

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company.

Not for publication or distribution in the United States. Any failure to comply with this restriction may constitute a violation of U.S. Securities law.



**(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES
HELD ON THE RECORD DATE
ON A NON-UNDERWRITTEN BASIS; AND
(2) NOTICE FOR CLOSURE OF REGISTER OF MEMBERS**

Financial adviser to the Company



Upbest Securities Company Limited

PROPOSED RIGHTS ISSUE

The Company proposes to raise up to approximately HK\$53,299,332 before expenses by way of the issue to the Qualifying Shareholders of a maximum of 35,532,888 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) at the Subscription Price of HK\$1.50 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date. The Rights Issue is available only to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

Assuming all the Rights Shares are taken up, the net proceeds from the Rights Issue after deducting the incidental expenses are estimated to be approximately HK\$51.6 million (assuming no change in the number of Shares in issue on or before the Record Date). The net price per Rights Share (after deducting the cost and expenses of the Rights Issue) is estimated to be approximately HK\$1.45.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. There is no minimum subscription level or minimum amount to be raised under the Rights Issue.

THE IRREVOCABLE UNDERTAKING

As at the date of this announcement, the Board has not received any information or irrevocable undertaking from any substantial Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them, save for the Irrevocable Undertaking given by Ms. Lam, the Chairman, Chief Executive Officer of the Company and an Executive Director, who is interested directly and through controlled corporations in an aggregate of 38,304,444 Shares (representing approximately 53.90% of all issued Shares as at the date of this announcement).

Pursuant to the Irrevocable Undertaking, Ms. Lam irrevocably undertook with the Company that (i) she will, and will procure her controlled corporations to, subscribe for an aggregate of 19,152,221 Rights Shares which comprise the full acceptance of their aggregate provisional entitlement in respect of the 38,304,444 Shares beneficially held by them (provided that the subscription by any one or more of Ms. Lam and/or her controlled corporation(s) of the entire 19,152,221 Rights Shares will constitute fulfilment of such undertaking); and (ii) she will not, and will procure her controlled corporations not to, dispose of any of the 38,304,444 Shares comprising their current shareholding in the Company, and such Shares will remain beneficially owned by them, up to and including the date of completion of the Rights Issue or the date on which the Company announces that the Rights Issue will not proceed, whichever is earlier.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 14 November 2025 to Thursday, 20 November 2025 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within 12 months prior to the date of this announcement and the Rights Issue will not increase either the total number of issued Shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders pursuant to Rule 7.19A of the Listing Rules.

The Rights Issue is in compliance with the theoretical dilution limit under Rule 7.27B of the Listing Rules.

GENERAL

The Prospectus Documents containing further details of the Rights Issue are expected to be despatched by the Company to the Qualifying Shareholders on or around Friday, 21 November 2025. A copy of the Prospectus will also be made available on the websites of the Company (www.crocodile.com.hk) and the Stock Exchange (www.hkexnews.hk).

RISKS OF DEALING IN SHARES AND RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions including the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Any Shareholder or other person dealing in Shares and/or Rights Shares up to the date on which all the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not proceed.

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

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares.

THE RIGHTS ISSUE

The Company proposes to raise up to approximately HK\$53,299,332 before expenses by way of the issue to the Qualifying Shareholders of a maximum of 35,532,888 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) at the Subscription Price of HK\$1.50 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date. The Rights Issue is available only to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

The principal terms of the Rights Issue are as follows:

Issue statistics

Basis of the Rights Issue	: One (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	: HK\$1.50 per Rights Share
Number of Shares in issue as at the date of this announcement	: 71,065,777 Shares
Maximum number of Rights Shares to be issued under the Rights Issue (assuming the Rights Issue is fully subscribed)	: 35,532,888 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Maximum total number of issued Shares as enlarged by the Rights Issue (assuming the Rights Issue is fully subscribed)	: 106,598,665 Shares (assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Maximum amount to be raised before expenses (assuming the Rights Issue is fully subscribed)	: No more than approximately HK\$53,299,332
Right of excess applications	: Qualifying Shareholders may apply for Rights Shares in excess of their provisional allotments

As at the date of this announcement, the Company has no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares.

