

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



STYLAND HOLDINGS LIMITED

大凌集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

SUPPLEMENTAL ANNOUNCEMENT ON DISCLOSEABLE TRANSACTION SUBSCRIPTION OF FUND

Reference is made to the announcement of the Company dated 1 April 2026 (the “**Announcement**”) in relation to the discloseable transaction in respect of the Subscription. Unless otherwise defined, capitalised terms used herein shall have the same meaning as those used in the Announcement.

The Company would like to clarify and supplement the Announcement as follows:

FINANCIAL POSITION OF THE COMPANY

With reference to the material uncertainty related to the Group’s going concern as highlighted in Note 2.1 of the Group’s consolidated financial statements for the year ended 31 March 2025, the Board continues to expect the Group to continue as a going concern and to meet its obligations as and when they fall due based on, among other reasons, that (i) as at 31 March 2025, included in the loans classified as current liabilities of approximately HK\$161.8 million and HK\$110.0 million represented the lenders’ discretionary rights to demand for immediate repayment from the Group, which the Directors believe is not probable; and (ii) the Group’s latest cash balance of approximately HK\$163.0 million as at 31 March 2026.

Based on the Group's latest unaudited management accounts as at 28 February 2026, the Group has reversed its net current liability position from approximately HK\$84.7 million to a net current asset position of approximately HK\$90.6 million. Such reversal from net current liabilities to net current assets was mainly due to the issuance of two promissory notes (the "**Promissory Notes**") to an Independent Third Party by the Group in December 2025 as part of the Group's re-financing exercise to ease cash flow by replacing the Group's short term debts with long term debts. The principal of the Promissory Notes each amounted to HK\$100 million and are repayable over 25 months from date of issuance. The Promissory Notes bear interest in the range of 2.3% to 3.5% per annum from January 2026 to January 2027 and in the range of 4.0% to 5.0% per annum from January 2027 to January 2028. The total amount of the Promissory Notes was determined under arm's length negotiations between the subscriber of the Promissory Notes and the Group mainly with reference to the amount of loans classified as current liabilities as at 31 March 2025 (i.e. HK\$161.8 million), whereby the proceeds from the Promissory Notes are sufficient for the Group to repay the HK\$110.0 million loans which are subject to the unlikely scenario when the lenders exercise its discretionary right to demand immediate repayment. Furthermore, the amount of the Promissory Notes enables the Group to have approximately HK\$38.2 million of extra funding for working capital needs and further investment in potential business projects and/or financial products should suitable opportunities arise. As such, the Group considers that there is idle cash available for the Subscription from the issuance of the Promissory Notes after taking into account the aforementioned short term loans.

Following the issue of the Promissory Notes, the Group's net current asset position as at 28 February 2026 amounted to approximately HK\$90.6 million, which was arrived at after deducting, among other items, the loans classified as current liabilities of the Group. Among the current assets of the Group as at 28 February 2026, HK\$186.3 million represents the amount of cash and cash equivalents. The Board considers that the Subscription amount of US\$3.4 million (approximately HK\$26.6 million) represents the idle cash from the proceeds of the Promissory Notes and only a portion of the aforementioned cash and cash equivalents available as idle cash as at 28 February 2026 and such use of cash is in compliance with the Group's Investment Policy (as defined below). In light of the above information regarding the Company's latest financial position, the Board considers that the Subscription provides a good opportunity to utilise the Group's idle cash for positive risk-adjusted return.

The basis of determining the Subscription amount of US\$3.4 million (approximately HK\$26.6 million) was based on the amount of idle cash available to the Group after conducting an assessment which involves assessing the Group's cash balance as at 31 March 2026 and ensuring sufficient liquidity and working capital remaining after the Subscription as the Subscription amount represents only a portion of the idle cash available.

Based on the Subscription amount of US\$3.4 million and each Participating Share is US\$100,000, Ever-Long has subscribed 34 Participating Shares, which amounts to less than 3% of the entire issued Participating Shares of the Fund. Upon completion of the Subscription, the Participating Shares will be accounted for as financial assets at fair value through profit or loss in the Group's consolidated financial statements.

