
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 you should take, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Crocodile Garments Limited**, you should at once hand the Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, or licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s). The Prospectus Documents should not, however, be distributed, forwarded or transmitted to, into or from any jurisdiction where to do so might constitute a violation of the relevant local securities laws or regulations.

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed “12. Documents delivered to the Registrar of Companies” in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by section 38D of the Companies (WUMP) Ordinance. The Registrar of Companies in Hong Kong, the Stock Exchange and the SFC take no responsibility as to the contents of any of document(s) referred to above.

You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the paragraph headed “Risks of Dealing in Shares and Rights Shares” in the “Letter from the Board” in this Prospectus.

Subject to the granting of 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 fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. Settlement of transactions between participants of the Stock Exchange 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 HKSCC and HKSCC Operational Procedures in effect from time to time.

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

Distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of this Prospectus (including, without limitation, agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction for which Crocodile Garments Limited will not accept any liability.

The attention of Shareholders with registered addresses in, and investors who are located or residing in, any of the jurisdictions outside Hong Kong or holding Shares on behalf of beneficial owners of Shares with such addresses is drawn to the paragraph headed “The Overseas Shareholders” in the “Letter from the Board” in this Prospectus.

This Prospectus is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale or purchase of securities in any jurisdictions in which such offer, solicitation or sale would be unlawful.

The information provided in this Prospectus is purely for information purposes, and no information in this Prospectus should be considered to be business, financial, legal or tax advice regarding an investment in the Rights Shares (in both nil-paid and fully-paid forms) and/or the Shares.

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.



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

Financial adviser to the Company



UPBEST SECURITIES COMPANY LIMITED

The Rights Issue will be made on a non-underwritten basis. Pursuant to the articles of association of the Company, the Companies (WUMP) Ordinance and the Listing Rules, there is no requirement for a minimum level of subscription in the Rights Issue and there is no 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.

The Rights Issue is subject to fulfillment of the conditions of the Rights Issue as set out in the section headed “Letter from the Board – Conditions of the Rights Issue” in this Prospectus. If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any Shareholder or other person dealing in Shares and/or nil-paid Rights Shares up to the date on which the Rights Issue has become unconditional should be aware of the risk that the Rights Issue may not proceed and are advised to exercise caution.

Details on the expected timetable for the Rights Issue are set out in the section headed “Expected timetable” in this Prospectus. The procedures for acceptance and payment and/or transfer of the nil-paid Rights Shares are set out in the section headed “Letter from the Board – Rights Issue – Procedures for acceptance, payment and transfer” in this Prospectus. Shareholders and potential investors are recommended to consult their professional advisers if in doubt.

21 November 2025

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NOTICES

NOTICES TO OVERSEAS INVESTORS

Based on the legal advice of the Company's legal advisers in relation to the laws of the relevant overseas jurisdictions, the following notices are set out for the attention of the overseas investors in the following jurisdictions:

Singapore

The offer of Rights Shares (in their nil-paid and fully paid forms) by the Company is made only to and directed at, and the Rights Shares (in their nil-paid and fully paid forms) are only available to, persons with registered address situated in Singapore who are existing holders of the Shares previously issued by the Company as at the Record Date.

The Prospectus Documents have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Prospectus Documents and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Rights Shares (in their nil-paid and fully paid forms) may not be circulated or distributed, nor may the Rights Shares (in their nil-paid and fully paid forms) be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) existing holders of the Shares pursuant to Section 273(1)(cd)(i) of the Securities and Futures Act 2001 of Singapore (as amended or modified, the "SFA") or (ii) pursuant to, and in accordance with the conditions of, an exemption under Section 274 of the SFA or, where applicable, Section 276 of the SFA.

Qualifying Shareholders and/or any holder of the nil-paid Rights Shares may only offer the nil-paid Rights Shares in Singapore to (i) existing holders of the Shares or (ii) pursuant to, and in accordance with the conditions of, an exemption under Section 274 or, where applicable, Section 276 of the SFA.

Notification under Section 309B of the SFA: The Rights Shares (in their nil-paid and fully paid forms) are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The United States

This Prospectus 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 Prospectus 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.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below:

Events	Hong Kong Date and Time 2025
Record Date for determining entitlements under the Rights Issue	Thursday, 20 November
Despatch of the Prospectus Documents 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 before commencement of the morning trading session on	Friday, 12 December
Despatch of Share certificates for the fully-paid Rights Shares and/or refund cheques on or before	Monday, 15 December
First day of dealings in fully-paid Rights Shares	Tuesday, 16 December

All times as stated above 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 such indicative timings, an announcement will be made by the Company as and when appropriate.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR RIGHTS SHARES AND FOR 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.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 22 October 2025 regarding the Rights Issue
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Beneficial Owner(s)”	beneficial owner(s) whose Shares are registered in the name of a Registered Shareholder
“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

DEFINITIONS

“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
“General Rules of HKSCC”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time in effect
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Intermediary”	in relation to a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means a Beneficial Owner’s broker, custodian, nominee or other relevant person who is a CCASS participant or who has deposited the Beneficial Owner’s Shares with a CCASS participant
“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 Trading Day”	Wednesday, 22 October 2025, being the date of the Announcement and the last full trading day of the Shares on the Stock Exchange immediately preceding the publication of the Announcement

DEFINITIONS

“Latest Practicable Date”	Tuesday, 18 November 2025, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“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 Committee”	has the meaning as defined in the Listing Rules
“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, and any Shareholder(s) whose address(es) as shown on such register of members of the Company at the close of business on the Record Date is/are in Canada and the United States are regarded as Non-Qualifying Shareholders
“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

DEFINITIONS

“Prospectus Posting Date”	Friday, 21 November 2025, or such other date as the Company may determine, for the despatch of the Prospectus Documents
“Prospectus”	this prospectus as 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
“Registered Shareholder”	in respect of a Beneficial Owner, means a nominee, trustee, depository or any other authorised custodian or third party which is the registered holder in the register of members of the Company of Shares in which the Beneficial Owner is beneficially interested
“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 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 to be offered to the Qualifying Shareholders for subscription by way of the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company with no nominal value

DEFINITIONS

“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
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“United States” or “US”	the United States of America (including its territories and dependencies, any state in the US and the District of Columbia)
“%”	per cent.

LETTER FROM THE BOARD



Crocodile Garments Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 122)

(Website: www.crocodile.com.hk)

Executive Directors:

Ms. Lam Wai Shan, Vanessa

(Chairman and Chief Executive Officer)

(Mr. Lee Po On as her Alternate Director)

Mr. Lam Kin Hong, Matthew

Registered Office/Principal Office:

25th Floor

Crocodile Center

79 Hoi Yuen Road, Kwun Tong

Kowloon, Hong Kong

Non-executive Directors:

Mr. Chow Bing Chiu

Ms. Lam Suk Ying, Diana

Mr. Lam Howard

Independent Non-executive Directors:

Mr. Leung Shu Yin, William *(Deputy Chairman)*

Mr. Fung Cheuk Nang, Clement

Mr. Woo King Hang

21 November 2025

To the Qualifying Shareholders,

Dear Sir or Madam,

**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**

INTRODUCTION

Reference is made to the Announcement in relation to, among other things, the Rights Issue.

The purpose of this Prospectus is to provide you with further information on the Rights Issue, including the procedures for acceptance of the Rights Shares provisionally allotted to you, and certain financial and general information of the Group.

LETTER FROM THE BOARD

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 on the Record Date	: 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 Latest Practicable Date, the Company has no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares.

LETTER FROM THE BOARD

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 represented approximately 50% of the issued share capital of the Company as at the Latest Practicable Date 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.

As the Rights Issue will proceed on a non-underwritten basis, the Qualifying Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) or apply for Excess Rights Share(s) 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 Qualifying Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Qualifying Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the PAL(s) or for Excess Rights Share(s) under the EAF 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 according to the Note of Rule 7.19(5)(b) of the Listing Rules.

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 final 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.

LETTER FROM THE BOARD

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 Latest Practicable Date);
- (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 Latest Practicable Date); 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).

