETTER FROM THE BOARD

- Placing price of the Placing Shares : The placing price of the Placing Shares shall be at least equal to the Subscription Price. The final price is dependent on the demand and market conditions of the Placing Shares during the process of placement.
- Placees : The individuals, corporate, institutional investors or other investors procured by the Placing Agent and/or its sub-placing agents to subscribe for the Placing Shares.
- Ranking of the Placing Shares : The Placing Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue.
- Termination : The Placing shall end on Tuesday, 12 December 2023 or any other date by mutual written agreement between the Placing Agent and the Company.

The engagement of the Placing Agent may be terminated by the Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill their respective duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.

- Conditions precedent : The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled (or being waived by the Placing Agent in writing, if applicable):
- (i) the passing by the Shareholders (including the Independent Shareholders) at the EGM of the necessary resolutions to approve the Share Consolidation and the Rights Issue;

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- (ii) the GEM Listing Committee granting the approval for the listing of, and the permission to deal in, the Rights Shares (including the Placing Shares);
- (iii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and
- (iv) the Placing Agreement not having been terminated in accordance with the provisions thereof. The Placing Agent may, in its absolute discretion, waive the fulfillment of all or any or any part of the above conditions (other than those set out in paragraphs (i) and (ii) above) by notice in writing to the Company.

Completion : Placing completion shall take place on 15 December 2023 or such other date as the Company and the Placing Agent may agree in writing.

The Placing Agent shall ensure that the Placing Shares are placed (i) only to institutional, corporate or individual investors who and whose ultimate beneficial owners shall be Independent Third Parties; (ii) such that no Placee shall become a substantial Shareholder immediately following the Placing; (iii) such that the Placing will not have any implication under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and (iv) such that the Placing will not result in the Company incapable of complying with the public float requirements under the GEM Listing Rules immediately following the Placing. The Company will continue to comply with the public float requirements under Rule 11.23(7) of the GEM Listing Rules and the Placing will not have any implication under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.

LETTER FROM THE BOARD

The engagement between the Company and the Placing Agent for the placing of the Placing Shares was determined after arm's length negotiations between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue and the market conditions. It is noted that the placing commission of the companies listed on the Main Board or GEM of the Stock Exchange having announced rights issue during the 3-month period preceding the Company's announcement on the Rights Issue in September 2023 ranged from 0.5% to 3.0% with an average of 1.4%. As such, the placing commission of 1% pursuant to the Placing Agreement falls within range and is below the average figure. As the relatively lower placing commission in the Placing Agreement will lead to lower costs of the Rights Issue which is in the interest of the Company and its shareholders, the Board considers the terms of the Placing for the Placing Shares (including the commission payable) are on normal commercial terms.

Given that the Compensatory Arrangements would provide (i) a distribution channel of the Placing Shares; and (ii) a compensatory mechanism for No Action Shareholders and the Excluded Shareholders, the Board considers that the Compensatory Arrangements are fair and reasonable and would provide adequate safeguard to protect the interest of the Company's minority shareholders.

Application for listing

The Company has applied to the GEM Listing Committee for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. The nil-paid and fully-paid Rights Shares shall have the same board lot size as the Shares, i.e. 8,000 Shares in one board lot. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

Eligibility for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

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Stamp duty and other applicable fees

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

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposal of, or dealing in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Excluded Shareholders as regards to their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It should be noted that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealing in or exercising any right in relation to the Shares or the Rights Shares.

Share certificates and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, (i) share certificates for all fully paid Rights Shares and (ii) refund cheques in respect of wholly or partially unsuccessful applications for Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Thursday, 14 December 2023.

Conditions of the Rights Issue

The Rights Issue is conditional upon:

- (i) the passing by the Shareholders (including the Independent Shareholders) at the EGM of the resolution to approve the Share Consolidation and the Rights Issue by no later than the Prospectus Posting Date;
- (ii) the Share Consolidation having become effective no later than the Prospectus Posting Date;
- (iii) the GEM Listing Committee granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, all the Rights Shares (in their nil-paid and fully-paid forms);

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- (iv) the delivery to the Stock Exchange and the filing and registration with the Companies Registry in Hong Kong respectively one duly certified copy of each of the Prospectus and the PAL (and all other documents required to be attached thereto) in compliance with the Companies (WUMP) Ordinance and the GEM Listing Rules by no later than the Prospectus Posting Date;
- (v) the posting of the Prospectus Documents to Qualifying Shareholders and the posting of the Prospectus to the Excluded Shareholders for information purpose only by the Prospectus Posting Date; and
- (vi) the Placing Agreement not being terminated.

As at the Latest Practicable Date, condition (i) and (ii) had been fulfilled.