TERMS OF THE SUBSCRIPTION

The Board has considered the terms of the Subscription and considers that a Lock-up Period is not rare among the terms of such open-ended funds. In addition, the Lock-up Period of the Fund is 365 days (or such shorter period as the directors of the Fund may determine), which aligns with the management's investment horizon of the Subscription of around 12 to 18 months, decided based on the Group's Investment Policy (as defined below) and treasury management cycle whereby the maturity of the investments will be matched with the expected due date of the Company's debts. Furthermore, in unlikely circumstances where the Group is in sudden need of funds, the Fund may still be redeemed at a redemption fee of not more than 3% of the applicable redemption proceeds.

Taking into account (i) the Group's latest financial position; (ii) the Subscription's potential to deliver ideal risk-adjusted return; and (iii) the relatively short term of the Lock-up Period, the Board considers that the terms of the Subscription (including but not limited to the amount of the Subscription and the Lock-up Period) are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

FURTHER INFORMATION ABOUT THE FUND

The structure of the Fund involves a funder agreement (the "**Funder Agreement**") signed between the Fund and Fundpark Limited ("**Fundpark**"). The Funder Agreement governs how the Fund invests in assigned loans and receivables through Fundpark. The funds from the Fund are held in a trust account maintained by a trustee company. Fundpark would conduct credit risk assessment and loan approval in relation to the loan and receivable assignment applications it receives from the end borrowers, who are well established ecommerce business merchants.

Fundpark maintains a credit risk assessment framework through Know-Your-Client and other compliance procedures throughout the loan period whereby:

- (i) Prior to onboarding, borrowers, guarantors, directors, and ultimate beneficial owners of the borrowers are required to provide full corporate and personal documentation, including business registration certificates, incorporation certificates, annual returns, articles of association, and identification documents, all of which are subject to approval by compliance unit. In addition, background checks on litigation records are conducted against the borrowers.

- (ii) Loan approval is governed by a structured process with defined authority thresholds for different types of loans including (a) receivables and revenue financing; (b) procurement loans; and (c) inventory financing. Receivables and revenue financing refer to financing based on future receivables generated from ecommerce platforms. Borrowers would typically pledge its payment gateway proceeds as collateral for the loans and the loans generally have a short duration of less than 90 days. Procurement loans refer to financing used to purchase inventory or raw materials. The loan size is based on purchase orders or supplier invoices and the goods in transit and/or supplier contracts would be used as collateral. Inventory financing refers to financing obtained by using existing inventories held by ecommerce merchants as collateral. The loan to value ratio for these loans is determined by inventory type, turnover, and valuation of the inventory. Any facility exceeding: (a) USD3 million for receivables and revenue financing; (b) USD2 million for procurement loans; and (c) USD4 million for inventory financing requires approval from the credit committee of Fundpark. Facilities below these thresholds fall within the delegated authority of Fundpark's chief credit officer.

- (iii) All approvals of loans to borrowers are with conditions precedent duly satisfied prior to drawdown. These conditions typically include settlement account setup, clearance of prior charges on the collection account held by other lenders, and buyer confirmations.

- (iv) There is a dynamic "watermark" system to manage ongoing credit exposure. Credit limits are automatically adjusted on a daily basis, taking into account borrower performance, receivable values, and inventory valuations against approved loan to value ratios. Where outstanding balances exceed the watermark, drawdowns and withdrawals are suspended until normal levels are restored. This mechanism ensures risk control and alignment of financing capacity with real time business performance and collateral values.

- (v) The underwriting and monitoring processes are consistent with internal policies and market best practice. Facilities are originated in accordance with the credit policy of Fundpark. Fraud prevention measures are embedded in the credit assessment, covering fictitious trades, document manipulation, and collusion risks, while anti-money laundering compliance is maintained in line with local regulations.