Assuming no change in the number of issued Shares on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 35,532,888 Rights Shares proposed to be provisionally allotted and issued pursuant to the Rights Issue represents approximately 50% of the issued share capital of the Company as at the date of this announcement and will represent approximately 33.33% of the total number of issued Shares of the Company as enlarged by the issue of the Rights Shares.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. In the event that the provisional allotments for the Rights Issue are not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders together with the Rights Shares not provisionally allotted to the Non-Qualifying Shareholders and aggregated fractions of Rights Shares will be made available for excess application under the EAFs. There is no minimum subscription level or minimum amount to be raised under the Rights Issue.

Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

The Subscription Price

The Subscription Price of HK\$1.50 per Rights Share is payable in full upon the acceptance of the relevant provisional allotment of Rights Shares or, where applicable, upon an application of Excess Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 22.68% to the closing price of HK\$1.94 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 22.44% to the average closing price per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day of approximately HK\$1.934 per Share;
- (iii) a discount of approximately 22.92% to the average closing price per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day of approximately HK\$1.946 per Share;
- (iv) a discount of approximately 16.34% to the theoretical ex-rights price of approximately HK\$1.793 per Share based on the closing price of HK\$1.94 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (v) a discount of approximately 92.5% to the latest published audited consolidated net asset value per Share as at 31 December 2024 of approximately HK\$20 (based on the net asset value attributable to the owners of the Company as at 31 December 2024 of approximately HK\$1,424 million as disclosed in the annual report of the Company for the 17 months period ended 31 December 2024 and 71,065,777 Shares in issue as at the date of this announcement);
- (vi) a discount of approximately 92.46% to the latest published unaudited consolidated net asset value per Share as at 30 June 2025 of approximately HK\$19.9 (based on the net asset value attributable to the owners of the Company as at 30 June 2025 of approximately HK\$1,417 million as disclosed in the interim report of the Company for the six months ended 30 June 2025 and 71,065,777 Shares in issue as at the date of this announcement); and
- (vii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 7.56%, represented by a discount of the theoretical diluted price of approximately HK\$1.793 per Share to the benchmarked price of approximately HK\$1.94 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the Last Trading Day of HK\$1.94 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five consecutive trading days preceding the Last Trading Day of approximately HK\$1.934 per Share).

The Subscription Price was determined by the Company with reference to, among other things, the prevailing market price of the Shares and the financial positions of the Group.

Although the Subscription Price is set at a discount to the closing price of the Shares on the Stock Exchange on the Last Trading Day, as well as the closing prices in the preceding five consecutive trading days and the latest published unaudited consolidated net asset value per Share, the Directors have considered the following key factors: (i) the Group has experienced continuous annual losses and these ongoing challenges could negatively impact investor confidence; (ii) the market price of the Shares has reflected the prevailing market conditions and current market sentiment towards the Group's business performance; (iii) the discount applied to the Subscription Price to the closing market price per Share is consistent with those under rights issues announced by other companies listed on the Stock Exchange; (iv) the Rights Issue is available to all Qualifying Shareholders, and the discounted Subscription Price will not compromise their interests, as they are given an equal opportunity to participate in the Rights Issue; and (v) the rationale behind for the Rights Issue as further explained in the section headed "*Reasons for the Rights Issue and the Use of Proceeds*" in this announcement.

In view of the above, the Directors consider that the benefits derived from the Rights Issue outweigh the discount associated with the Subscription Price. Accordingly, the Directors believe 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 provisional allotment of Rights Shares will be one (1) Rights Share (in nil-paid form) for every two (2) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date.

Application for all or any part of a Qualifying Shareholder's provisional allotments should be made by completing the PAL (in accordance with the instructions printed thereon) and lodging the same with a remittance for the Rights Shares being applied for with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, on or before the Latest Time for Acceptance, which is expected to be 4:00 p.m. on Friday, 5 December 2025.

Qualifying Shareholders who take up their pro rata assured entitlement in full will not suffer any dilution to their interests in the Company apart from any nominal dilution resulting from the non-issuance of fractional Rights Shares.

Status of the Rights Shares

The Rights Shares (when allotted, issued and fully paid) will rank pari passu in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company the record dates of which fall on or after the date of issue of the fully-paid Rights Shares.

The Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. Shareholders, who are not Non-Qualifying Shareholders, having a registered address in Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will qualify for the Rights Issue.

Shareholders whose Shares are held by a nominee (or held through CCASS) should note that the Board will regard such nominee (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee(s) (or held through CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names on or prior to the Last Day for Transfer.

In order to be registered as a member of the Company by the Record Date, all transfer documents for Shares (together with the relevant share certificate(s)) must be lodged for registration with the Registrar by no later than 4:30 p.m. on the Last Day for Transfer. The last day for dealing in Shares on a cum-rights basis is Tuesday, 11 November 2025, and the Shares will be dealt with on an ex-rights basis starting from Wednesday, 12 November 2025.

The Non-Qualifying Shareholders

The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. Accordingly, no provisional allotment of Rights Shares will be made to the Non-Qualifying Shareholders and Non-Qualifying Shareholders will not be entitled to apply for Rights Shares.

Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders will be made available for excess application by the Qualifying Shareholders under the EAFs.

The Company will send the Prospectus Documents to the Qualifying Shareholders only and will, subject to the advice given in the legal opinions provided by the Company's legal advisers in the relevant overseas jurisdictions of Overseas Shareholders, if any, and to the extent reasonably practicable, send the Prospectus (excluding the PAL and EAF) to the Non-Qualifying Shareholders for information purposes only.

The Overseas Shareholders

Based on the register of members of the Company as of the date of this announcement, there are 11 Shareholders with registered addresses situated in Malaysia, the United States, Canada, Singapore and Macau.

If, at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside Hong Kong, such Shareholder may not be eligible to take part in the Rights Issue. The Prospectus Documents will not be filed or registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

The Company notes the requirements specified in the notes to Rule 13.36(2)(a) of the Listing Rules, and is in the process of making reasonable enquiries regarding the feasibility of extending the Rights Issue to Overseas Shareholders present on the Record Date. If, after such enquiries, the Company is of the opinion that it would be necessary or expedient, on account of the legal restrictions or prohibitions under the laws of the relevant jurisdictions or any requirements of the relevant regulatory body or stock exchange in such jurisdictions, not to offer the Rights Shares to the relevant Overseas Shareholders, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. Such Overseas Shareholders will be regarded as Non-Qualifying Shareholders and will not qualify for the Rights Issue. The basis of exclusion of Non-Qualifying Shareholders, if any, will be disclosed in the Prospectus.

This announcement is not an offer of the securities for sale in the United States. The Rights Shares offered have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. No public offering of Rights Shares is being made in the United States. This announcement shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Overseas Shareholders and beneficial owners of Shares who are residing outside Hong Kong should note that they may or may not be able to participate in the Rights Issue, subject to the results of enquiries made by the Company pursuant to the notes to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities laws or other laws or regulations of any territory or jurisdiction. The Rights Issue does not constitute any offer or invitation to sell, issue or solicit for Shares in any jurisdiction in which such actions are unlawful or otherwise restricted. Accordingly, Overseas Shareholders and beneficial owners of Shares who are residing outside Hong Kong should inform themselves of and observe any such restrictions, if applicable, and exercise caution when dealing in the Shares and/or the Rights Shares.

No fractional entitlement to the Rights Shares

The Company will not provisionally allot fractions of Rights Shares in nil-paid form. All fractions of Rights Shares will be aggregated (and rounded down to the nearest whole number of a Share) and made available for excess application by Qualifying Shareholders under the EAFs.

Odd lot arrangement

No odd lot matching services will be provided.

Application for Excess Rights Shares

All Qualifying Shareholders are entitled to apply by way of excess application under the EAFs for additional Rights Shares in excess of their assured entitlements.

The Excess Rights Shares will comprise:

- (i) any Rights Shares provisionally allotted but not accepted by any of the Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares prior to the Latest Time for Acceptance;
- (ii) any Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders; and
- (iii) any Rights Shares created from the aggregation of fractions of Rights Shares not provisionally allotted to the Qualifying Shareholders.

Application for Excess Rights Shares can be made only by Qualifying Shareholders duly completing the EAFs (in accordance with the instructions printed thereon) and lodging the same with a separate remittance for the Excess Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance, which is expected to be 4:00 p.m. on Friday, 5 December 2025.