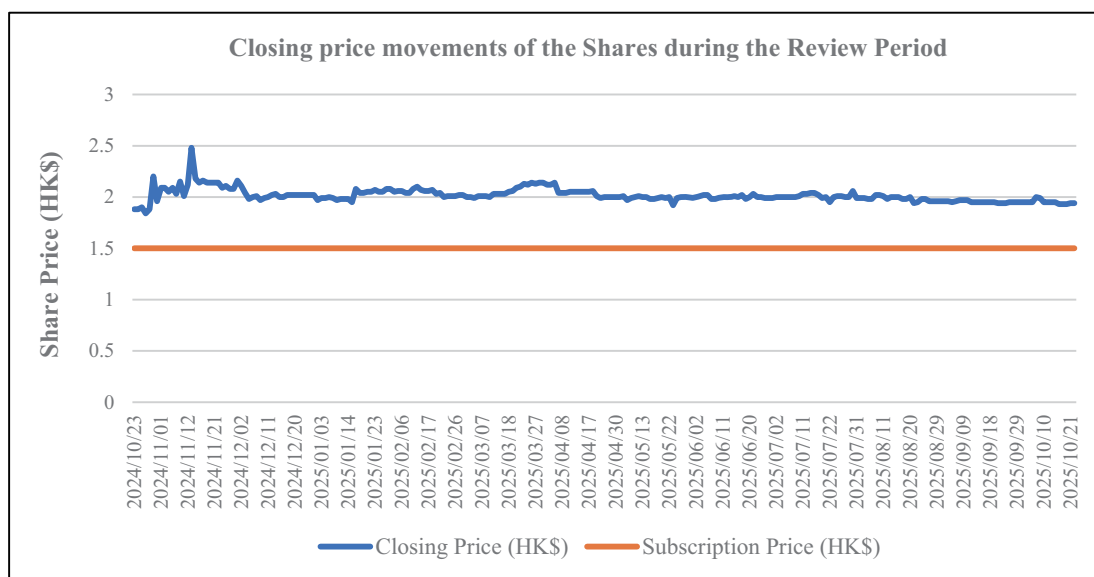
The Subscription Price was determined by the Company with reference to, among other things, the prevailing market price of the Shares and the financial positions of the Group. Although the Subscription Price is set at a discount to the closing price of the Shares

LETTER FROM THE BOARD

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 Directors conducted a comprehensive review of the closing price movements of the Shares on the Stock Exchange, covering the period from 23 October 2024 to 22 October 2025 (the “Review Period”), being one year before the Last Trading Day. The Directors believe that this one-year timeframe effectively captures the prevailing market sentiment. This duration aligns with recent market trends and price fluctuations, providing a reliable representation of market attitudes toward the Shares.

The chart below shows the movement of the closing price of the Shares during the Review Period:



Source: The Stock Exchange's website

During the Review Period, the Shares reached a peak closing price of HK\$2.48 on 13 November 2024, while the lowest closing price was recorded at HK\$1.84 on 28 October 2024. The Directors have thoroughly reviewed all announcements made by the Company during the Review Period and do not identify any specific factors contributing to the fluctuations observed in this timeframe. In light of this, the Directors believe that the market price of the Shares has reflected the prevailing market conditions and current market sentiment towards the Group's business performance;

LETTER FROM THE BOARD

- (ii) the Directors conducted a review of the trading volume and liquidity of the Shares during the Review Period. During the Review Period, the monthly trading volume of the Shares varied significantly. It ranged from a low of 189,575 Shares traded in September 2025 to a peak of 1,035,375 Shares traded in June 2025. This represents approximately 0.27% of the total issued Shares for the lowest volume and approximately 1.46% for the highest volume.

Based on the observations presented, the Directors have determined that the low trading volume may pose challenges for Shareholders in selling their Shares on time and at a more favorable price. Furthermore, the Company may encounter difficulties in raising equity funds from external parties without necessitating a substantial discount to the current Share price. As a result, the Directors believe that the limited liquidity of the Shares observed during the Review Period suggests the potential for a significant discount to the Subscription Price. This adjustment may serve the same purposes to encourage Qualifying Shareholders to accept the allotment under the Rights Issue;

- (iii) the Directors identified an exhaustive list of 22 transactions conducted by companies listed on the Stock Exchange (the “**Comparables**”) using information available from the Stock Exchange’s website. The criteria for selecting these Comparables were as follows:
 - (a) the companies are listed issuers on the Stock Exchange;
 - (b) rights issue transactions of A-Shares and H-Shares were excluded; and
 - (c) the proposed rights issues had been announced during the period from 23 July 2025 to 22 October 2025, being the three months preceding the Last Trading Day.

LETTER FROM THE BOARD

The Directors believe that these Comparables serve as a reliable reference for recent rights issues because enough transactions occurred within this timeframe, resulting in a reasonable sample size. The table below presents the findings from this analysis.

Date of initial announcement	Company name	Stock code	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (discount) of subscription price over/to the closing price for the five consecutive trading days up to and including the last trading day	Premium/ (discount) of the subscription price over/to the latest net asset value per share
23/07/2025	Future Machine Limited	1401	1 for 2	(72.28%)	(72.28%)	(28.61%)
25/07/2025	Shin Hwa World Limited	582	1 for 1	(34.21%)	(33.07%)	(97.12%)
30/07/2025	Da Yu Financial Holdings Limited	1073	1 for 2	(16.67%)	(18.92%)	(45.45%)
04/08/2025	Tomo Holdings Limited	6928	1 for 2	(62.10%)	(63.20%)	25.00%
06/08/2025	Value Convergence Holdings Limited	821	2 for 1	(4.26%)	(5.86%)	(71.06%)
13/08/2025	Capital VC Limited	2324	1 for 1	(27.30%)	(24.80%)	(82.00%)
13/08/2025	China Information Technology Development Limited	8178	3 for 8	(55.05%)	(55.24%)	(63.00%)
14/08/2025	China Energy Development Holdings Limited	228	1 for 2	(19.90%)	(19.90%)	(73.34%)
26/08/2025	Jisheng Group Holdings Limited	8133	3 for 1	(14.29%)	(14.29%)	(45.45%)
04/09/2025	Many Idea Cloud Holdings Limited	6696	6 for 1	(22.08%)	(24.56%)	(90.53%)
04/09/2025	Aeso Holding Limited	8341	2 for 1	(25.70%)	(23.10%)	(83.00%)
10/09/2025	China Automotive Interior Decoration Holdings Limited	48	3 for 2	(29.73%)	(29.27%)	(88.13%)
15/09/2025	Zhong Jia Guo Xin Holdings Company Limited	899	2 for 1	(33.64%)	(35.23%)	(97.87%)
19/09/2025	Immunotech Biopharm Ltd	6978	1 for 5	(47.70%)	(47.79%)	Net liabilities
22/09/2025	Gameone Holdings Limited	8282	1 for 2	1.69%	(0.99%)	(3.23%)
26/09/2025	Perfectech International Holdings Limited	765	1 for 2	(18.06%)	(20.70%)	152.14%
02/10/2025	China New Economy Fund Limited	80	1 for 2	(29.29%)	(27.23%)	775.00%
03/10/2025	Macau Legend Development Limited	1680	1 for 2	(45.45%)	(44.44%)	(88.46%)
05/10/2025	Fire Rock Holdings Limited	1909	1 for 2	(20.20%)	(27.85%)	195.74%
09/10/2025	CCIAM Future Energy Limited	145	1 for 2	(18.62%)	(19.05%)	(6.13%)
09/10/2025	Hao Bai International (Cayman) Limited	8431	4 for 1	(19.23%)	(27.08%)	59.09%

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Date of initial announcement	Company name	Stock code	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (discount) of subscription price over/to the closing price for the five consecutive trading days up to and including the last trading day	Premium/ (discount) of the subscription price over/to the latest net asset value per share
15/10/2025	Winshine Science Company Limited	209	7 for 1	(23.50%)	(24.30%)	Net liabilities
			Maximum	1.69%	(0.99%)	775.00%
			Average	(28.98%)	(29.96%)	12.18%
			Minimum	(72.28%)	(72.28%)	(97.87%)
			Median	(24.60%)	(25.94%)	(54.23%)
22/10/2025	The Company		1 for 2	(22.68%)	(22.44%)	(92.46%)

The table above provides a detailed overview of the subscription prices of the Comparables relative to their respective closing prices on or before the last trading day. These prices varied, ranging from a discount of approximately 72.28% to a premium of approximately 1.69%, with average and median discounts of approximately 28.98% and approximately 24.60%, respectively.

In further examining the subscription prices in comparison to the average closing prices over the five trading days before the last trading day, the Directors found that the results showed a comparable range, with the prices varying from a discount of approximately 0.99% to a discount of approximately 72.28%, with an average and median discount of approximately 29.96% and approximately 25.94%, respectively.