The duration of the Fund is perpetual unless it is redeemed by the subscriber or terminated. Based on the past performance of the Fund, the Group prudently expects the Fund to provide a return of approximately 6% per annum. Such expectation was based on the Fund’s historical return of approximately 7.9% over the recent four quarters. As (i) the receivables invested in by the Fund typically have short duration of three months and are self liquidating; (ii) Fundpark’s historical lifetime default rate has remained below 0.15% since 2017; (iii) the Fund consistently delivered quarterly distributions since its inception; and (iv) the four quarter period covers multiple full cycles of the receivables’ origination and repayment and is capable of taking into account different market conditions, the Board considers that the most recent four quarters is a sufficient and suitable period for estimating the subsequent return of the Fund. On this basis and an expected return of 6% while the Group’s cost of funding from the Promissory Notes is in the range of 2.3% to 5%, the Subscription fulfils the Investment Policy’s (as defined below) aim of achieving a 4% to 8% risk adjusted return. Hence, the Board considers that the expected return commensurates with the risks and that the Subscription is fair, reasonable and in the interest of the Shareholders as a whole. The Fund is a registered sub-fund of Alpha Capital Management OFC (“ACMO”), which is an unlisted open-ended fund company registered under the SFO. The Fund qualifies for the list of eligible collective investment schemes under the New Capital Investment Entrant Scheme.

The Fundpark Investment is not only sold to ACMO (and its ultimate investors). The above structure and operation of the Fund by Fundpark are also repeated with other funders who are large multinational financial institutions and those financial institutions would sell the fund to individuals or other institutional investors. As at 31 March 2026, the Fund has over 40 investors, the majority of which are high net worth professional investors. The Fund has a wide investor base and the Subscription only amounts to less than 3% of the entire issued Participating Shares of the Fund.

Set out below are the roles and responsibilities of Fundpark, ACMO and the Investment Manager in connection with the Fund:

Party	Roles and responsibilities
Fundpark	Conduct credit risk assessment and loan approval in relation to the loan and receivable assignment applications from end borrowers engaged in ecommerce.
ACMO	The open-ended fund company that established the Fund. It maintains a segregation of assets and liabilities between the Fund and other sub-funds that it has established.

Investment Manager

Acts as the investment manager to ACMO in respect of the Fund. It has been delegated by ACMO with the power to distribute Participating Shares and all discretionary asset management powers in relation to the trading, investing and reinvesting of assets of the Fund. Specifically, it has the power to determine the amount and timing of the capital contribution towards the Fundpark Investment which is assessed on a monthly basis and determined in accordance with key benchmarks as outlined below; access and monitor Fundpark's real-time reporting portal to monitor borrower's business performance and default projections on an on-going basis; and review the net asset value reports; monthly loan schedule reports on a monthly basis; and annual audited financials which are prepared by the Fund accountant.

The Investment Manager has established a dedicated fund operations team to oversee ongoing monitoring and reconciliation of the Fund's activities. On a monthly basis, the team extracts data from the Fundpark portal to review any overdue receivables and assess the number of outstanding items; and follow up directly with Fundpark to clarify and address such situations. In addition, the team conducts monthly reconciliations with both Fundpark and DBS Bank Ltd., Hong Kong Branch to confirm the amounts transferred to and received from Fundpark, the relevant transaction dates, and the applicable dividend periods, thereby ensuring consistency and accuracy of records across all parties.

The above information and reports are prepared with a view to helping the Investment Manager monitor key benchmarks including but not limited to the historical default rates of Fundpark's loan books; the maturity period of the loans; concentration limits by borrower, sector and geographic location; and variance analyses comparing actual loan collections against projected cash flows. Whenever such benchmarks hit key indicators such as late repayments, the Investment Manager would contact Fundpark for mitigating measures including recalling loans, sending chasers or withdrawal or investment of capital into the Fund.

INVESTMENT STRATEGY OF THE FUND

The Fund aims to offer an alternative fixed income investment opportunity to investors aiming for a yield from their idle cash. Fundpark is a well established fintech financing platform in Asia with over USD4.6 billion in total loans advanced since its inception in 2017. It aims to provide ecommerce financing solutions to support ecommerce business merchants' growth needs. Hence, by entering into the Funder Agreement with Fundpark, the Fund is focusing on investments in fixed income products (i.e. receivables and loans) acquired from large ecommerce merchants and such investment scope and concentration are consistent with market practice as it is common that a different fund would be set up for investment in different underlying products in order to cater for different preference and objectives of prospective investors. Such funds engaged in specialised underlying asset class are often strategically set up such that the fund can be (i) managed by managers with deep expertise in the particular field, and (ii) tailored towards a specific risk profile and/or expected returns, thereby offering a relatively predictable performance for investors to choose from.