Qualifying Shareholders who wish to apply for Excess Rights Shares in addition to their provisional allotments must complete both the PAL and the EAF.

Basis of allocation of Excess Rights Shares

The Company will allocate the Excess Rights Shares at its discretion on a fair and equitable basis as far as practicable on the following principles:

- (i) if there are insufficient Excess Rights Shares to satisfy all EAFs, Excess Rights Shares will be allocated on a pro rata basis by reference to the number of Excess Rights Shares applied for in the relevant EAFs by the relevant Qualifying Shareholders;
- (ii) otherwise (i.e. if the aggregate number of Rights Shares not taken up by the Qualifying Shareholders and/or transferees of nil-paid Rights Shares under the PALs is greater than the aggregate number of Excess Rights Shares applied for through the EAFs), Excess Rights Shares will be allocated in full in accordance with the EAFs to each Qualifying Shareholder who applies for Excess Rights Shares.

For the avoidance of doubt, in applying the principles above, reference will only be made to the number of Excess Rights Shares being applied for in the relevant EAFs, and no reference will be made to the Rights Shares comprised in applications through PAL or the existing number of Shares held by the relevant Qualifying Shareholders; and no preference will be given to applications for topping up odd lots.

Shareholders whose Shares are held by a nominee (or held through CCASS) should note that the Board will regard such nominee (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, the aforesaid arrangement for allocation of Excess Rights Shares by the Company may not be extended to the beneficial owners individually. Beneficial owners whose Shares are held by a nominee (or held through CCASS) are advised to consider whether they would like to arrange for the registration of their Shares in their own names on or prior to the Last Day for Transfer.

Share certificates and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered addresses, at their own risks, on or before Monday, 15 December 2025. Refund cheques in respect of wholly or partially unsuccessful applications for Excess Rights Shares, or for refunds if the Rights Issue does not proceed, are expected to be despatched on or before Monday, 15 December 2025 to the applicants without interest to their registered addresses by ordinary post at their own risks.

Stamp duty and taxation

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

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, holding, subscription, disposing of or dealing in the nil-paid Rights Shares or the fully-paid Rights Shares.

Application for listing

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. No securities of the Company in issue or the Rights Shares for which listing or permission to deal is to be sought is listed or dealt in on any other stock exchange. Rights Shares in both their nil-paid and fully-paid forms will be traded in board lots of 2,000 Shares.

Admission of Rights Shares 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 are expected to 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 whose Shares are held through CCASS should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

CONDITIONS OF THE RIGHTS ISSUE

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

- (i) the delivery to the Stock Exchange and filing and registration with the Registrar of Companies in Hong Kong no later than the Prospectus Posting Date of the Prospectus Documents and other documents in compliance with the Companies (WUMP) Ordinance and otherwise complying with the requirements of the Listing Rules and the Companies (WUMP) Ordinance;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date; and
- (iii) the Listing Committee of the Stock Exchange 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) before the first day of dealings of the Rights Shares in their nil-paid forms, i.e. Tuesday, 25 November 2025.

If all of the above conditions are not fulfilled by Friday, 12 December 2025, the Rights Issue will not proceed.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

The register of members of the Company will be closed from Friday, 14 November 2025 to Thursday, 20 November 2025 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

INDICATIVE TIMETABLE FOR THE RIGHTS ISSUE

Events	Hong Kong Date and Time 2025
Date of this announcement	Wednesday, 22 October
Last day of dealings in Shares on a cum-rights basis	Tuesday, 11 November
First day of dealings in Shares on an ex-rights basis	Wednesday, 12 November
Latest time for lodging transfers of Shares on the Last Day for Transfer in order to qualify for the Rights Issue	4:30 p.m. on Thursday, 13 November
Closure of register of members for determining entitlements under the Rights Issue	Friday, 14 November to Thursday, 20 November (both days inclusive)
Record Date for determining entitlements under the Rights Issue	Thursday, 20 November
Despatch of the Prospectus Documents (including the PAL, EAF and Prospectus) (in case of the Non-Qualifying Shareholders, the Prospectus only) on the Prospectus Posting Date	Friday, 21 November
First day of dealings in nil-paid Rights Shares	Tuesday, 25 November
Latest time for splitting of PAL	4:30 p.m. on Thursday, 27 November
Last day of dealings in nil-paid Rights Shares	Tuesday, 2 December
Latest Time for Acceptance of and payment for Rights Shares and application and payment for Excess Rights Shares	4:00 p.m. on Friday, 5 December
Announcement of the results of the Rights Issue	Friday, 12 December