As a result, the discount of approximately 22.68% to the closing price of the Share on the Last Trading Day, and the discount of approximately 22.44% to the average closing Share price for the five consecutive trading days immediately preceding the Last Trading Day, fall within the established range of the Comparables and below the average and median discount observed among the Comparables;

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- (iv) the Shares of the Company were traded at a discount of approximately 90.75% to 87.54% to the the Group's latest published unaudited consolidated net asset value per Share as at 30 June 2025 during the Review Period, indicating that investors might not value the Shares solely on the Group's net assets. Therefore, the Directors considered that the net assets value per Share may not be a meaningful benchmark for assessing the fairness and reasonableness of the Subscription Price. Alternately, the Directors further examined a variety of specific quantitative factors, which included:
- (a) the Group has experienced continuous annual financial losses since 2020, leading to a decline in its total equity, which decreased from approximately HK\$1,527 million as of 31 July 2020 to approximately HK\$1,424 million as of 31 December 2024. These persistent losses raise significant concerns about the Company's future profitability, which could negatively impact investor confidence and market valuation;
 - (b) the limited liquidity of the Shares observed during the Review Period may present challenges for Shareholders in selling their Shares. This circumstance indicates the potential for a significant discount to the Subscription Price where such an adjustment may encourage Qualifying Shareholders to participate in the Rights Issue;
 - (c) 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;
 - (d) those Qualifying Shareholders who do not wish to subscribe for their pro-rata entitlement of the Rights Shares can receive economic benefits from selling their nil-paid Rights Shares in the market; and
 - (e) the rationale behind the Rights Issue, as further explained in the section headed "Reasons for the Rights Issue and the Use of Proceeds" below.

In view of the above, the Directors consider that the benefits derived from the Rights Issue outweigh the discount associated with the Subscription Price. To strike a balance between the Company's cash flow needs and the interests of its Shareholders, the Company has set a substantial discount to encourage participation in the Rights Issue. 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.

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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.

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.

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The Company would, to the extent permitted under the relevant laws and regulations and reasonably practicable, send copies of this Prospectus to the Non-Qualifying Shareholders for their information only but would not send the PAL or EAF to them.

The Overseas Shareholders

Based on the register of members of the Company as of the Latest Practicable Date, there were 11 Shareholders with registered addresses situated in Malaysia, the United States, Canada, Singapore and Macau, details of which are as follows:

Country/Area	Number of Oversea Shareholder(s)	Aggregate number of Shares as of the Latest Practicable Date	Approximate % of Issued Shares as of the Latest Practicable Date
Malaysia	6	7,500	0.0106%
United States of America	2	690	0.0010%
Canada	1	2,500	0.0035%
Singapore	1	799	0.0011%
Macau	<u>1</u>	<u>1</u>	<u>0.0000%</u>
Total	<u>11</u>	<u>11,490</u>	<u>0.0162%</u>

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 as explained below. The Prospectus Documents will not be filed or registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Nevertheless, pursuant to the requirements under section 229 and section 230 of the Capital Markets and Services Act 2007 of Malaysia, a copy of the Prospectus Documents will be deposited with the Securities Commission of Malaysia within seven days of the issue of this Prospectus.

The Company notes the requirements specified in the notes to Rule 13.36(2)(a) of the Listing Rules, has made reasonable enquiries regarding the feasibility of extending the Rights Issue to Overseas Shareholders present on the Record Date, and has been advised by its offshore counsels that under the applicable legislations of Singapore, Macau and Malaysia, either (i) there is no legal or regulatory prohibition or restriction or requirement of any regulatory body or stock exchange with respect to extending the Rights Issue to the Overseas Shareholders in such relevant jurisdictions; (ii) making the Rights Issue to these Overseas Shareholders detailed above meets the relevant exemption requirements in the relevant jurisdictions such that it would be exempt from obtaining approval from and/or

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registration of the Prospectus Documents with the relevant regulatory authorities under the applicable laws and regulations of such jurisdictions; or (iii) the potential costs for complying with the regulatory requirements under the applicable laws and regulations of the relevant jurisdictions are minimal.

Accordingly, the Rights Issue will be extended to the Overseas Shareholders having registered addresses in Singapore, Macau and Malaysia and such Overseas Shareholders are regarded as Qualifying Shareholders.

The Company has also obtained advice from legal advisers in Canada and the United States. Having considered the circumstances, the Directors are of the view that it is necessary or expedient not to offer the Rights Shares (in their nil-paid and fully paid forms) to Overseas Shareholders with registered addresses in Canada and the United States due to the time and costs involved in the registration or filing of the Prospectus Documents and/or approval required by the relevant authorities in Canada and the United States and/or additional steps the Company and/or Overseas Shareholders need to take to comply with the relevant legal or regulatory requirements therein.

Accordingly, any Shareholder(s) whose address(es) as shown on such register of members of the Company at the close of business on the Record Date is/are in Canada or the United States are regarded as Non-Qualifying Shareholders and excluded from the Rights Issue.

The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send copies of this Prospectus to the Non-Qualifying Shareholders for their information only, but will not send the PAL or EAF to them. Notwithstanding the foregoing, no copies of this Prospectus will be sent to Non-Qualifying Shareholders in the United States. For the avoidance of doubt, the Rights Issue is not conditional upon the posting of any of the Prospectus Documents to any Non-Qualifying Shareholders.

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.

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Odd lot arrangement

No odd lot matching services will be provided.

Procedures for acceptance, payment and transfer

General

Any person (including, without limitation, agents, custodians, nominees and trustees) wishing to take up his/her/its rights under the Rights Issue must satisfy himself/herself/itself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

No action has been taken to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving the Prospectus Documents in any territory outside Hong Kong may treat it as an offer or invitation to apply or subscribe for the Rights Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. Completion and return of the PAL(s) and/or EAF(s) by anyone outside Hong Kong will constitute a warranty and representation by such person to the Company that all registration, legal and regulatory requirements of such relevant jurisdictions in connection with the PAL and/or the EAF(s) and any acceptance of the PAL, have been, or will be, duly complied with. The Company reserves the right to refuse to accept any application or subscription for or transfer of Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above warranty and representation.

Action to be taken by Qualifying Shareholders

Subscription for all Rights Shares provisionally allotted

For each Qualifying Shareholder, 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 thereon. If a Qualifying Shareholder(s) wish(es) to take up his/her/their right to subscribe for any or all the Rights Shares provisionally allotted to him/her/them as specified in the PAL, he/she/they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar by no later than the Latest Time for Acceptance. All remittances must be made

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in Hong Kong dollars and cheques must be drawn on an account with, or cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to “**CROCODILE GARMENTS LIMITED – Rights Issue Account**” and crossed “**Account Payee Only**”.

It should be noted that unless the PAL, together with the appropriate remittance, has been lodged with the Registrar by Latest Time for Acceptance, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be made available for application under the EAFs by the Qualifying Shareholders. The Company is not obliged but may, at its absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

The PAL contains further information regarding the procedures to be followed for acceptance 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 immediately upon receipt and any interests earned on such monies will be retained for the benefit of the Company. Completion and lodgement of a PAL together with a cheque or cashier's order in payment for the Rights Shares applied for will constitute a warranty by the applicant that the cheque or cashier's order will be honoured on first presentation. Without prejudice to its other rights 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 and entitlements thereunder will be deemed to have been declined and will be cancelled.

If the conditions of the Rights Issue are not fulfilled, the monies received in respect of acceptances of the Rights Shares will be refunded to the Qualifying Shareholders (or such other persons to whom the nil-paid Rights Shares have been validly transferred) without interest, by means of cheques to be despatched by ordinary post to their registered addresses, and in the case of joint applicants to the registered address of the first-mentioned person who appears on the register of members or the transfer form, at their own risk.

Transfer and “Splitting” of nil-paid Rights Shares

The nil-paid Rights Shares can be traded on the Stock Exchange. A Qualifying Shareholder can accept all of his/her/its provisional allotment of Rights Shares or sell all of his/her/its provisional allotment on the Stock Exchange or accept only part of his/her/its provisional allotment and sell the remaining part on the Stock Exchange.

LETTER FROM THE BOARD

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 all or part of his/her/its rights to more than one person, the original PAL must be surrendered and lodged for cancellation no later than 4:30 p.m. on Thursday, 27 November 2025 with the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection at the Registrar after 9:00 a.m. on the second Business Day after the surrender of the original PAL. This process is commonly known as “splitting” the nil-paid Rights Shares.

Having “split” the nil-paid Rights Shares, a Qualifying Shareholder who wishes to accept the provisional allotment of Rights Shares represented by a new PAL should do so in accordance with the instructions given above in relation to the subscription for all the Rights Shares provisionally allotted.

If a Qualifying Shareholder wishes to transfer all of his/her/its nil-paid Rights Shares under a PAL (or a split PAL, as the case may be) to another person, he/she/it should complete and sign the registration information in the PAL and hand the PAL to the person to or through whom he/she/it is transferring his/her/its nil-paid Rights Shares. The transferee must then complete and sign the registration details in the PAL and lodge the PAL intact, together with a remittance for the full amount payable on acceptance with the Registrar by no later than the Latest Time for Acceptance.