Despite the narrow scope of the Fund's underlying investments, the Board considers that the Fund and the underlying investments are in the interest of the Company and Shareholders as a whole because ecommerce receivables financing often have characteristics of short duration (i.e. within one year), self liquidation and Fundpark has relatively low default rates (i.e. less than 0.15%).

Furthermore, the Fund has the option to reassign outstanding receivables and/or loans of the Fundpark Investment to Fundpark of up to 20% of the total amount of the net Fundpark Investment as at the date of the reassignment. This provision operates as a contractual safeguard designed to protect the Fund's interest in the event of non-repayment. If any assigned receivable or loan remains unpaid for more than 30 days past its due date, the Fund is entitled, on specified quarterly dates, to require Fundpark to repurchase the asset at its outstanding principal amount. This obligation is set up to 20% of the net funds advanced by the Fund to Fundpark, thereby limiting the assignor's exposure while ensuring meaningful recourse for the Fund. This mechanism functions as a guarantee arrangement, providing the Fund with a contractual right of recourse for up to 20% of the net fund advanced by the Fund to Fundpark. Therefore, not only is this provision beneficial and in the interest of the Fund, but also to the investors of the Fund such as the Group and is in line with the Group's Investment Policy (as defined below) of investing in relatively stable risk-adjusted return assets.

Fundpark strategically partners with ecosystem players (i.e. the ecommerce merchants) in identifying loans and receivables. When the ecosystem players apply for loans, they agree to share their real-time data on relevant platforms. Fundpark's proprietary credit model dynamically adjusts credit limits every 24 hours based on live data feeds (i.e. revenue and refund ratio). The Investment Manager has direct access to Fundpark's internal reporting portal, allowing it to monitor the live data feeds in real time. The funds are also granted based on a credit management system where there is pre-approval according to a model used for pricing and facility limit measurement and risk evaluation. During the term of the loan, Fundpark has a proprietary default projection model to predict probability of default and adjust credit limit by considering real-time ecommerce data and borrower's business performance including but not limited to borrower's transaction amount, repayment status, overdue dates and overall default rates. Such proprietary default projection model is used before approving the loans for setting the pricing and facility limit as well as anti-fraud detection; and also during the loan to monitor probability of default and black-swan events in order to thereby adjust credit limit for each borrower.

The Fund's structure is common whereby a specialised originator (i.e. Fundpark) would source and service the loans and receivables, and a licensed investment manager would manage the fund's capital, risks and reporting. It ensures segregation of duties between originators and investment managers as well as independent oversight. Based on the above fund structure, Fundpark operates its platform to originate and manage loans to ecommerce merchants; while the Investment Manager manages the Fund's capital, supervises risk, and ensures compliance with anti-money laundering policies, conflict of interests and valuation procedures as well as the Fund's investment strategies and objectives.

Such fund structure is widely adopted in funds in the sectors of trade financing, invoice factoring, ecommerce receivables, and asset-backed securities-backed private credit funds.

The Investment Manager has conducted due diligence on Fundpark before releasing funds to it and such decision is determined by the senior management of the Investment Manager who are responsible officers holding Type 9 licences under the SFO. Such due diligence on Fundpark's platform and operations include (i) reviewing Fundpark's credit model and risk management system; (ii) assessing historical performance and default rates of ecommerce merchants engaged on the Fundpark platform; (iii) reviewing Fundpark's reporting framework and annual audited financials; (iv) evaluating other funding arrangements and facilities obtained by Fundpark from other funders; (v) reviewing the third party custodian and trust agreements for holding the funds of the Fund; and (vi) meeting and communicating with the senior management of Fundpark with a view to examining their background, qualification and experience.