The Company shall use all reasonable endeavours to procure the fulfilment of all other conditions as mentioned above. As the Rights Issue is subject to the above conditions, it may or may not proceed.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 8 November to Tuesday, 14 November 2023 (both dates inclusive) for the purpose of determining entitlements to the Rights Issue. No transfer of Shares will be registered during the above book closure period.

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

The Group is principally engaged in (i) the provision of fitting out and engineering, design and procurement of furnishings and related products services (the “Engineering Business”); (ii) the leasing of construction equipment (the “Leasing Business”); (iii) the sourcing and merchandising of fine and rare wines; and (iv) the provision of financial services comprising securities and money lending businesses.

Assuming all the Rights Shares are taken up or all Placing Shares are placed to Placees, it is estimated that net proceeds of the Rights Issue (after deducting the related expenses) will amount to HK\$35 million, of which the Company intends to apply as to (i) HK\$20 million (representing 57% of the net proceeds) for the development and expansion of the securities business; (ii) HK\$10 million (representing 29% of the net proceeds) as working capital for the Engineering Business and the Leasing Business to accommodate the anticipated increase in demand for these two business segments; and (iii) HK\$5 million (representing 14% of the net proceeds) for general corporate and administrative expenses (e.g. staff costs, professional fees and office rent) for 2024 and 2025. In the event that the Rights Issue is undersubscribed and the Placing Shares are not fully placed, the net proceeds will be reduced and utilised on a pro rata basis as set out above.

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The Engineering Business provides design, fitting out and engineering services to contractors in both private and public sectors who are involved in a variety of construction projects such as public housing maintenance and improvement as well as vacant flat refurbishment. As disclosed in the Company's 2023 annual report, the revenue generated from this business segment recorded an increase of HK\$12.1 million from the previous financial year to HK\$45.9 million for the year ended 31 March 2023. On the other hand, for the same year, income from the Leasing Business dropped by HK\$6.6 million to HK\$6.7 million due to the decrease in the leasing of scaffolding equipment as a result of the delay in construction projects amid the COVID-19 pandemic. The Board believes that as the economic condition in Hong Kong continues to recover from the COVID-19 pandemic, the construction projects in Hong Kong will increase and will thus stimulate the demand for the Engineering Business and the Leasing Business.

The Group's securities business is licensed under the SFO to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities. However, due to the lack of funding for fulfilling the licensing requirements of the SFC and as working capital to expand the business, there are conditions imposed on the regulated activities. As a result, the Group is not able to provide full services under the business (e.g. underwriting, placing, margin financing, portfolio management, etc.) even though the Group has been receiving enquiries for such services from time to time and the business has been operating in one office with limited number of customers. The business presently provides securities advice to clients (solicited through referrals and networks of the management staff of the business) and completes the securities services (e.g. subscription of shares under placing and underwriting) to clients by working with other fully licensed corporations and its income source is mainly commission income from introducing brokerage services.

According to the Financial Review of the Securities Industry for the years ended 31 December 2018 and 2022 issued by the SFC, the numbers of active cash clients and active margin clients in Hong Kong increased from 0.5 million and 1.4 million in 2018 to 2.2 million and 2.4 million in 2022 while the number of securities dealers and securities margin financiers stayed at a level of around 1,400, indicating substantial upward trend in market demand for securities trading and margin financing services but levelling-off in service provision. On the other hand, the average daily turnover on the Stock Exchange was significantly down by 25% from 2021 to 2022 and the net profit of all securities dealers and securities margin financiers was down much by 65% from 2021 to 2022. It is also noted that in 2020, the stock market in Hong Kong set new trading activity records, in which the trading volumes on both Stock Connect reached new highs. The above market data presented a long term opportunity for the Hong Kong securities market riding on a strong foundation with growth potential but a short term and deep adjustment of the market for the time being.

In August 2023, Hong Kong government established a task force to make improvement proposals to increase the liquidity of the Hong Kong stock market and strengthen Hong Kong's competitiveness as an international financial centre. This task force is mandated to holistically

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review key internal and external factors affecting stock market liquidity (including the listing regime, market structure and trading mechanism) and make recommendations to the government with a view to promoting the sustainable development of Hong Kong's stock market. In addition, in the same month, China Securities Regulatory Commission and the SFC jointly announced block trading arrangements under the Stock Connect arrangement for offshore investors to conduct block trades via Northbound Trading on the Shanghai and Shenzhen stock exchanges and for investors from Mainland China to conduct manual trades via Southbound Trading on the Stock Exchange. This cross-border block trading initiative is intended to provide more trading mechanisms, enhance trading efficiency and promote the mutual development of both capital markets in China and Hong Kong.