The PAL contains further information regarding the procedures to be followed for transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

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Action to be taken by Beneficial Owners whose Shares are held by a Registered Shareholder (other than Shares deposited in CCASS)

If you are a Beneficial Owner whose Shares are registered in the name of a Registered Shareholder and you wish to subscribe for the Rights Shares provisionally allotted to such Registered Shareholder, or sell the respective nil-paid Rights Shares or “split” those nil-paid Rights Shares and accept part of the provisional allotment and sell the remaining part, you should contact the Registered Shareholder and provide the Registered Shareholder with instructions or make arrangements with the Registered Shareholder in relation to the acceptance, transfer and/or “splitting” of the nil-paid Rights Shares.

Such instructions and/or arrangements should be given or made in advance and before the relevant dates stated in the section headed “Expected Timetable” of this Prospectus in order to provide the Registered Shareholder with sufficient time to ensure that your instructions are given effect.

Action to be taken by Beneficial Owners holding interests in Shares through CCASS

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, and you wish to subscribe for the Rights Shares provisionally allotted to HKSCC Nominees Limited, or sell the respective nil-paid Rights Shares or “split” those nil-paid Rights Shares and accept part of the provisional allotment and sell the remaining part, you should (unless you are a CCASS participant) contact your Intermediary and provide your Intermediary with instructions or make arrangements with your Intermediary in relation to the acceptance, transfer and/or “splitting” of the nil-paid Rights Shares.

Such instructions and/or arrangements should be given or made in advance and before the relevant dates stated in the section headed “Expected Timetable” of this Prospectus and otherwise in accordance with the requirements of your Intermediary in order to provide your Intermediary with sufficient time to ensure that your instructions are given effect. The procedure for acceptance, transfer and/or “splitting” by CCASS participants of the Rights Shares provisionally allotted to CCASS stock accounts in respect of the Shares registered in the name of HKSCC Nominees Limited shall be in accordance with the General Rules of HKSCC, the HKSCC Operational Procedures and any other requirements of CCASS.

Beneficial Owners who are CCASS participants should contact CCASS and provide CCASS with instructions or make arrangements with CCASS in relation to the manner in which such Beneficial Owners’ interests in nil-paid Rights Shares should be dealt with.

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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.

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 equal to or 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.

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Important notice to Beneficial Owners: 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.

Action to be taken by Qualifying Shareholders who wish to apply for Excess Rights Shares

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.

All remittances must be made in Hong Kong dollars and cheques must be drawn on an account with, or cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to **"CROCODILE GARMENTS LIMITED – Excess Application Account"** and crossed **"Account Payee Only"**.

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

Completion and return of the EAF by anyone outside Hong Kong will constitute a warranty and representation to the Company that all the local registration, legal and regulatory requirements of such relevant jurisdictions other than Hong Kong in connection with the EAF and any application under it, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties. The EAF is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including refund cheques for wholly or partially unsuccessful applications for Excess Rights Shares, will be despatched by ordinary post at the risk of the persons entitled thereto to their respective registered addresses as shown on the Record Date in the register of members of the Company.

All cheques or cashier's orders will be presented for payment immediately upon receipt and all interests earned on such monies will be retained for the benefit of the Company. Completion and lodgement of an EAF together with a cheque or cashier's order in payment for the Excess Rights Shares applied for will constitute a warranty by the applicant that the cheque or cashier's order will be honoured on first presentation. Without prejudice to its other rights in respect thereof, the Company reserves the right to reject any EAF in respect of which the cheque or cashier's order is dishonoured on first presentation.

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The Company is not obliged but may, at its absolute discretion, treat an EAF as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions.

If no Excess Rights Shares are allotted and issued to a Qualifying Shareholder, the amount tendered on application is expected to be refunded to that Qualifying Shareholder in full without any interest by means of cheque(s) despatched by ordinary post and at the risk of that Shareholder. If the number of excess Rights Shares allotted and issued to a Qualifying Shareholder is less than that applied for, the surplus application monies are also expected to be refunded to that Shareholder without any interest by means of cheque(s) despatched by ordinary post and at the risk of that Shareholder.

If the conditions of the Rights Issue are not fulfilled, the monies received in respect of relevant applications for excess Rights Shares will be returned to the relevant persons without interest, by means of cheques to be despatched by ordinary post to their registered address, and in the case of joint applicants to the registered address of the first-mentioned person who appears on the register of members, at their own risk.

Action to be taken by Beneficial Owners whose Shares are held by a Registered Shareholder (other than Shares deposited in CCASS) who wish to apply for Excess Rights Shares

If you are a Beneficial Owner whose Shares are registered in the name of a Registered Shareholder and you wish to apply for Excess Rights Shares, you should contact the Registered Shareholder and provide the Registered Shareholder with instructions or make arrangements with the Registered Shareholder in relation to such application. Such instructions and/or arrangements should be given or made in advance and before the latest time for application and payment for Excess Rights Shares stated in the section headed “Expected Timetable” of this Prospectus, in order to provide the Registered Shareholder with sufficient time to ensure that your instructions are given effect.

Action to be taken by Beneficial Owners holding interests in Shares through CCASS who wish to apply for Excess Rights Shares

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, and you wish to apply for Excess Rights Shares, you should (unless you are a CCASS participant) contact your Intermediary and provide your Intermediary with instructions or make arrangements with your Intermediary in relation to such application. Such instructions and/or arrangements should be given or made in advance and before the date stated in the section headed “Expected Timetable” of this Prospectus as the latest time for application and payment for Excess Rights Shares and otherwise in accordance with the requirements of your Intermediary, in order to provide your Intermediary with sufficient time to ensure that your instructions are given effect.

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The procedures for application for Excess Rights Shares by CCASS participants shall be in accordance with the General Rules of HKSCC, the HKSCC Operational Procedures and any other requirements of CCASS.

Beneficial Owners who are CCASS participants should contact CCASS and provide CCASS with instructions or make arrangements with CCASS in relation to any applications for Excess Rights Shares. HKSCC Nominees Limited will allocate the Excess Rights Shares it receives to the relevant CCASS participants pro rata to the number of Excess Rights Shares each has applied for, or in such other manner as HKSCC Nominees Limited considers fair and appropriate, pursuant to the allocation basis stipulated in Rule 8.10.4(ix) of the HKSCC Operational Procedures.

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 relevant applicants concerned.

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.

LETTER FROM THE BOARD

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 HKSCC and HKSCC 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.

All necessary arrangements will be made to enable the Rights Shares in both their nil-paid and fully-paid forms to be admitted to CCASS.

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 any of the above conditions is not fulfilled by Friday, 12 December 2025, the Rights Issue will not proceed. All the above conditions cannot be waived. Upon the Qualifying Shareholders' receipt of the Prospectus Documents, conditions (i) and (ii) above can be considered as fulfilled.

LETTER FROM THE BOARD

THE IRREVOCABLE UNDERTAKING

As at the Latest Practicable Date, 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 Latest Practicable Date).

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.

The Company has been informed by Ms. Lam of her intention to (directly and/or through her controlled corporation(s)) apply for Excess Rights Shares to support the Group's cash position. Pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will take reasonable steps to identify the applications for Excess Rights Shares made by Ms. Lam and her controlled corporation(s), whether in their own names or through nominees, and will disregard their applications for Excess Rights Shares to the extent the total number of Excess Rights Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered (being 35,532,888 Shares) minus the number of Rights Shares taken up by the Ms. Lam and her controlled corporations under their assured entitlements.

EFFECT OF THE RIGHTS ISSUE ON SHAREHOLDINGS IN THE COMPANY

For illustration purpose only, the shareholding structure of the Company (i) as at the Latest Practicable Date; 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:

LETTER FROM THE BOARD

	(i) As at the Latest Practicable Date		(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	100.00	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 Company was first listed on the Stock Exchange in 1971. The principal businesses of the Group are garment and related accessories business, property investment and letting business and treasury management.

LETTER FROM THE BOARD

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 timing of the various fund-raising options available to the Group and their potential impacts on the interests of the Shareholders.

In respect of debt financing, the Directors noted that bank borrowings will incur interest costs and may require the provision of security, and that creditors will rank ahead of the Shareholders. Debt financing will also result in additional interest burden, a higher gearing ratio of the Group, and subject the Group to repayment obligations. In addition, debt financing may not be achievable on favourable terms promptly. Additionally, given the Company's loss position over recent years, the Company had been quoted unfavourable interest rates and financing terms by potential lenders. Subject to the potential additional interest burden for the Company, the Directors considered that the lengthy due diligence and negotiations with banks as a result of debt financing would be undesirable as the additional borrowings would potentially increase the Company's finance cost in the long run, adding to the increasing trend in the Company's gearing ratio as a whole.

