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## **Unity Enterprise Holdings Limited**

**盈滙企業控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2195)**

### **CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE FRAMEWORK SERVICE AGREEMENT**

#### **THE FRAMEWORK SERVICE AGREEMENT**

On 23 February 2026, Hong Dau, an indirect wholly-owned subsidiary of the Company, and Arcana entered into the Framework Service Agreement, pursuant to which Arcana (as contractor) may subcontract construction-related services to the Group (as sub-contractor) from time to time for a term of approximately three years commencing from 1 March 2026 and ending on 31 December 2028 (both dates inclusive), subject to the Annual Caps.

#### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Harvest Land Company Limited and Mr. Yeung Wing Sun are regarded as a group of controlling shareholders of the Company under the Listing Rules and are together interested in an aggregate of approximately 30.73% of the issued share capital of the Company. Accordingly, Harvest Land Company Limited, Mr. Yeung Wing Sun, and their associates are connected persons of the Company. In addition, Ms. Yu So Yin, being the spouse of Mr. Yeung Wing Sun, a controlling shareholder of the Company, is an associate of a connected person and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As Arcana is wholly owned by Ms. Yu So Yin, Arcana is also an associate of a connected person and therefore a connected person of the Company.

Since one or more of the applicable percentage ratios in respect of the highest Annual Caps are less than 25%, and each of the Annual Caps is less than HK\$10,000,000, the Service Transactions contemplated under the Framework Service Agreement are subject to the annual review, reporting, and announcement requirements, but are exempt from the circular (including independent financial advice) and independent shareholders' approval requirements pursuant to Rule 14A.76(2)(b) of the Listing Rules.

## **FRAMEWORK SERVICE AGREEMENT**

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The principal terms of the Framework Service Agreement are summarised as follows:

### **Date**

23 February 2026

### **Parties**

1. Arcana (as contractor)
2. Hong Dau (as sub-contractor)

### **Term**

The Framework Service Agreement has a term commencing from 1 March 2026 and ending on 31 December 2028 (both dates inclusive).

### **Subject Matter**

Pursuant to the Framework Service Agreement, Arcana (as contractor) may from time to time subcontract to the Group (as sub-contractor) certain construction-related services in connection with projects undertaken by Arcana, including but not limited to construction, renovation, repair, maintenance, alteration and ancillary works, in the ordinary and usual course of business of the respective parties and subject to the Annual Caps. Hong Dau and Arcana agreed that:

- (a) they may enter into, or procure their respective group companies to enter into, the transactions contemplated under the Framework Service Agreement in the ordinary and usual course of their respective businesses and within the limit of the Annual Caps;
- (b) during the term of the Framework Service Agreement, the relevant members of the Group and Arcana may from time to time enter into separate definitive subcontracting agreement(s) in respect of the services to be provided, which shall set out the specific scope of works, contract sums, payment terms and other relevant terms and conditions, and shall be consistent with and in compliance with the terms of the Framework Service Agreement, in particular:
  - i. the subcontracted services shall be provided on normal commercial terms and on terms that are fair and reasonable so far as the Group is concerned;

- ii. the contract sums shall be determined after arm's length negotiations between the parties, with reference to prevailing market rates for comparable works, the nature, scale, complexity and technical requirements of the relevant projects, and the Group's prior project experience and cost structure, taking into account labour, materials, equipment and other relevant costs;
- iii. the term of each separate definitive subcontract shall be project-based or fixed-term and shall not extend beyond the term of the Framework Service Agreement; and
- iv. all transactions contemplated under the Framework Service Agreement shall be conducted in the ordinary and usual course of business of the Group, on normal commercial terms, and shall be fair and reasonable and in the interests of the Company and its Shareholders as a whole.

### **Conditions Precedent**

The Service Transactions (together with the Annual Caps) are conditional upon the Company having complied with all requirements under the Listing Rules with respect to the continuing connected transaction.

### **Pricing Basis for the Service Transactions**

The service fees payable by Arcana to the Group for the subcontracted construction related services shall be determined after arm's length negotiations between the parties and on normal commercial terms (as defined under the Listing Rules), and shall be fair and reasonable so far as the Group is concerned and in the interests of the Company and its Shareholders as a whole.

In determining the service fees for each project, the Group will adopt a project-by-project assessment and pricing approach, taking into account, among others, the following factors:

#### *Prevailing market conditions*

The Group will make reference to prevailing market rates for comparable construction or engineering works of similar nature, scope, scale, complexity and technical requirements in Hong Kong. Such reference may include publicly available market information, industry data, quotations from suppliers and subcontractors, and recent project pricing trends observed by the Group in the ordinary course of business.

#### *Comparison with independent third party projects*

Where available, the Group will compare the proposed contract sums and commercial terms with those of recent transactions entered into between the Group and independent third parties for similar works or services. The Directors consider that such recent transactions provide a reasonable benchmark for assessing whether the pricing and terms offered by Arcana are on normal commercial terms or no less favourable to the Group than those available from independent third parties.