Events

**Hong Kong Date and Time
2025**

Despatch of Share certificates for the fully-paid

Rights Shares and/or refund cheques on or before Monday, 15 December

Commencement of dealings in fully-paid Rights Shares Tuesday, 16 December

All times in this announcement refer to Hong Kong local times. Dates specified above are indicative only and may be varied by the Company. If there is any change to the above indicative timings, an announcement will be made by the Company as and when appropriate.

Effect of bad weather on the latest time for acceptance of and payment for Rights Shares and application and payment for Excess Rights Shares

The latest time for acceptance of and payment for Rights Shares and application and payment for Excess Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, a “black” rainstorm warning signal and/or extreme conditions caused by a super typhoon is:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Friday, 5 December 2025. 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 Friday, 5 December 2025. Instead, the latest time for acceptance of and payment for the Rights Shares and for application and payment for Excess 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 at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares and for application and payment for Excess Rights Shares does not take place on Friday, 5 December 2025, the dates mentioned in the timetable section above may be affected. The Company will notify the Shareholders by way of announcement of any change to the timetable as soon as practicable.

THE IRREVOCABLE UNDERTAKING

As at the date of this announcement, the Board has not received any information or irrevocable undertaking from any substantial Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them, save for the Irrevocable Undertaking given by Ms. Lam, the Chairman, Chief Executive Officer of the Company and an Executive Director, who is interested directly and through controlled corporations in an aggregate of 38,304,444 Shares (representing approximately 53.90% of all issued Shares as at the date hereof).

Pursuant to the Irrevocable Undertaking, Ms. Lam irrevocably undertook with the Company that (i) she will, and will procure her controlled corporations to, subscribe for an aggregate of 19,152,221 Rights Shares which comprise the full acceptance of their aggregate provisional entitlement in respect of the 38,304,444 Shares beneficially held by them (provided that the subscription by any one or more of Ms. Lam and/or her controlled corporation(s) of the entire 19,152,221 Rights Shares will constitute fulfilment of such undertaking); and (ii) she will not, and will procure her controlled corporations not to, dispose of any of the 38,304,444 Shares comprising their current shareholding in the Company, and such Shares will remain beneficially owned by them, up to and including the date of completion of the Rights Issue or the date on which the Company announces that the Rights Issue will not proceed, whichever is earlier.

EFFECT OF THE RIGHTS ISSUE ON SHAREHOLDINGS IN THE COMPANY

For illustration purpose only, the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after completion of the Rights Issue assuming (a) all Qualifying Shareholders have taken up their respective entitlements of the Rights Shares in full; or (b) none of the Qualifying Shareholders other than Ms. Lam and her controlled corporations have taken up their respective entitlements of the Rights Shares and Ms. Lam herself applied for all Excess Rights Shares; or (c) none of the Qualifying Shareholders other than Ms. Lam and her controlled corporations have taken up their respective entitlement of the Rights Shares and none of the Qualifying Shareholders has applied for Excess Rights Shares, and assuming no new Shares will be issued before completion of the Rights Issue other than the Rights Shares, are expected to be as follows:

	(i) As at the date of this announcement		(ii) Immediately after completion of the Rights Issue assuming all Qualifying Shareholders have taken up their respective entitlements of the Rights Shares in full		(iii) Immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders other than Ms. Lam and her controlled corporations have taken up their respective entitlement of the Rights Shares and Ms. Lam herself applied for all Excess Rights Shares		(iv) Immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders other than Ms. Lam and her controlled corporations have taken up their respective entitlement of the Rights Shares and none of the Qualifying Shareholders has applied for Excess Rights Shares	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
<i>Ms. Lam and her controlled corporations:</i>								
Rich Promise Limited (Note 1)	35,415,000	49.83	53,122,500	49.83	53,122,500	49.83	53,122,500	58.88
Honorman Limited (Note 1)	1,425,225	2.01	2,137,837	2.01	2,137,837	2.01	2,137,837	2.37
Lam Wai Shan, Vanessa (Note 2)	1,464,219	2.06	2,196,328	2.06	18,576,995	17.43	2,196,328	2.44
Sub-total:	38,304,444	53.90	57,456,665	53.90	73,837,332	69.27	57,456,665	63.69
Lee Po On (Note 3)	15,625	0.02	23,437	0.02	15,625	0.01	15,625	0.02
Public Shareholders	32,745,708	46.08	49,118,563	46.08	32,745,708	30.72	32,745,708	36.29
Total:	71,065,777	100.00	106,598,665	100.0	106,598,665	100.00	90,217,998	100.00

