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瑞港建設控股有限公司

PROSPER CONSTRUCTION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 6816)

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE ENTERING INTO OF THE PRODUCTS SALE AND PURCHASE FRAMEWORK AGREEMENT

PRODUCTS SALE AND PURCHASE FRAMEWORK AGREEMENT

The Board is pleased to announce that on 17 April 2025 (after trading hours), Shui Fung Trading, an indirect wholly-owned subsidiary of the Company, entered into the Products Sale and Purchase Framework Agreement with Shenzhen Defu, pursuant to which Shui Fung Trading agreed (as a part of its trading operation) to purchase branded consumer electronic products from Shenzhen Defu.

The annual cap under the Products Sale and Purchase Framework Agreement is RMB9,300,000 (equivalent to HK\$9,858,000) for the period from 1 January 2025 to 31 December 2025 (both dates inclusive).

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shenzhen Defu is a controlled non-wholly owned subsidiary of Haifa Group, which is the ultimate holding company and one of the controlling shareholders of the Company and indirectly holds 62.25% of the issued share capital of the Company. Shenzhen Defu is therefore a connected person of the Company and the entering into of the Products Sale and Purchase Framework Agreement between Shui Fung Trading and Shenzhen Defu and the transactions thereunder will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Given the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the annual cap under the Products Sale and Purchase Framework Agreement are more than 5% but less than 25% and the transaction consideration is less than HK\$10,000,000-, the transactions contemplated under the Products Sale and Purchase Framework Agreement are subject to the annual review, reporting and announcement requirements under Chapter 14A of the Listing Rules but are exempt from the independent shareholders' approval requirement.

The Board hereby announces that on 17 April 2025 (after trading hours), Shui Fung Trading, an indirect wholly-owned subsidiary of the Company, entered into the Products Sale and Purchase Framework Agreement with Shenzhen Defu, pursuant to which Shui Fung Trading agreed (as a part of its trading operation) to purchase branded consumer electronic products from Shenzhen Defu. The annual cap under the Products Sale and Purchase Framework Agreement is RMB9,300,000 (equivalent to HK\$9,858,000) for the period from 1 January 2025 to 31 December 2025 (both dates inclusive).

PRODUCTS SALE AND PURCHASE FRAMEWORK AGREEMENT

The principal terms of the Products Sale and Purchase Framework Agreement are summarised as below:

Date : 17 April 2025

Parties : (1) Shui Fung Trading (“Party A”); and
(2) Shenzhen Defu (“Party B”)

Term:

The period from the Effective Date to 31 December 2025 (both dates inclusive).

Subject matters:

Shui Fung Trading and its subsidiaries (collectively referred to as the “Party A Group”) will procure branded consumer electronic products from Shenzhen Defu and its subsidiaries (collectively referred to as the “Party B Group”).

Pricing:

The pricing of the products under the Products Sale and Purchase Framework Agreement shall be determined with reference to the market price or, in the absence of such market price, the agreed price. As the Party B Group may need to go through a tendering process conducted by the Party A Group in order to be selected as a products supplier, the Party B Group will participate in the tendering process conducted by the Party A Group in accordance with the normal procedures and requirements, and will provide quotations based on the costs and expenses associated with supplying of the products. If there are insufficient comparable market transactions to judge whether it is on normal commercial terms, transaction will be conducted based on terms no less favourable than those available to the Party A Group from independent third parties or those granted by the Party B Group to independent third parties.

Payment terms:

Party A shall pay Party B a performance deposit of not more than RMB3,000,000 for securing the supply of products from Party B and Party B shall ensure timely supply of the required products to Party A. The performance deposit shall be refunded or offset against the purchase price at the end of the co-operation. The performance bond shall be refunded or offset against the purchase price after the end of the co-operation, and Party A and Party B shall agree on the form of refunding or offsetting of the performance deposit one month in advance.

The transactions under the Products Sale and Purchase Framework Agreement will be paid and settled in cash or other mutually agreed methods, and shall be paid and settled according to the time and manner agreed in the specific products contracts being entered into. The relevant payment and settlement terms shall not be less favourable than the market terms available to the Party A Group from an Independent Third Party or the market terms granted by the Party B Group to an Independent Third Party.

Annual cap:

Set out below is the annual cap for the transactions contemplated under the Products Sale and Purchase Framework Agreement:

**1 January 2025 to
31 December 2025
(both dates inclusive)**

Annual Cap	RMB9,300,000 (equivalent to HK\$9,858,000)
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The annual cap is determined based on:

- (i) reference to procurement indication received by Party A Group from 3 potential customers, with possible demands of up to RMB10 million by the end of June 2025; and
- (ii) reference to procurement indication received by Party A Group from 5 potential customers, with possible demands of up to RMB43 million by the end of year 2025.

The Group is actively approaching potential customers and developing its sales network, and in the process of formulating a long term business forecast. In view of imminent business development needs, the Group has entered into a smaller amount sale and purchase framework agreement with Party B for the time being to secure a stable source of products supply.

At the same time, the Group will closely monitor the actual customer demand and the amount of purchases from Party B Group to ensure strict compliance with the Listing Rules. The continuing connected transaction cap will be adjusted as necessary and practicable in accordance with the Listing Rules, the bye-laws of the Company and other applicable regulations.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PRODUCTS SALE AND PURCHASE FRAMEWORK AGREEMENT

The Group is principally engaged in marine engineering business and general construction contracting business. In view of the uncertainty in the construction market and in order to enhance the Group's sustainability, the Group has established Shui Fung Trading in year 2024 and recorded trading revenue since early of year 2025, and intends to further develop the international trading business in the supply chain as a new business growth focus. As Party B Group has been well established in the international trading business for years and possesses professional advantage in the procurement channel for branded consumer electronic products, the engagement of Party B Group as an upstream supplier (on fair market terms basis) is expected to provide convenient, high-quality, and efficient procurement services to Party A Group, and is expected to be beneficial to the enhancement of the market competitiveness and profitability of both parties.