FURTHER INFORMATION ABOUT FUNDPARK

Fundpark is principally engaged in fintech financing platform since 2017. It is used by over 32,000 online merchants and backed by a USD750 million asset-backed securitisation facility from some of the world's leading financial institutions. It is a licenced money lender under the Money Lenders Ordinance (Cap. 163). The Group became acquainted with the Fund and Fundpark through the business and financial industry networks of Ever-Long.

FURTHER INFORMATION ABOUT THE INVESTMENT MANAGER

The Investment Manager is a multi-strategy investment firm that strategically invests across various asset classes, including venture and growth equity, real estate, and special situations. Its principal activities include advising on securities and asset management. Its investment portfolio span from fixed income products and private equity to real estate properties and its assets under management amount to over HK\$1 billion as at 31 December 2025.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, ACMO, Fundpark and their respective ultimate beneficial owners are Independent Third Parties.

INVESTMENT POLICY OF THE GROUP

The Group maintains a clear investment policy (the “**Investment Policy**”) designed to safeguard liquidity while deploying idle cash into investment opportunities that can deliver stable and risk-adjusted returns typically in the range of 4% to 8% to enhance shareholder value. The permissible investments under the Investment Policy include fixed income products, marketable securities such as fixed income funds, money market instruments and listed bonds, and other financial instruments assessed to be consistent with the Group's low to medium risk appetite. The Group considers products with an expected return of 4% to 8% per annum and having no leverage nor speculative derivatives with predictable cash flows and transparent risk measures to satisfy such risk appetite. Prohibited investments under the Investment Policy include highly speculative instruments such as leveraged derivatives and unregulated schemes or positions that would expose the Group to undue concentration risk. In addition, the Group applies restrictions and boundaries on each investment such as maximum exposure limits relative to the Group's overall investment portfolio and defined investment horizons.

The Group also assesses counterparty risk, liquidity risk, and market risk on a monthly basis by perusing reports from investment funds and/or banks as well as audited financial statements of funds and each prospective investment is subject to credit risk evaluation and ongoing monitoring on a quarterly basis. Liquidity management is ensured by maintaining sufficient cash reserves, taking into account whether there is net current asset position after the relevant investment is conducted, and readily realisable assets such as cash equivalents and shares of listed companies to meet operational needs.

The Group assesses counterparty risk by reviewing their licences, audited financials, asset under management, performance track record, independence, and due diligence reports prepared by conducting background searches. The Group assesses liquidity risk by reviewing the Group's weekly cash flows and minimum liquidity thresholds. The Group assesses market risk by monitoring interest rate trends, macroeconomic indicators, and sector specific risks. The Group conducts credit risk evaluation by reviewing characteristics of underlying asset class, the asset's default history, types of collateral and its structure, as well as risk mitigation mechanisms granted under the asset (i.e. reassignment right). This is conducted by the management monthly and the results and findings will be reported to the Board for review on a quarterly basis.

All prospective investments are subject to review and approval by the Board and/or designated committees, taking into account information including but not limited to liquidity forecasts, investment terms, risk assessments and due diligence findings of the products. After the investments are approved, the Board oversees on-going compliance with investment policies, monitors investment performance, and reviews risk exposures on a quarterly basis. Overall, the Investment Policy encompasses an effective internal reporting mechanism to ensure transparency and accountability in the investment process.

The Board considers that the Subscription was conducted in accordance with Investment Policy because the expected return of the Fund is greater than the Group's cost of fund; aligns with the Group's objective of utilising idle cash for stable returns; complies with the Group's risk management framework by investing in fixed income products through a professionally managed fund; and was duly approved by the Board after consideration of the Group's financial position and liquidity requirements. The Board will continue to monitor the performance of the Subscription in accordance with the Investment Policy going forward.

This announcement is supplemental to and should be read in conjunction with the Announcement.

By order of the Board
Styland Holdings Limited
Li Hancheng
Non-executive Chairman

Hong Kong, 17 June 2026

As at the date of this announcement, the executive directors of the Company are Mr. Cheung Hoo Win and Mr. Ng Yiu Chuen, and the independent non-executive directors are Mr. Li Hancheng, Mr. Lo Tsz Fung Philip and Ms. Ling Sui Ngor.

* *For identification purpose only*