The Board believes that both the Hong Kong and Chinese governments are determined and serious in strengthening the competitiveness of the Hong Kong stock market as an international financial centre by taking forward measures in the short, medium and long term. Being reassured by these top down favourable policies of the Hong Kong and Chinese government, the Board considers it beneficial for the Group to seize this opportunity to expand its securities business to tap on the development opportunities offered by such government initiatives. The Board also noted the increasing enquiries made to the Group (enquires from around 10 existing and new clients in the past couple of months from basically zero enquiry in the 12-month period beforehand) for more securities services (e.g. placing, underwriting and margin financing). Although the enquiries are still limited, the Board is much encouraged by this trend because such services, which it is currently not able to provide, have never been actively promoted by the Group and the enquiries were initiated by potential clients. As such, the Board is confident that more businesses will come in when the Group is able to offer full services. The Board understands that the local economy has been suffering mainly due to external and short term factors as evidenced by the market data detailed above, but at the same time, it provides opportunity for the Group to expand the business at much lower costs. Adding further the probable end of the interest rate hike cycle which would ignite recovery of the global economy including China and Hong Kong, the Board believes that it is feasible and practicable and it is now the Company's long-awaited right timing to expand the securities business. The Board intends to uplift the licensing conditions in order to be able to operate its securities business in full scale. To cope with this business expansion, the Group plans to upgrade the hardware/software of its trading platform and recruit additional personnel in line with the widening of services/product offerings in underwriting, placing and margin financing. Among the funding of HK\$20 million to be used to develop the securities business, the Group intends to apply HK\$12 million for fulfilment of the licensing capital and deposit requirements and margin financing business, HK\$3 million for renovation and hardware upgrade and HK\$5 million for the operating and marketing costs of the business for the first year of operation. Based on the enquiries of the potential clients and the networks of the staff of the securities business, the Group estimates the scale/size of the fund raising amount conducted by it for clients under full services (including initial public offering and secondary underwriting and placing) to be in the region between HK\$100-250 million (for which the Group will charge underwriting and placing commissions and fees) for the financial year of 2024/25. The Company believes the above allocated capital will be

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sufficient to meet the above-mentioned service targets for the first year of operation. The Group plans to provide portfolio management and investment services in the second year of full-service operation i.e. financial year of 2025/26. As the Group is yet to be able to provide full services and those services are timing-sensitive, the Group has not entered into any agreement with potential clients for full services as at the date of this Prospectus.

The Company will make an application to the SFC for uplifting the licensing conditions after completion of the Rights Issue and the Placing. The Group's application, in addition to having a minimum of 2 responsible officers who must meet the Fit and Proper Guidelines issued by the SFC, will mainly comprise a business plan (describing the business activities to be carried out and how those activities are controlled), a compliance manual (setting out policies and procedures for meeting regulatory requirements) and various submissions to address potential areas of regulatory concern. Other than the capital requirements (fulfillment of which is pending completion of the Rights Issue), the Company does not anticipate any other licensing requirement which the Group will be unable to fulfil. The SFC has a service pledge of approximately 4 months to process an application and the precise time will depend on a number of factors. Following approval of the SFC to the Company's proposal, the Company will implement the proposal according to the approval and the specific requirements given by the SFC. It is expected that the Group's securities business will be able to provide full services in the second half of 2024, by which time the overall government initiatives recommended by the Task Force or Enhancing Stock Market Liquidity should have been formulated and implemented. As such, taking into account the time required to complete the Rights Issue and the subsequent time required for the Group to submit an application to the SFC, for the SFC to process the application and for the Group to implement the proposal according to the specific requirements given by the SFC, it is vital for the Group to seize the present opportunity to access to funding for implementation of the above business plan now.

The Company, despite its intention to expand the securities business, intends to maintain other principal businesses and has no intention to close down or downsize any of them.

The Board has considered other alternative means of fund raising, including debt financing, placing and open offer. However, the Board notes that bank borrowings, even if available, would result in substantial interest burden, higher gearing ratio and greater liquidity pressure of the Company. As for equity fund raising (such as placing), it will be relatively smaller in scale as compared to fund raising through the Rights Issue, not to mention that placing of shares would lead to dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate. As for open offer, although it is similar to a rights issue in offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market.

In view of the above, the Board considers that as compared to raising funds by other means, raising funds by way of the Rights Issue, which will allow Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the

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Qualifying Shareholders to choose whether to maintain their respective pro-rata shareholding interests in the Company and dealing with the Shares, is an appropriate fund-raising method and is fair, cost effective, efficient and beneficial to the Company and its shareholders as a whole.