Notes:

- (1) Rich Promise Limited is owned as to 100% by Honorman Limited, which in turn is owned as to 66% by Ms. Lam, thus both Rich Promise Limited and Honorman Limited constitute Ms. Lam's controlled corporations and Ms. Lam is deemed to be interested in the Shares held by such controlled corporations.
- (2) Ms. Lam is the Chairman, Chief Executive Officer of the Company and an Executive Director.
- (3) Mr. Lee Po On is the alternate director to Ms. Lam.
- (4) Certain figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals or sub-totals may not represent precise arithmetic aggregations. The respective post-completion shareholdings and percentages, including those of Ms. Lam and her controlled corporations, as shown above are indicative only and will be subject to the final figures to be announced by the Company upon completion of the Rights Issue.

INFORMATION ON THE GROUP

The principal businesses of the Group are garment and related accessories business, property investment and letting business and treasury management.

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

In light of the ongoing volatility in the financial markets, the Group has reviewed its capital needs and identified potential savings in underwriting costs by pursuing the Rights Issue on a non-underwritten basis. The Directors have evaluated the costs, benefits and timings of various fund-raising options available to the Group and their potential impacts on the interests of the Shareholders. The Directors determined that the Rights Issue is the most favorable method for improving the Group's financial position without increasing its gearing or financing costs.

The Board believes that the strengthened capital position of the Company resulting from the Rights Issue will provide the Group with necessary financial resources to address upcoming challenges. Additionally, the Rights Issue allows the Qualifying Shareholders to maintain their proportional shareholdings in the Company. Compared with other fund-raising options, the Rights Issue offers all Qualifying Shareholders the opportunity to actively participate in the Group's future growth while minimizing the dilution of their interest in the Company.

On the other hand, the Rights Issue provides the Qualifying Shareholders with the option to sell some or all of their rights entitlements in the open market, subject to market demand, thus allowing them to realise the cash value if they wish.

Assuming all the Rights Shares are taken up, the net proceeds from the Rights Issue after deducting the incidental expenses are estimated to be approximately HK\$51.6 million (assuming no change in the number of Shares in issue on or before the Record Date). The net price per Rights Share (after deducting the cost and expenses of the Rights Issue) is estimated to be approximately HK\$1.45.

The net proceeds from the Rights Issue are currently intended to be applied for repayment of bank borrowings and interest payments of the Group.

If the Rights Issue is undersubscribed and the size of the Rights Issue is reduced, the reduced amount of the net proceeds is expected to be utilised in the same usage as above.

As at the date of this announcement, save as disclosed in the announcement, the Company currently (i) does not have any agreement, arrangement, understanding, intention, or negotiation (either concluded or in process) on any potential fundraising activities which will involve issue of equity securities of the Company, (ii) has no other plan or intention to carry out any future corporate actions in the next twelve months; and (iii) the Company does not have any concrete fundraising plan for the upcoming twelve months.

The Directors believe that the Rights Issue is in the interests of the Group and the Shareholders as a whole for the reasons stated above.

PREVIOUS FUND-RAISING EXERCISE BY THE COMPANY

During the 12 months immediately preceding the date of this announcement, the Company had not conducted any equity fund-raising activity.

LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within 12 months prior to the date of this announcement and the Rights Issue will not increase either the total number of issued Shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders pursuant to Rule 7.19A of the Listing Rules.

The Rights Issue is in compliance with the theoretical dilution limit under Rule 7.27B of the Listing Rules.