Moreover, equity fund-raising, such as the subscription or placement of new shares, is relatively smaller in scale than fund-raising through a rights issue. It would lead to immediate dilution of the shareholding interests of the existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the Company's intention. As compared to an open offer, the Directors consider that the Rights Issue enables Shareholders to sell the nil-paid rights in the market. Also, the Rights Issue will allow the Qualifying Shareholders to maintain their respective pro rata shareholdings in the Company and to continue to participate in the future development of the Company.

Having considered the abovementioned alternatives, 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 the 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.

LETTER FROM THE BOARD

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 Latest Practicable Date, save as disclosed in this Prospectus, 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 Prospectus, 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 the 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.

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.

LETTER FROM THE BOARD

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 should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the final 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.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendices to this Prospectus.

Yours faithfully,

For and on behalf of the Board

Crocodile Garments Limited

Lam Wai Shan, Vanessa

Chairman, Executive Director and Chief Executive Officer

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the two years ended 31 July 2022 and 2023 and for the 17 months ended 31 December 2024, together with the relevant notes thereto and for the 6 months ended 30 June 2025, were disclosed in the following reports which have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and of the Company (<http://www.crocodile.com.hk>), the links to which are shown below for reference:

- (i) annual report of the Company for the year ended 31 July 2022 published on 3 November 2022 (pages 54 to 139) which can be accessed via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2022/1103/2022110301160.pdf>;
- (ii) annual report of the Company for the year ended 31 July 2023 published on 17 November 2023 (pages 59 to 151) which can be accessed via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/1117/2023111700397.pdf>;
- (iii) annual report of the Company for the 17 months ended 31 December 2024 published on 16 April 2025 (pages 63 to 159) which can be accessed via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0416/2025041601072.pdf>; and
- (iv) interim report of the Company for the 6 months ended 30 June 2025 published on 18 September 2025 (pages 2 to 20) which can be accessed via the link at <https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0918/2025091800430.pdf>.

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 30 September 2025, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this Prospectus, the Group had outstanding borrowings of approximately HK\$689,307,000, which represented (i) bank loans of approximately HK\$670,117,000 secured by certain of the Group's buildings, right-of-use assets, investment properties and financial assets at fair value through profit or loss; (ii) margin loans of approximately HK\$5,852,000 secured by certain of the Group's financial assets at fair value through profit or loss and bank deposits; and (iii) lease liabilities of approximately HK\$13,338,000.

All of the above outstanding borrowings except lease liabilities of the Group were guaranteed by the Company and certain subsidiaries of the Company.

Save as disclosed above and apart from intra-group liabilities, the Group did not, as at the close of business on 30 September 2025, have any material outstanding (i) debt securities, whether issued and outstanding, authorised or otherwise created but unissued, or term loans, whether guaranteed, unguaranteed, secured (whether the security is provided by the Group or by third parties) or unsecured; (ii) other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, whether guaranteed, unguaranteed, secured or unsecured; (iii) mortgage or charges; or (iv) guarantees or other contingent liabilities.

3. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, in the absence of unforeseen circumstances, and after taking into account the Group's business prospects, present internal resources, available banking facilities and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for its business operations for at least the next twelve months from the date of this Prospectus.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The core businesses of the Group continue to be garment and related accessories, property investment and letting, as well as treasury management.

Hong Kong's ongoing evolution presents both challenges and opportunities for the Group. Population inflow policies are expected to broaden the customer base, while positioning Hong Kong as a "city of events" will aid in the recovery of inbound tourism. However, during the first half of 2025, the apparel retail markets in Hong Kong and Macau faced ongoing challenges due to subdued consumer sentiment, influenced by macroeconomic uncertainties and evolving behaviors. Additionally, there has been a marked shift in consumer preferences, with tourists from Mainland China increasingly favoring short, cost-effective experiential trips. Competitive pricing strategies employed by nearby regions, such as Shenzhen, have also diverted purchasing power from Hong Kong's retail sector.

Persistently high rental costs for retail spaces remain a pressing issue for the Group's garment and related accessories business, particularly amid declining sales and a rise in shop closures during this economically challenging period. In response, the Group has undertaken proactive negotiations with landlords to secure more favorable terms. For stores that consistently operate at a loss, the Group will proceed with closures. Conversely, efforts are being directed toward identifying emerging districts in Hong Kong with high foot traffic as potential sites for new store openings.

In light of these challenges, the Group is rationalising its sales network and reducing inventory levels for the "Crocodile" brand. By enhancing its merchandise mix and catering to local customer preferences, the Group aims to maintain higher gross margins. Overall, the Group is confident that the "Garment and Related Accessories Business" segment will continue to recover as it adapts to these market conditions.

As a landlord of investment properties, the property investment and letting business segment provides stable rental income and cash flow to support the Group's operations. In light of the decline in demand for commercial properties and a global shift towards flexible work arrangements, which has increased the supply of office premises in Kowloon East, the Group sees this as an opportunity to explore alternative options, specifically targeting healthcare tenants. This strategy aligns with the growing demand for medical services and positions the Group for a long-term, sustainable solution. Compared to typical office tenants, clinics and healthcare centers often sign longer leases, providing a more secure means of generating stable rental income and cash flow.

For treasury management, in response to ongoing market uncertainties stemming from persistent policy instability and structural fiscal challenges, the Group has adopted a cautious investment strategy focussing on long-term value through private equity investments and funds. While market participants continue to anticipate the possibility of one more rate cuts this year, the Group's finance costs remain elevated, leading to ongoing losses. Consequently, the Group intends to lessen its reliance on debt financing under the current market conditions and aims to reduce its borrowings until interest rates return to more reasonable levels.

For illustrative purposes, the unaudited pro forma financial information of the Group prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules is set out here to provide prospective investors with further information about how the financial information of the Group might be affected by the completion of the Rights Issue as if the Rights Issue had been completed on 30 June 2025. The statement has been prepared for illustrative purposes only and because of its nature, it may not give a true picture of the Group's financial position on the completion of the Rights Issue.

**A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONDENSED
CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP**

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group (the “**Unaudited Pro Forma Financial Information**”) has been prepared by the Directors in accordance with paragraph 4.29 of the Listing Rules to illustrate the effect of the Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had been completed on 30 June 2025 and taking into account of certain assumptions.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not reflect a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company had the Rights Issue been completed as at 30 June 2025 or at any future date.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2025, as extracted from the Group's unaudited consolidated statement of financial position as at 30 June 2025, included in the published interim report of the Company for the six months ended 30 June 2025, and is adjusted for the effect of the Rights Issue described below.

APPENDIX II

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 HK\$'000 (Note 1)	Unaudited estimated net proceeds from the Rights Issue HK\$'000 (Note 2)	Unaudited pro forma adjusted consolidated net tangible assets of the attributable to owners of the Company as at 30 June 2025 immediately after completion of the Rights Issue HK\$'000	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 per share HK\$ (Note 3)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 per share immediately after completion of the Rights Issue HK\$ (Note 4)
Rights Issue of 35,532,888 Rights Shares to be issued at subscription price of HK\$1.50 per Rights Share	1,416,845	51,599	1,468,444	19,937	13,775

Notes:

- (1) The unaudited consolidated net tangible assets of the Group attributable to the owners of the Company of approximately HK\$1,416,845,000 as at 30 June 2025 is extracted from the published interim report of the Group for the six months ended 30 June 2025.
- (2) The estimated net proceeds from the Rights Issue of approximately HK\$51,599,000 is based on 35,532,888 Rights Shares to be issued at the subscription price of HK\$1.50 per Rights Share, pursuant to the Rights Issue, after deduction of the estimated related expenses of approximately HK\$1,700,000, assuming that the Rights Issue has been completed on 30 June 2025.
- (3) The calculation of unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 per share is determined based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company of approximately HK\$1,416,845,000 divided by 71,065,777 Shares in issue as at 30 June 2025.
- (4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 per share immediately after the completion of the Rights Issue is arrived at based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 immediately after completion of the Rights Issue of approximately HK\$1,468,444,000 divided by 106,598,665 Shares which comprise 71,065,777 Shares in issue as at 30 June 2025 and 35,532,888 Rights Shares to be issued assuming that the Rights Issue had been completed on 30 June 2025.
- (5) No adjustments have been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2025.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of the independent reporting accountants' assurance report received from Ernst & Young, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this Prospectus.