SHAREHOLDING STRUCTURES

Set out below is the shareholding structure of the Company, assuming there is no further change in the number of issued Shares before completion of the Rights Issue other than the allotment and issue of the Rights Shares, (i) as at the Latest Practicable Date; (ii) immediately after completion of Rights Issue assuming full acceptance of Rights Shares by existing Shareholders; (iii) immediately after completion of Rights Issue assuming nil acceptance of Rights Shares by Qualifying Shareholders and none of the Placing Shares having been placed by Placing Agent; and (iv) immediately after completion of Rights Issue assuming nil acceptance of Rights Shares by Qualifying Shareholders (other than ChaoShang) and all the remaining Placing Shares having been placed by Placing Agent:

	As at the Latest Practicable Date		Immediately after completion of Rights Issue assuming full acceptance of Rights Shares by existing Shareholders		Immediately after completion of Rights Issue assuming nil acceptance of Rights Shares by Qualifying Shareholders (other than ChaoShang) and none of the Placing Shares having been placed by Placing Agent		Immediately after completion of Rights Issue assuming nil acceptance of Rights Shares by Qualifying Shareholders (other than ChaoShang) and all the remaining Placing Shares having been placed by Placing Agent	
	Number of Shares	%	Number of Shares	%	Number of Shares (Note 1)	%	Number of Shares	%
ChaoShang	9,244,320	29.5%	55,465,920	29.5%	9,431,372	29.9%	55,465,920	29.5%
Public Shareholders								
Independent Placees	Note 2	-	-	-	-	-	110,558,400	58.8%
Public Shareholders		<u>22,111,680</u>	<u>132,670,080</u>	<u>70.5%</u>	<u>22,111,680</u>	<u>70.1%</u>	<u>22,111,680</u>	<u>11.7%</u>
		<u>31,356,000</u>	<u>188,136,000</u>	<u>100.0%</u>	<u>31,543,052</u>	<u>100.0%</u>	<u>188,136,000</u>	<u>100.0%</u>

Notes:

- The total number of Rights Shares to be subscribed by ChaoShang will be scaled down to such extent that the number of Shares held by it and its associates after completion of the Rights Issue will be only up to 9,431,372 Shares (or 29.9%) and will not trigger general offer obligations under the Takeovers Code.
- As it is not expected that any of the individual Placees will become a substantial Shareholder immediately after completion of the Placing, the Placing Shares will form part of the public float of the Company.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activities in the past 12 months immediately before the Latest Practicable Date.

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

Shareholders and potential investors of the Company should note that the Rights Issue is subject to fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Any dealing in the Shares from the date of this Prospectus up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholder dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders or other persons contemplating any dealing in the Shares and/or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
Royal Century Resources Holdings Limited
Chan Chi Yuen
Chairperson and Executive Director

1. FINANCIAL SUMMARY

The financial information of the Group for each of the three financial years ended 31 March 2021, 2022 and 2023 are set out in the following documents which have been published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.royalcentury.hk:

- the annual report for the year ended 31 March 2021 published on 30 June 2021 (pages 85 to 190) (<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0630/2021063000201.pdf>);
- the annual report for the year ended 31 March 2022 published on 30 June 2022 (pages 98 to 202) (<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0630/2022063000045.pdf>);
- the annual report for the year ended 31 March 2023 published on 30 June 2023 (pages 101 to 210) (<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0630/2023063000017.pdf>); and
- the interim report for the six months ended 30 September 2023 published on 8 November 2023 (pages 2 to 30) (<https://www1.hkexnews.hk/listedco/listconews/gem/2023/1108/2023110801145.pdf>).

2. STATEMENT OF INDEBTEDNESS

As at 30 September 2023, being the latest practicable date for this indebtedness statement prior to the printing of this Prospectus, the Group had the following indebtedness:

	<i>HK\$'000</i>
Borrowing (interest-bearing and unsecured)	5,000
Lease liabilities	<u>3,182</u>
	<u><u>8,182</u></u>

Save as aforesaid and apart from intra-group liabilities, normal trade and other payables and contract liabilities, as at 30 September 2023, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages and charges, hire purchase commitments, material contingent liabilities or guarantees outstanding.

3. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, taking into consideration the estimated net proceeds from the Rights Issue and the financial resources available to the Group including internally generated funds, bank and other facilities, the Group will have sufficient working capital for its operation for at least twelve months from the date of this Prospectus.