The Prospectus Documents containing further details of the Rights Issue are expected to be despatched to the Qualifying Shareholders on or around Friday, 21 November 2025. A copy of the Prospectus will also be made available on the websites of the Company (www.crocodile.com.hk) and the Stock Exchange (www.hkexnews.hk).

RISKS OF DEALING IN SHARES AND RIGHTS SHARES

The Rights Issue is subject to the fulfilment of conditions including the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Any Shareholder or other person dealing in Shares and/or Rights Shares up to the date on which all the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not proceed.

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

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms will have the meanings respectively ascribed below:

“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are generally open for business (other than a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which “extreme conditions” caused by a super typhoon or a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon)
“CCASS”	the Central Clearing and Settlement System operated by HKSCC

“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”	Crocodile Garments Limited (鱷魚恤有限公司), a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 122)
“controlled corporation(s)”	has the same meaning as ascribed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) to be issued to the Qualifying Shareholders to apply for Excess Rights Shares
“Excess Rights Shares”	any Rights Shares provisionally allotted but not subscribed for prior to the Latest Time for Acceptance, any entitlements not provisionally allotted to any Non-Qualifying Shareholders, and any Rights Shares created from the aggregation of fractions
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Irrevocable Undertaking”	the irrevocable undertaking executed by Ms. Lam, the Chairman and Chief Executive Officer of the Company and an Executive Director, pursuant to which Ms. Lam irrevocably undertook to the Company that her assured entitlements to Rights Shares and those of her controlled corporations will be taken up in full

“Last Day for Transfer”	Thursday, 13 November 2025, or such other date as the Company may determine, being the last date for lodging transfer of Shares prior to the closure of the register of members of the Company
“Last Trading Day”	Wednesday, 22 October 2025, being the date of this announcement and the last full trading day of the Shares on the Stock Exchange immediately preceding the publication of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Friday, 5 December 2025, or such other time and date as the Company may determine, being the latest time and date for acceptance of and payment for the Rights Shares and application for and payment for Excess Rights Shares
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Ms. Lam”	Ms. Lam Wai Shan, Vanessa, the Chairman, Chief Executive Officer of the Company and an Executive Director
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) in respect of whom the Board, after making reasonable enquiries with the legal advisers in the relevant jurisdictions, considers it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions or prohibitions under the laws of the relevant jurisdictions or the requirements of the relevant regulatory body or stock exchange in such jurisdictions
“Overseas Shareholder(s)”	the Shareholder(s) whose registered address(es) as shown in the register of members of the Company as at the close of business on the Record Date is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) for the Rights Shares to be issued to the Qualifying Shareholders in respect of their entitlements under the Rights Issue

“Prospectus Posting Date”	Friday, 21 November 2025, or such other date as the Company may determine, for the despatch of the Prospectus Documents
“Prospectus”	the prospectus to be issued by the Company in connection with the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL and the EAF to be issued by the Company
“Qualifying Shareholder(s)”	Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Thursday, 20 November 2025, or such other date as the Company may determine, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined
“Registrar”	Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, being the Company’s share registrar and transfer office
“Rights Issue”	the proposed issue by way of rights of the Rights Shares to the Qualifying Shareholders on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date at the Subscription Price
“Rights Share(s)”	up to 35,532,888 new Shares proposed to be offered to the Qualifying Shareholders for subscription by way of the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) in the share capital of the Company with no nominal value
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Price”	the subscription price of HK\$1.50 per Rights Share under the Rights Issue
“United States”	the United States of America
“%”	per cent.

By Order of the Board
Crocodile Garments Limited
Lam Wai Shan, Vanessa
Chairman, Executive Director
and Chief Executive Officer

Hong Kong, 22 October 2025

As at the date of this announcement, the Board comprises two Executive Directors, namely, Ms. Lam Wai Shan, Vanessa (Chairman and Chief Executive Officer) (Mr. Lee Po On as her Alternate Director) and Mr. Lam Kin Hong, Matthew; three Non-executive Directors, namely Mr. Chow Bing Chiu, Ms. Lam Suk Ying, Diana and Mr. Lam Howard; and three Independent Non-executive Directors, namely Mr. Leung Shu Yin, William (Deputy Chairman), Mr. Fung Cheuk Nang, Clement and Mr. Woo King Hang.