Ernst & Young
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To the Directors of Crocodile Garments Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Crocodile Garments Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at 30 June 2025 and related notes as set out on pages II-1 to II-2 of the prospectus of the Company dated 21 November 2025 (the “**Prospectus**”) issued by the Company (the “**Unaudited Pro Forma Information**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in notes in Section A of Appendix II.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue in the proportion of one rights share for every two existing shares held on the record date (the “**Rights Issue**”) on the Group's financial position as at 30 June 2025 as if the Rights Issue had taken place at 30 June 2025. As part of this process, information about the Group's consolidated net tangible assets has been derived by the Directors from the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2025, on which an interim report has been published.

Directors' responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline (“**AG**”) 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our 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 behavior.

Our 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 accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited 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 Unaudited 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 accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited 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 Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the Rights Issue on unadjusted financial information of the Group as if the Rights Issue 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 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited 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 Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Rights Issue, and to obtain sufficient appropriate evidence about whether:

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

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the Rights Issue in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited 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 Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Certified Public Accountants

Hong Kong

21 November 2025

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this 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 issued share capital of the Company as at the Latest Practicable Date were, and following completion of the Rights Issue, are expected to be as follows:

Issued and fully paid Shares:

71,065,777 Shares (as at the Latest Practicable Date)

Maximum number of Rights Shares to be issued upon completion of the Rights Issue:

35,532,888 Shares

Issued Shares upon completion of the Rights Issue:

106,598,665 Shares (assuming no new Shares (other than the Rights Shares) will be issued on or before completion of the Rights Issue)

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with each other, including, in particular, as to dividends, voting rights and return of capital, and once issued and fully paid, with all the Shares in issue as at the date of allotment and issue of the Rights Shares. Since the Company is incorporated in Hong Kong, the Rights Shares have no nominal value. The Rights Shares to be issued will be listed on the Main Board of the Stock Exchange.

The Company has applied to the Listing Committee for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. No Share 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 were no arrangements under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares.

3. PARTICULARS OF THE DIRECTORS

(a) Business Addresses

The business address of all the Directors (including alternate Director) and senior management is the same as the address of the Company's principal place of business at 25th Floor, Crocodile Center, 79 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong.

(b) Biographical Details

Ms. Lam Wai Shan, Vanessa, M.H.

Chairman, Executive Director and Chief Executive Officer

Ms. Lam Wai Shan, Vanessa, M.H., aged 54, is the Chairman of the Board (“**Chairman**”), Executive Director and Chief Executive Officer of the Company (“**Chief Executive Officer**”/“**CEO**”). She has been appointed an Executive Director in February 2006, and was appointed the Chairman and the Chief Executive Officer in January 2021. Ms. Lam provides leadership for the Board and ensures that the Board discharge its responsibilities effectively and efficiently. She is the chairman of the Executive Committee and the Nomination Committee of the Company (“**Executive Committee**” and “**Nomination Committee**”, respectively) and a member of the Remuneration Committee. Ms. Lam is the authorised representative of the Company. Ms. Lam has extensive experience in operations and management, business, finance and corporate development, and brand and product development. Ms. Lam holds directorships in a number of the subsidiaries and associate of the Company. She holds a Bachelor of Arts Degree from Scripps College in California, the United States of America (“**USA**”) and graduated from the Fashion Institute of Design and Merchandising in Los Angeles, USA. With over 27 years of experience in the fashion industry, Ms. Lam previously worked for two renowned London-based design houses, Alexander McQueen and Julien MacDonald, before joining the Group in March 1998 as Vice-President. Ms. Lam's industry expertise also includes property investment and letting business. Ms. Lam has received numerous awards in recognition of her contribution to the fashion industry and charitable causes. On 1 July 2016, she was awarded the Medal of Honor by the Government of the Hong Kong Special Administrative Region (“**HKSAR**”) of the People's Republic of China.

Ms. Lam is currently a Member of Yan Chai Hospital Advisory Board, Permanent Adviser and the Honorary Chairman of Executive Committee of The Association of the Directors and Former Directors of Yan Chai Hospital and previously served as the chairman of its Board of Directors from 2015 to 2016. Additionally, she was a member of the Guangdong Provincial Committee of the Chinese People's Political Consultative Conference ("CPPCC") and the Beijing Haidian Qu Committee of the CPPCC.

Ms. Lam remains actively involved in contributing to social and charitable causes. Ms. Lam is a director of the Fashion Farm Foundation ("FFF"), a non-profit organisation established by a group of enthusiastic fashion entrepreneurs and educators in Hong Kong. FFF promotes Hong Kong's fashion design by encouraging and fostering collaborations between the business, lifestyle, educational and cultural sectors. Ms. Lam is also the school manager of Yan Chai Hospital Lim Por Yen Secondary School, where she provides support through sponsorship in overboard study tours to broaden students' horizons, enhance their learning experiences, and provide them with opportunities to gain valuable insights and knowledge from different cultures and environments.

Ms. Lam also holds directorships in Honorman Limited and Rich Promise Limited, both of which are substantial shareholders of the Company. She is the niece of Ms. Lam Suk Ying, Diana (NED) and Mr. Lam Kin Hong, Matthew (Executive Director). She is also an elder sister of Mr. Lam Howard who is a NED of the Company.

Mr. Lam Kin Hong, Matthew, B.B.S, M.H., J.P.

Executive Director

Mr. Lam Kin Hong, Matthew, B.B.S, M.H., J.P., aged 58, was appointed an Executive Director in July 1999. Mr. Lam holds directorships in a number of the subsidiaries of the Company. Mr. Lam is also an executive director of Lai Sun Garment (International) Limited ("LSG") and the executive deputy chairman and an executive director of Lai Fung Holdings Limited ("LFH"). LSG and LFH are listed on the Main Board of the Stock Exchange. He graduated from University College London in the United Kingdom with a Bachelor of Science Degree and underwent training as a lawyer with an international law firm, Reed Smith Richards Butler. Mr. Lam is a co-founding partner and managing partner of a Hong Kong law firm, Nixon Peabody CWL and a member of The Law Society of Hong Kong and The Law Society of England and Wales.

Mr. Lam has considerable experience in property development and corporate finance in Hong Kong and Mainland China. He is the vice president of the Hong Kong Real Property Federation and a standing committee member of the Chinese People's Political Consultative Conference in Shanghai. Mr. Lam was appointed a Justice of the Peace in July 2021 and he received the Bronze Bauhinia Star awarded from the Government of the HKSAR in July 2023. He serves as an Honorary Consul of the Republic of Estonia in Hong Kong, a member of the Competition Commission, a member of the Protection of Wages on Insolvency Fund Board, the Chairman of Appeal Tribunal Panel (Buildings), a member of the Fight Crime Committee, and the member of the Independent Police Complaints Council. Mr. Lam also serves as a Racing Steward at the Hong Kong Jockey Club and he is also a council member of the Better Hong Kong Foundation. He was a former member of the Advisory Committee on Admission of Quality Migrants and Professionals and a former member of the Employees Compensation Assistance Fund Board, and a former member of the Consumer Council.

Mr. Lam is the younger brother of Ms. Lam Suk Ying, Diana (NED) and an uncle of Ms. Lam Wai Shan, Vanessa (Chairman, Executive Director and Chief Executive Officer) and Mr. Lam Howard (NED). Ms. Lam Wai Shan, Vanessa is a substantial shareholder of the Company.

Mr. Chow Bing Chiu

Non-executive Director

Mr. Chow Bing Chiu, aged 75, is a NED. He first joined the Board of the Company as an INED in September 2004 and has been re-designated from an INED to a NED with effect from 29 March 2021. Mr. Chow is the member of Executive Committee. Mr. Chow was a member of the Audit Committee of the Company ("**Audit Committee**") and the Remuneration Committee. Mr. Chow is also an independent non-executive director of LSG which is listed on the Main Board of the Stock Exchange. Mr. Chow obtained his Bachelor of Laws Degree in 1980 and qualified as a solicitor in Hong Kong in 1983. He is the senior partner of B.C. Chow & Co., Solicitors, in Hong Kong and a China-appointed Attesting Officer.

Ms. Lam Suk Ying, Diana ("Ms. Diana Lam")

Non-executive Director

Ms. Lam Suk Ying, Diana, aged 70, was appointed a NED in December 2006. Ms. Diana Lam graduated from the Loyola University in California, USA with a Bachelor of Business Administration Degree. She also holds a Master's Degree in Public Administration from the Pepperdine University in California. Ms. Diana Lam had worked for Metropolitan Life Insurance Company in California, USA for two years and has been managing her personal investments continuously to date.

Ms. Diana Lam is an elder sister of Mr. Lam Kin Hong, Matthew (Executive Director), and an aunt of Ms. Lam Wai Shan, Vanessa (Chairman, Executive Director and Chief Executive Officer) and Mr. Lam Howard (NED). Ms. Lam Wai Shan, Vanessa is a substantial shareholder of the Company.