4. MATERIAL ADVERSE CHANGE

The Board confirms that there has been no material adverse change in the financial or trading position of the Group since 31 March 2023, being the date to which the latest published audited accounts of the Group were made up, up to and including the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

For the year ended 31 March 2023, the revenue of the Group decreased by HK\$2 million to HK\$55.8 million as a result of the combined impact of (i) an increase in the revenue of HK\$12.1 million derived from the Engineering Business attributable to the increase in the number of works in the housing estates during the financial year; (ii) a decrease in the revenue of HK\$6.6 million derived from the Leasing Business due to the decrease in the leasing of scaffolding equipment as a result of the delay in construction project amid the COVID-19 pandemic; and (iii) a decrease in the revenue of the wine merchandising business of HK\$7.5 million. However, the Group's gross profit for the year ended 31 March 2023 decreased by HK\$7.8 million to HK\$2.1 million when compared with the previous financial year end mainly attributable to the decrease in the gross profit margin of the Engineering Business as a result of the fierce competition in the market and the increase in the weight of the public housing maintenance, improvement and vacant flat refurbishment works and services (which commanded a lower gross profit margin) in the revenue composition of this business segment. For the year ended 31 March 2023, the Group's net loss increased by HK\$3.5 million to HK\$24.6 million.

For the six months ended 30 September 2023, the Group's revenue increased by HK\$4.1 million to HK\$29.3 million when compared with the corresponding period in previous year. Such increase in revenue was attributable to (i) the increase in revenue of HK\$3.3 million derived from the Leasing Business; (ii) the increase in revenue of HK\$1.2 million derived from the wine merchandising business; and (iii) a slight decrease in the revenue of HK\$0.3 million in the Engineering Business. The Group's gross profit recorded an increase of HK\$3.1 million to HK\$5.7 million. The increase in gross profit, coupled with the decrease in the administration expenses and provision for expected credit loss, resulted in a decrease in the net loss of the Group by HK\$5.8 million to HK\$6.2 million when compared with the corresponding period in previous year.

With the gradual recovery of the economy from the COVID-19 pandemic, the Group is expecting a growth in the construction projects in Hong Kong which will in turn stimulate the demand for the Engineering Business and the Leasing Business. As mentioned in the section headed “Letter from the Board” in this Prospectus, given the favourable government initiatives to strengthen Hong Kong’s competitiveness as an international financial centre, the Board intends to expand its securities business under the Financial Services Business and operate the business segment in full scale.

The following is the text of a report received from the Company's reporting accountants, Mazars CPA Limited, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this Prospectus.

**MAZARS CPA LIMITED**

中審眾環（香港）會計師事務所有限公司
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The Board of Directors
Royal Century Resources Holdings Limited
Suite 2201, 22/F.
China Resources Building
26 Harbour Road
Wanchai, Hong Kong

Dear Sirs,

**ROYAL CENTURY RESOURCES HOLDINGS LIMITED
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT
ON THE COMPILATION OF
UNAUDITED PRO FORMA FINANCIAL INFORMATION**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Royal Century Resources Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) by the directors of the Company (the “Directors”) for illustrative purpose only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets attributable to the equity holders of the Company at 30 September 2023 and related notes (the “Pro Forma Financial Information”) as set out on pages II – 5 to II – 6 to the prospectus dated 15 November 2023 (the “Prospectus”) issued by the Company. The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described on pages II – 5 to II – 6 to the Prospectus.

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue of 156,780,000 rights shares (the “Rights Shares”) at HK\$0.23 per Rights Share on the basis of five Rights Shares for every one consolidated share (the “Share”) of the Company held on the rights issue record date (the “Rights Issue”) on the Group's unaudited consolidated net tangible assets attributable to the equity holders of the Company at 30 September 2023 as if the Rights Issue and share consolidation on the basis that every five then issued shares be consolidated into one consolidated share (the “Share Consolidation”) had taken place on 30 September 2023. The Share Consolidation became effective on 3 November 2023.

As part of this process, information about the Group's financial position at 30 September 2023 has been extracted by the Directors from the Group's financial statements for the six months ended 30 September 2023, on which no audit, review or accountant's report has been published.

Directors' responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "GEM Rules") and with reference to Accounting Guideline 7 "*Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars*" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Reporting accountant's independence and quality management

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

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

Reporting accountant's responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Rules, on the Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "*Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*" issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the Pro Forma Financial Information in accordance with paragraph 7.31 of the GEM Rules and with reference to AG 7.

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

The purpose of the Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Rights Issue at 30 September 2023 would have been as presented.

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

- The related unaudited pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

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

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

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

Opinion

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Rules.

Mazars CPA Limited

Certified Public Accountants

Hong Kong, 15 November 2023

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET
TANGIBLE ASSETS OF THE GROUP

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the equity holders of the Company prepared in accordance with paragraph 7.31 of the GEM Rules is set out to illustrate the effect of the Rights Issue on the unaudited consolidated net tangible assets of the Group as if the Rights Issue and Share Consolidation had been completed on 30 September 2023.