Executive Directors Mr. Jiang Hongchang, Mr. Liu Yutao, Ms. Dong Fang and Mr. Li Chunxiao have abstained from voting on the Board resolution to approve the Products Sale and Purchase Framework Agreement due to conflict of interests. Save as the aforementioned, no Director has material interest in the Products Sale and Purchase Framework Agreement and therefore no other Director has abstained from voting on the relevant board resolution.

The independent non-executive Directors are of the view that the terms of the Products Sale and Purchase Framework Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair, reasonable and in the interests of the Company and its shareholders as a whole.

INTERNAL CONTROL

The Group has adopted the following internal control procedures to govern the continuing connected transactions of the Group under the Products Sale and Purchase Framework Agreement and the annual cap:

- (i) the personnel and administration department and audit and monitor department of the Group will closely monitor and record the actual transaction amounts of the continuing connected transactions under the Products Sale and Purchase Framework Agreement to ensure that the annual cap will not be exceeded;
- (ii) the personnel and administration department and audit and monitor department of the Group will compare the prices and terms with those of other purchases of similar nature and scale entered into and/or tenders and/or quotations obtained by the Group from Independent Third Parties, or compare the prices and terms with the market prices or benchmarks for transactions of similar nature, in order to ensure the expenses by the Group are fair and reasonable and no less favourable than those offered by Independent Third Parties;
- (iii) the business department of the Group will submit the procurement status report to the executive Directors before entering into an individual purchase contract;

- (iv) the Company's auditor will review the continuing connected transactions (which are subject to the annual review and disclosure requirements under the Listing Rules) annually and confirm whether (a) the transactions under the Products Sale and Purchase Framework Agreement have been approved by the Board; (b) the transactions were entered into in accordance with the Products Sale and Purchase Framework Agreement; and (c) the annual cap has not been exceeded; and
- (v) the independent non-executive Directors will perform annual review (which are subject to the annual review and disclosure requirements under the Listing Rules) to confirm the transactions under the Products Sale and Purchase Framework Agreement are conducted (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better; and (c) in accordance with the Engineering Services Framework Agreement governing them on terms that are fair and reasonable and in the interests of the shareholders as a whole.

The Board believes that the above internal control procedures are appropriate and can ensure the transactions are entered into in accordance with the Products Sale and Purchase Framework Agreement and the prices payable by the Company will not be less favourable than those payable under transactions with Independent Third Parties.

INFORMATION ON THE COMPANIES

The Company

The Company is an investment holding company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. The Group is principally engaged in the provision of marine and general construction services and auxiliary marine related services.

Shui Fung Trading

Shui Fung Trading is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in the sale and purchase of products in Hong Kong and territories outside of the PRC.

Shenzhen Defu

Shenzhen Defu is a company incorporated in the PRC with limited liability and a controlled non-wholly owned subsidiary of Haifa Group, the ultimate holding company and one of the controlling shareholders of the Company and indirectly holds 62.25% of the issued share capital of the Company. It is an export supply chain company in the field of branded consumer electronics, with an ample sourcing channel in the PRC to supply branded consumer electronics products to overseas customers.

Haifa Group

Qingdao Haifa State-owned Capital Investment and Operation Group Co., Ltd. is the ultimate holding company of the Company and a state-owned enterprise wholly-owned by the State-owned Asset Supervision and Administration Commission of Qingdao. It is principally engaged in infrastructure construction, land development, real estate development and other industrial investment and operations (including cultural, tourism and financial services).

LISTING RULES IMPLICATIONS

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DEFINITIONS

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

“Board”	the board of Directors
“Company”	Prosper Construction Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 6816)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“Effective Date”	the effective date of the Products Sale and Purchase Framework Agreement, being 1 January 2025
“Products Sale and Purchase Framework Agreement”	the 2025 Products Sale and Purchase Framework Agreement entered into between Shui Fung Trading and Shenzhen Defu on 17 April 2025
“Group”	the Company and its subsidiaries
“Haifa Group”	Qingdao Haifa State-owned Capital Investment and Operation Group Co., Ltd.* (青島海發國有資本投資運營集團有限公司), the ultimate holding company and a controlling shareholder of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company or any of its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (excluding Hong Kong and Macao)
“RMB”	Renminbi, the lawful currency of the PRC
“Shenzhen Defu”	Shenzhen Defu Supply Chain Co., Ltd.* (深圳市德孚供應鏈有限責任公司), a company established in the PRC with limited liability, which is a controlled non-wholly owned subsidiary of Haifa Group

“Shui Fung Trading”

Shui Fung Trading Limited, a company established in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

By order of the Board
Prosper Construction Holdings Limited
Li Chunxiao
Executive Director

Hong Kong, 17 April 2025

As at the date of this announcement, the Board comprised executive Directors Mr. JIANG Hongchang (chairman of the Board), Ms. DONG Fang (deputy chairman of the Board) Mr. LIU Yutao, Mr. DU Jianzhi, Mr. ZHOU Hongbao and Mr. LI Chunxiao; and independent non-executive Directors Mr. CHEUNG Chi Man Dennis, Ms. CHEN Yan and Mr. LIU Junchun.

For the purpose of this announcement, unless otherwise indicated, the conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.06. Such rate is for the purpose of illustration only and does not constitute a representation that any amount in question in RMB or HK\$ has been or could have been or may be converted at such or another rate or at all.