Mr. Lam Howard

Non-executive Director

Mr. Lam Howard, aged 37, has been appointed a NED on 13 December 2023. He is a director of a subsidiary of the Company. Mr. Lam has extensive experience in hotel, entertainment, movie city, real estate management and shopping mall business in the mainland China. He holds directorship in a number of companies of Lam's family business in Hong Kong and overseas. He is the president and chief executive of a number of business entities in the mainland China. He is also enthusiastic about charity and sports. Currently, Mr. Lam is a Member of the Chinese People's Political Consultative Conference (Guangzhou Tianhe District), an Executive Member of Guangdong Federation of Industry & Commerce, the Vice President of both Guangzhou Foreign Investment Enterprises Chamber of Commerce and Hongkong Guangdong Foreign Businessmen Association, the President of Guangzhou Badminton Association, and the Honorary President of Shantou Overseas Fraternity. He graduated from University College London in the United Kingdom with a Bachelor of Science Degree.

Mr. Lam is a younger brother of Ms. Lam Wai Shan, Vanessa (Chairman, Executive Director and Chief Executive Officer, and a substantial shareholder of the Company). He is a nephew of Ms. Lam Suk Ying, Diana (NED) and Mr. Lam Kin Hong, Matthew (Executive Director). Mr. Lam is a director of Honorman Limited and Rich Promise Limited, both are the substantial shareholders of the Company.

Mr. Leung Shu Yin, William

Independent Non-executive Director

Mr. Leung Shu Yin, William, aged 76, was appointed the Deputy Chairman of the Company in January 2021 and has been an INED as well as the Chairman of both the Audit Committee and the Remuneration Committee since February 2011. Mr. Leung is also an independent non-executive Director of LSG and Lai Sun Development Company Limited. Mr. Leung was an independent non-executive director of Mainland Headwear Holding Limited between 14 March 2000 and 31 August 2023. The aforesaid companies are listed on the Main Board of the Stock Exchange. He is a certified public accountant, a member of the Hong Kong Securities and Investment Institute and a Fellow of both the Association of Chartered Certified Accountants in the United Kingdom and the Hong Kong Institute of Certified Public Accountants. Mr. Leung is a practising director of two certified public accountants' firms in Hong Kong.

Mr. Fung Cheuk Nang, Clement, M.H.*Independent Non-executive Director*

Mr. Fung Cheuk Nang, Clement, M.H., aged 48, was appointed an INED and a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Fung has extensive management experience in development and manufacturing of consumer products. He holds positions in various charitable and social organisations. Mr. Fung is currently a member of each of the Hong Kong Council on Smoking and Health and Hospital Governing Committee (North District Hospital) of Hospital Authority. He is a member of Advisory Board of Yan Chai Hospital and was the chairman of its board of directors during 2018 to 2019. He is currently an independent non-executive director of V & V Technology Holdings Limited (formerly known as Hi-Level Technology Holdings Limited) (the issued shares of which are listed and traded on GEM of the Stock Exchange). Mr. Fung is also a director of Smarthome Technology Limited and Smarthome Products Limited, both of which are privately owned consumer electronics companies in Hong Kong. He received the Medal of Honour awarded from the Government of the HKSAR in July 2019.

Mr. Woo King Hang, J.P.*Independent Non-executive Director*

Mr. Woo King Hang, J.P., aged 64, was appointed an INED and a member of each of the Audit Committee and the Nomination Committee on 28 January 2022. Mr. Woo has extensive experience in financial and business management. Mr. Woo is currently an independent non-executive director and a member of the audit committee, remuneration committee and nomination committee of Digital Domain Holdings Limited (“**DDHL**”) and an independent non-executive director, the chairman of the audit committee and a member of remuneration committee and the corporate governance committee of MOS House Group Limited (“**MOS**”). Mr. Woo is also a senior advisor of a certified public accountants’ firm. Mr. Woo was the vice chairman of the board of directors and a non-executive director of Centenary United Holdings Limited (“**Centenary United**”) between 20 May 2020 and 30 May 2024.

Mr. Woo is a Justice of the Peace appointed by the Chief Executive of the HKSAR and an adjunct professor of the Department of Public and International Affairs, City University of Hong Kong. He also received the Secretary for Home and Youth Affairs’ Commendation.

Mr. Woo is a fellow member of each of the Institute of Chartered Accountants in England and Wales, the Royal Institution of Chartered Surveyors and the Hong Kong Institute of Certified Public Accountants. He holds a Master's Degree of Business Administration from Kellogg School of Management, Northwestern University and the Hong Kong University of Science and Technology, a Bachelor's Degree of Laws from Peking University and a Master's Degree of Laws from the City University of Hong Kong.

Mr. Woo is an honorary officer of the Auxiliary Medical Service, an advisor of School of Chinese Medicine of the Chinese University of Hong Kong and a member of each of the Hospital Governing Committee, the Queen Elizabeth Hospital and Hong Kong Advisory Council on AIDS. He serves as a member of each of Advisory Committee on Admission of Quality Migrants and Professionals and Kwun Tong District Fight Crime Committee and an adjudicator of the Registration of Persons Tribunal. He is a director of Hong Kong PHAB Association and the chairman of each of Kwun Tong District Senior Police Call Honorary President Council, Police Education and Welfare Trust Management Committee and Police Children's Education Trust Management Committee.

Mr. Woo was a project controller of CTF Services Limited ("**CTFSL**") (formerly known as NWS Holdings Limited) from January 2019 to April 2019. Mr. Woo also served as a financial controller and an executive director of Hip Hing Construction Company Limited (a wholly-owned subsidiary of CTFSL) from February 2006 to June 2010 and from July 2010 to December 2018 respectively. He was also a director of Bell Tea Overseas Limited ("**BTO**", formerly known as Hip Hing Overseas Limited) from 2 July 2010 to 18 October 2018. BTO was a wholly-owned subsidiary of CTFSL and incorporated in Hong Kong on 13 April 1993 and was principally engaged in the business of construction overseas. On 19 September 2018, a winding up order ("**Order**") was granted by the High Court of Hong Kong ("**High Court**") on BTO. On 5 July 2021, the High Court finally ordered that BTO be dissolved. Mr. Woo confirmed that the Order was in relation to the nonpayment for a sum arising from an arbitration case involving contractual dispute relating to the construction works of a building in Dubai which commenced in or about 2007 and was completed in or about 2011 between the petitioner of the Order and a joint venture entity ("**Joint Venture**") in which BTO had 30% interests. An award ("**Award**") was granted by an arbitration institution in Dubai in favor of the said petitioner, which then enforced the whole amount of the Award in the High Court against, among others, BTO. Mr. Woo further confirmed that he was not involved in any of the matters concerning the operations of the Joint Venture, the construction works or the said arbitration or matters leading to the granting of the Order.

The issued shares of each of DDHL, MOS, Centenary United and CTFSL are listed and traded on the Main Board of Stock Exchange.

Mr. Lee Po On, J.P.

Alternate Director to Ms. Lam Wai Shan, Vanessa

Mr. Lee Po On, J.P., aged 70, has been appointed as an Alternate Director to Ms. Lam on 22 October 2025. Mr. Lee joined Television Broadcasts Limited (“TVB”) in February 2007. Mr. Lee was appointed as the group chief executive officer of TVB in September 2009, appointed as an executive director of TVB in March 2010 and the Vice Chairman of TVB in April 2020. Since resigning from all positions at TVB in May 2021, Mr. Lee has been assisting the late Mr. Lim Por-yen, the founder of the Lai Sun Group in Hong Kong, and his son, the late Dr. Lam Kin Ming in handling their estate affairs, and has been managing the investments for a number of family offices in Hong Kong and Macau.

Before joining TVB, during the period from late 1987 to January 2007, Mr. Lee worked as an executive director of the Lai Sun Group. The Lai Sun Group is a listed consortium engaged in real estate, hotel, media, entertainment and retail business in Hong Kong and overseas. During 1992 to 1996, Mr. Lee also took up the position of executive director and CEO of Asia Television Limited which was a former affiliate of the Lai Sun Group.

During the early period from 1977 to 1987, Mr. Lee worked with KPMG, an international accounting firm, in various offices including Hong Kong, Los Angeles and Shanghai.

Mr. Lee is a fellow member of the Institute of Chartered Accountants in England and Wales and also a member of the Hong Kong Institute of Certified Public Accountants. He is a Justice of the Peace appointed by the government of the HKSAR and was also a former member of the Election Committee for the Chief Executive in the HKSAR.