The unaudited pro forma statement of adjusted consolidated net tangible assets is prepared for illustrative purpose only and because of its hypothetical nature, it may not purport to represent the true picture of the financial position of the Group had the Rights Issue and Share Consolidation been completed on 30 September 2023 or at any future date.

The unaudited pro forma statement of adjusted consolidated net tangible assets is prepared based on the unaudited condensed consolidated statement of financial position of the Group at 30 September 2023, as extracted from the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2023, with adjustments described below.

Unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company at 30 September 2023 HK\$'000 (Note i)	Unaudited consolidated net tangible assets per Consolidated Share at 30 September 2023 HK\$ (Note ii)	Estimated net proceeds from the Rights Issue HK\$'000 (Note iii)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the equity holders of the Company immediately after completion of the Rights Issue HK\$'000	Unaudited pro forma adjusted consolidated net tangible assets per Consolidated Share immediately after completion of the Rights Issue HK\$ (Note iv)
Based on 156,780,000 Rights Shares				
at the subscription price of				
HK\$0.23 per Rights Share				
38,741	1.23	35,000	73,741	0.39

Notes:

- (i) The unaudited consolidated net tangible assets of the Group attributable to equity holders of the Company at 30 September 2023 of approximately HK\$38,741,000 is based on the unaudited consolidated net assets of the Group attributable to the equity holders of the Company at 30 September 2023 of approximately HK\$41,840,000 as adjusted to exclude intangible assets of approximately HK\$3,099,000 as shown on the unaudited condensed consolidated statement of financial position of the Group at 30 September 2023 as extracted from the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2023.

- (ii) The unaudited consolidated net tangible assets per Share at 30 September 2023 is calculated based on the unaudited consolidated net tangible assets of the Group attributable to the equity holders of the Company at 30 September 2023 of approximately HK\$38,741,000 and 31,356,000 Shares in issue as if the share consolidation on the basis of every five then issued shares be consolidated into one consolidated share of the Company had become effective on 30 September 2023.
- (iii) The estimated net proceeds from the Rights Issue of approximately HK\$35,000,000 is calculated based on 156,780,000 Rights Shares to be issued (on the basis of five Rights Shares for every one Share held as at the record date) at the subscription price of HK\$0.23 per Rights Share, after deduction of the estimated related expenses of approximately HK\$1,100,000, assuming that the Rights Issue had been completed on 30 September 2023.
- (iv) The unaudited pro forma adjusted consolidated net tangible assets per Share immediately after completion of the Rights Issue is calculated based on 188,136,000 Shares, comprising 31,356,000 Shares in issue as if the Share Consolidation had become effective on 30 September 2023 and 156,780,000 Rights Shares to be issued assuming that the Rights Issue had been completed on 30 September 2023.
- (v) No adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2023.

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL

The Company does not have an authorised share capital nor any nominal value of Shares in its capital.

Assuming there is no change in the number of issued Shares from the Latest Practicable Date up to the completion of the Rights Issue and full acceptance of the Rights Shares, the number of Shares in issue are as follows:

- (a) As at the Latest Practicable Date:

	Number
Issued Shares	31,356,000

- (b) Immediately following completion of the Rights Issue:

	Number
Issued Shares	31,356,000
Rights Shares to be issued	<u>156,780,000</u>
Shares in issue after the Rights Issue	<u><u>188,136,000</u></u>

All the Shares and the Rights Shares in issue and to be issued rank and will rank *pari passu* in all respects with each other including rights to dividends, voting and return of capital. The Shares and the Rights Shares in issue and to be issued are or will be listed on GEM.

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

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

3. DISCLOSURE OF INTERESTS

(a) Interests of Directors and chief executive of the Company

As at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had or was deemed to have any interests and short positions 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 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 which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO, or otherwise which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

(b) Interests of substantial Shareholders

So far as known to the Directors, as at the Latest Practicable Date, the following persons (not being 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 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 who, are directly or indirectly interested in 5% or more of the Shares.

Long positions in the Shares and the underlying shares

Name of Shareholder	Capacity/ Nature of interest	Number of Shares held	Approximate percentage of shareholding in the Company
ChaoShang	Beneficial owner	9,244,320	29.5%

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 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, who are directly or indirectly interested in 5% or more of the Shares.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group other than contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS

As at the Latest Practicable Date, save as disclosed below, none of the Directors or any of their close associates has any interest in business which competes with or may compete with the business of the Group or has any other conflict of interests which any person has or may have with the Group.

Director	Name of company	Nature of business	Nature of interests
Mr. Chan Chi Yuen	ChaoShang and its subsidiaries	Money lending business and securities and asset management business	Executive director and chief executive officer of ChaoShang

As the Board is independent of the boards of directors of the abovementioned companies, the Group is capable of carrying on its business independently of, and at arm's length from, the business of such companies.

6. MATERIAL LITIGATION

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

7. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2023, the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

8. RISKS FACTORS

The key business and operation risk exposure of the Group mainly resulted from the slow down of the economy and customer spending as well as market competition.

9. MATERIAL CONTRACTS

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

- (a) the sale and purchase agreement dated 31 March 2023 (and the supplemental agreement dated 27 September 2023) entered into between the Group and Lucky Smart Capital Investment Limited in relation to the disposal of the Group's interest in a property at a consideration of HK\$30 million; and
- (b) the Placing Agreement.

10. QUALIFICATION AND CONSENT OF EXPERTS

The following is the qualification of the expert who has given opinion, letter or advice contained in this Prospectus (the “**Expert**”):

Name	Qualification
Mazars CPA Limited	certified public accountants

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

As at the Latest Practicable Date, the Expert did not have (i) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (ii) any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2023, being the date to which the latest published audited accounts of the Company were made up.

11. EXPENSES

The expenses payable by the Company in connection with the Rights Issue, including placing commission, printing, registration, translation, independent financial adviser, legal and accounting fees, are estimated to be approximately HK\$1.1 million.

12. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors	<i>Executive Directors</i> Mr. Chan Chi Yuen (<i>Chairperson</i>) Mr. Wang Jun Mr. Yau Yan Yuen
	<i>Independent non-executive Directors</i> Mr. Wu Zhao Mr. Lam Cheok Va Ms. Tsang Hau Wai
Audit committee	Ms. Tsang Hau Wai (<i>Chairperson</i>) Mr. Wu Zhao Mr. Lam Cheok Va
Nomination committee	Mr. Wu Zhao (<i>Chairperson</i>) Ms. Tsang Hau Wai Mr. Lam Cheok Va
Remuneration committee	Mr. Lam Cheok Va (<i>Chairperson</i>) Ms. Tsang Hau Wai Mr. Wu Zhao
Compliance committee	Ms. Tsang Hau Wai (<i>Chairperson</i>) Mr. Wu Zhao Mr. Lam Cheok Va
Registered office and principal place of business	Suite 2201, 22/F China Resources Building 26 Harbour Road, Wanchai Hong Kong
Authorised representatives	Mr. Chan Chi Yuen Mr. Yau Yan Yuen
Compliance officer	Mr. Chan Chi Yuen
Company secretary	Mr. Yau Yan Yuen
Share Registrar	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong

Principal bankers	OCBC Wing Hang Bank 139-141 Des Voeux Road West Hong Kong
	The Hongkong and Shanghai Banking Corporation Limited 1 Queen's Road Central Hong Kong
	DBS Bank 11th Floor, The Center 99 Queen's Road Central Hong Kong
Auditors and reporting accountants	Mazars CPA Limited <i>Certified Public Accountants</i> 42/F, Central Plaza 18 Harbour Road, Wanchai Hong Kong
Legal adviser to the Company as to Hong Kong laws	Haldanes 7/F, Ruttonjee House 11 Duddell Street Hong Kong
Placing Agent	SBI E2-Capital Securities Limited 10/F, Winbase Centre 208 Queen's Road Central Hong Kong

13. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT**Executive Directors**

Mr. Chan Chi Yuen, aged 56, joined the Group since October 2015 and is the Chairperson of the Board. Mr. Chan holds a bachelor degree with honours in Business Administration and a master of science degree with distinction in Corporate Governance and Directorship. He is a fellow of The Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants and The Institute of Chartered Accountants in England and Wales. He is a practising certified public accountant and has extensive experience in financial management, corporate development, corporate finance and corporate governance. Mr. Chan is currently an executive director and the chief executive officer of ChaoShang (Stock code: 2322).

Mr. Wang Jun, aged 53, joined the Group since February 2017. Mr. Wang completed a certificate programme in General Education from 廣東省遂溪師範學校 (Guangdong Suixi Education College), China in 1988. Mr. Wang completed a professional programme in Business Administration from 上海國際經濟技術進修學院 (Shanghai Institute of International Economic and Technical Education) in China and was awarded a bachelor degree in management in 2010. He also holds a qualification as qualified funds practitioner from the Asset Management Association of China. Mr. Wang has extensive experience in real estate, corporate strategic management, project management, investment business, and funds management.