4. DISCLOSURE OF INTERESTS**(a) Directors’ and chief executives’ interests and short positions in the Shares, underlying shares or debentures of the Company or its associated corporation**

As at the Latest Practicable Date, the following Directors and chief executive of the Company who held office as of that day and their respective close associates (as defined in the Listing Rules) were interested, or were deemed to be interested in the following long or 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) on that date (a) as required to be notified to the Stock Exchange and the Company pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any, which they were taken or deemed to have under such provisions of the SFO); or (b) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO (“**Register of Directors and Chief Executives**”); or (c) as notified to the Stock Exchange and the

Company pursuant to the Code of Practice for Securities Transactions by Directors and Designated Employees adopted by the Company (“**Securities Code**”); or (d) as otherwise known by the Directors:

(i) Interests in the Company

Long positions in the Shares and underlying Shares

Name of Directors	Capacity	Number of Shares		Number of underlying Shares	Total	Approximate percentage of total issued Shares ^(Note 1)
		Personal interests	Corporate interests	Personal interests		
Ms. Lam	Beneficial owner and interest in controlled corporations	1,464,219	36,840,225	Nil	38,304,444 (Note 2)	53.90%
Mr. Lee Po On	Beneficial owner	15,625	Nil	Nil	15,625	0.02%

Notes:

1. The total number of issued Shares as at the Latest Practicable Date (that is 71,065,777 Shares) has been used for the calculation of the approximate percentage.
2. Ms. Lam was personally interested in 1,464,219 Shares and was deemed to be interested in 36,840,225 Shares through the corporations controlled by her, namely Honorman Limited (“**Honorman**”) and Rich Promise Limited (“**Rich Promise**”). Please refer to the disclosures set out in the sub-sections headed “(ii) Interests in the associated corporations (within the meaning of Part XV to the SFO) of the Company” and “(b) Substantial Shareholder’s Interests” below for details.
3. Mr. Lee Po On is the alternate director to Ms. Lam.

(ii) Interests in the associated corporations (within the meaning of Part XV to the SFO) of the Company

Long positions in the shares of the associated corporations

Name of Directors	Name of associated corporations	Capacity	Personal Interests	Corporate interests	Total	Percentage of total issued Shares
Ms. Lam	Honorman ^(Notes 1&3)	Beneficial owner	51 Class A 15 Class B	Nil	51 Class A 15 Class B	66%
	Rich Promise ^(Notes 2&3)	Interest in controlled corporation	Nil	10,000	10,000	100%
Mr. Lam Howard	Honorman ^(Notes 1&3)	Beneficial owner	19 Class B	Nil	19 Class B	19%

Notes:

As at the Latest Practicable Date:

1. The total share capital of Honorman was HK\$100 made up by 51 Class A shares and 49 Class B shares. Ms. Lam owned 51 Class A shares and 15 Class B shares of Honorman and Mr. Lam Howard owned 19 Class B shares of Honorman.
2. The total issued share of Rich Promise was 10,000 ordinary shares, which was owned as to 100% by Honorman, which in turn was owned as to 66% by Ms. Lam and 19% by Mr. Lam Howard.
3. Ms. Lam and Mr. Lam Howard are the directors of both Honorman and Rich Promise.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company and their respective close associates had, or was deemed to have, any interest in the long and short positions in the shares, underlying shares and/or debentures of the Company or any of its associated corporations, which was required to be notified to the Stock Exchange and the Company pursuant to the SFO, or recorded in the Register of Directors and Chief Executives or notified to the Stock Exchange and the Company under the Securities Code or otherwise known by the Directors.

(b) Substantial Shareholder's Interests

As at the Latest Practicable Date, so far as it is known by or otherwise notified by any Director or the chief executive of the Company, the particulars of the corporation or individual who had 5% or more interests in the following long positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO (“**Register of Shareholders**”) or were entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company (“**Voting Entitlements**”) (i.e. within the meaning of substantial shareholders of the Listing Rules) were as follows:

Long positions in the Shares and underlying Shares

Name of Substantial Shareholders	Capacity	Nature of interests	Number of Shares and underlying Shares held	Approximate percentage of total issued Shares ^(Note 1)
Honorman	Beneficial owner and Interest in controlled corporation	Corporate	36,840,225 ^(Note 2)	51.84%
Rich Promise	Beneficial owner	Corporate	35,415,000 ^(Note 2)	49.83%

Notes:

1. *The total number of issued Shares as at the Latest Practicable Date (that is 71,065,777 Shares) has been used for the calculation of the approximate percentage.*
2. *Honorman was interested in 1,425,225 Shares directly and was deemed to be interested in 35,415,000 Shares indirectly held through its 100% owned subsidiary Rich Promise. Ms. Lam was deemed to be interested in 1,425,225 Shares and 35,415,000 Shares held through her controlled corporations, Honorman and Rich Promise.*

Save as disclosed above, the Directors are not aware of any other corporation or individual which/who, as at the Latest Practicable Date, had the Voting Entitlements or 5% or more interests or short positions in the Shares or underlying Shares as recorded in the Register of Shareholders.

5. 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 relevant members of the Group within one year without payment of compensation (other than statutory compensation).

6. DIRECTORS' INTERESTS IN GROUP'S ASSETS AND CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, (i) none of the Directors had any interest, direct or indirect, in any assets which have since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group, and (ii) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

7. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has given statement or opinion or advice for inclusion in this Prospectus:

Name	Qualification
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor

Ernst & Young has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its letter, report and/or references to its name in the form and context in which they appear herein.

As at the Latest Practicable Date, Ernst & Young did not have any direct or indirect interest in any securities of the Company or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Company nor did they have any interest, either directly or indirectly, in any assets which had been, since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Company were made up), acquired or disposed of by or leased to or were proposed to be acquired or disposed of by or leased to the Company.

8. CORPORATE INFORMATION AND THE PARTIES INVOLVED IN THE RIGHTS ISSUE

Principal place of business	25th Floor, Crocodile Center, 79 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong
Authorised representative	Ms. Lam 25th Floor, Crocodile Center, 79 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong Ms. Hui Mei Yin 25th Floor, Crocodile Center, 79 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong
Company secretary	Ms. Hui Mei Yin <i>Chartered Secretary</i>
Legal advisers to the Company in relation to the Rights Issue	As to Hong Kong law: WOO KWAN LEE & LO 26th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong As to Canadian law: Stikeman Elliott LLP Suite 1700 666 Burrard Street Vancouver, British Columbia V6C 2X8 Canada

	As to Macau law: Jorge Neto Valente, Lawyers and Notaries 555 Avenida da Amizade Landmark Building ICBC Tower 15th floor Macau
	As to Malaysian law: Skrine Level 8, Wisma UOA Damansara, 50 Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur, Malaysia
	As to Singaporean law: Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
	As to the U.S. law: Carter Ledyard & Milburn LLP 28 Liberty Street, New York, NY 10005
Auditors and reporting accountant	Ernst & Young <i>Certified Public Accountants</i> <i>Registered Public Interest Entity Auditor</i> 27/F, One Taikoo Place 979 King's Road Quarry Bay Hong Kong
Principal banker	Hang Seng Bank Limited 83 Des Voeux Road Central Hong Kong
Share registrar and transfer office	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong

9. MATERIAL CONTRACTS

No material contract (not being a contract entered into in the ordinary course of business of the Group) has been entered into by any member of the Group within the two years immediately preceding the date of this Prospectus.

10. LITIGATION

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

11. EXPENSES

The expenses in connection with the Rights Issue, including the fees of the financial adviser, legal advisers, auditors, printing, registration, translation, subsequent issue fee and other related expenses are estimated to be approximately HK\$1.7 million, which will be borne by the Company.

12. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consent referred to in the paragraph headed “7. Qualification and Consent of Expert” in this Appendix have been delivered to the Registrar of Companies in Hong Kong for registration pursuant to section 38D of the Companies (WUMP) Ordinance.

13. BINDING EFFECT

The Prospectus Documents, and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the Laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions, other than the penal provisions, of sections 44A and 44B of the Companies (WUMP) Ordinance, so far as applicable.

14. DOCUMENTS ON DISPLAY

The following documents are available on the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<https://www.crocodile.com.hk>) for a period of 14 days from the date of this Prospectus:

- (a) the accountants’ report on the unaudited pro forma financial information of the Company issued by Ernst & Young, the text of which is set out in Appendix II to this Prospectus;
- (b) the written consent as referred to in the paragraph headed “7. Qualification and Consent of Expert” in this Appendix; and
- (c) the Prospectus Documents.

15. MISCELLANEOUS

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.

This Prospectus is prepared in both English and Chinese. In the event of inconsistency, the English text of this prospectus shall prevail over the Chinese text unless otherwise specified.