Mr. Yau Yan Yuen, aged 35, joined the Group in September 2023 and is the company secretary of the Company. Mr. Yau obtained a degree of Bachelor of Business Administration in Accountancy from the Hong Kong Polytechnic University. Mr. Yau is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Yau is currently the chief financial officer and company secretary of Hope Life International Holdings Limited (stock code: 1683), the company secretary of Windmill Group Limited (stock code: 1850) and the independent non-executive director of Creative China Holdings Limited (stock code: 8368), the securities of which are traded on the Stock Exchange. Mr. Yau worked as the chief financial officer and company secretary of Wai Hung Group Holdings Limited (stock code: 3321) during the period from 15 June 2018 to 11 May 2021. Mr. Yau has extensive financial, accounting and company secretary experiences.

Independent non-executive Directors

Mr. Wu Zhao, aged 45, has been the independent non-executive Director since November 2015. Mr. Wu obtained a bachelor degree in Engineering (Chemical) from the University of Queensland, Australia. He also obtained a master of commerce in applied finance and a master of information technology from the University of Queensland, Australia. He has extensive experience in finance, information technology, investment and funds management. Mr. Wu is currently an independent non-executive director of Silk Road Logistics Holdings Limited (Stock code: 988).

Mr. Lam Cheok Va, aged 64, has been the independent non-executive Director since April 2016. Mr. Lam is a member of Election Committee of the Macau Special Administrative Region. Mr. Lam was a member of the Standing Committee of Yunnan Province Committee of the Chinese People's Political Consultative Conference (9th, 10th and 11th). He is also the President of Macau Yunnan Chamber of Commerce, the Director General of Macau Small and Medium Enterprises Chamber of Commerce, a director of China Federation of Overseas Entrepreneurs, a director of Macau Chamber of Commerce, an executive director of Macau Region China Council for the Promotion of Peaceful National Reunification, and a member of Advisory Board of School of Language and Translation of Macau Polytechnic Institute. Mr. Lam has extensive experience in business including entertainment, food and beverage, retail, tourism and consulting. Mr. Lam is currently President of Macau Innovation Development Research Association, focusing in studies and research of government policies and strategies.

Ms. Tsang Hau Wai, aged 43, was appointed as the independent non-executive Director in October 2023. She obtained a Bachelor of Arts (Honors) degree in Accountancy from The Hong Kong Polytechnic University in 2002. She is a certified public accountant of Hong Kong Institute of Certified Public Accountants, a member of The Institute of Chartered Accountants in England and Wales and a project management professional of Project Management Institute. Ms. Tsang has over 15 years of experience in commercial sector and listed companies.

Senior management

Mr. Chiu Kam Sang, aged 58, is the director of certain subsidiaries of the Group. Mr. Chiu joined the Group in 2018 and has extensive experience in waterproofing works and maintenance industries.

Mr. Li Sze Yan, aged 43, is the project controller of a subsidiary of the Group. Mr. Li join the Group in December 2017 and has extensive experience in fitting out and engineering industries.

The business address of the Directors and the senior management is the same as the Company's principal place of business at Suite 2201, 22/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

14. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee of the Board comprises all the independent non-executive Directors, namely Mr. Wu Zhao, Mr. Lam Cheok Va and Ms. Tsang Hau Wai. The primary duties of the audit committee include the review of the Group's financial reporting process and the internal control systems as well as risk management of the Group.

15. DOCUMENTS FOR INSPECTION

Copies of the following documents are will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.royalcentury.hk) for 14 days from the date of this Prospectus:

- (a) the articles of association of the Company;
- (b) the annual reports of the Company for each of the three financial years ended 31 March 2021, 2022 and 2023;
- (c) the interim report of the Company for the six months ended 30 September 2023;
- (d) the letter from the Board, the text of which is set out on pages 7 to 24 of this Prospectus;
- (e) the accountants' report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (f) the material contracts referred to in the paragraph headed "9. Material Contracts" of this appendix; and
- (g) the written consent referred to in paragraph headed "10. Qualification and consent of Experts" of this appendix.

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

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed “10. Qualification and consent of expert” in this appendix, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

17. MISCELLANEOUS

- (a) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong;
- (b) As at the Latest Practicable Date, the Company has no significant exposure to foreign exchange liabilities;
- (c) As at the Latest Practicable Date, save as disclosed elsewhere in this Prospectus, there was no material contract for the hire or hire purchase of plant to or by any member of the Group for a period of over a year which is substantial in relation to the Group’s business;
- (d) During the year ended 31 March 2023, (i) the Group’s largest customer and top five customers accounted for 55.9% and 70.7% of the revenue respectively; and (ii) none of the Directors, their associates or any shareholders (which to the knowledge of the Directors own more than 5% of the Company’s issued share capital) had any interest in these major customers; and
- (e) In the event of any inconsistency, the English texts of this Prospectus and the accompanying form of proxy shall prevail over their respective Chinese texts.