### *Cost-plus assessment and expected margin*

The Group will prepare an internal cost estimation for each proposed project, including estimated labour costs, material costs, equipment costs, subcontracting costs, overheads and other relevant expenses. The proposed contract sum must allow the Group to achieve a gross profit margin that is consistent with, or not materially lower than, the gross profit margins achieved by the Group in comparable projects undertaken for independent third parties, taking into account project-specific risk factors and commercial considerations.

### *Project-specific factors*

The Group will also consider the programme or timeframe for completion, site conditions, technical specifications, compliance requirements, resource availability, cash flow implications and potential variation works, which may affect pricing and commercial terms.

### *Reference to Arcana's main contract*

The pricing structure and commercial terms of Arcana's main contract with its customers may be considered, including the scope of works and payment structure, to ensure consistency in risk allocation and commercial alignment.

### **Internal Control Measure**

In order to ensure that the Service Transactions are conducted in accordance with the pricing policy under the Framework Service Agreement and on normal commercial terms or on terms no less favourable to the Group than those available from independent third parties, the Group has established the following internal control procedures:

Prior to entering into each definitive subcontracting agreement, the relevant business department of the Group will prepare a written assessment setting out, among others, (i) the scope and specifications of the services to be provided, (ii) the estimated costs (including labour, materials, subcontracting costs and overheads, where applicable), (iii) the proposed contract sum and payment terms, and (iv) a comparison with recent transactions entered into between the Group and independent third parties for similar works or services (if available) and/or prevailing market information. The finance department will review such assessment to ensure that the proposed pricing and commercial terms are consistent with the pricing policy and that the expected gross profit margin is comparable to, or not materially lower than, that achieved in similar projects undertaken for independent third parties. Each definitive subcontracting agreement must be reviewed and approved by the senior management of the Group prior to execution.

The finance department will keep proper records of all Service Transactions and conduct regular monitoring on the aggregate transaction amounts to ensure that the annual caps under the Framework Service Agreement are not exceeded. In the event that the transaction amounts are expected to reach or exceed the relevant annual caps, the finance department will promptly report the same to the Board and appropriate actions will be taken in accordance with the requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors will conduct an annual review of the Service Transactions and confirm in the annual report of the Company that the transactions have been entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreements on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole. The auditor of the Company will also conduct an annual review of the Service Transactions pursuant to Rule 14A.56 of the Listing Rules and provide a letter to the Board confirming the matters as required under the Listing Rules.

The Directors consider that the above internal control procedures are adequate and effective to ensure that the Service Transactions are conducted in compliance with the Listing Rules and are not prejudicial to the interests of the Company and its minority Shareholders.

### **Payment Terms**

The service fees for the subcontracted services shall be payable by Arcana to the Group in accordance with the terms stipulated in the relevant separate definitive subcontracting agreements, which may include progress payments, milestone payments or lump-sum payments, depending on the nature and duration of the relevant projects.

The payment schedule and method shall be agreed by the parties on a case-by-case basis and shall be on normal commercial terms customary for construction-related subcontracting arrangements in Hong Kong.

### **Annual Caps**

The Annual Caps for the period from 1 March 2026 to 31 December 2026 and for the years ending 31 December 2027 and 31 December 2028 are as follows:

<b>For the period from 1 March 2026 to 31 December 2026</b>	<b>For the financial year ending 31 December 2027</b>	<b>For the financial year ending 31 December 2028</b>
HK\$9,500,000	HK\$9,900,000	HK\$9,900,000

### **Calculation of the Annual Caps**

The Annual Caps in respect of the service transactions contemplated under the Framework Service Agreement are determined with reference to the following factors:

1. the current projects on hand of Arcana and the estimated scope of construction-related services to be subcontracted to the Group in connection with such projects during the term of the Framework Service Agreement, taking into account the anticipated work programmes, project timelines and stages of completion;
2. the estimated contract sums of the relevant subcontracted services, determined on a project-by-project basis with reference to the nature, scale, complexity and technical requirements of the works to be undertaken by the Group;

3. the prevailing market rates for comparable construction or engineering works, together with the Group's prior project experience, cost structure and expected margins for similar types of works, which may affect the pricing of the subcontracted services;
4. an appropriate buffer to cater for potential variations in project scope, additional works that may be required by Arcana's customers, and possible fluctuations in construction costs (including labour and material costs) during the term of the Framework Service Agreement; and
5. as the annual cap for the year ending 31 December 2026 covers the period from 1 March 2026 to 31 December 2026 only, the annual cap for 2026 has been reduced to reflect the shorter period.

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE FRAMEWORK SERVICE AGREEMENT**

Arcana is principally engaged in construction project management businesses and has established a portfolio of projects on hand which require the engagement of subcontractors with relevant experience and technical capability. The Group is principally engaged in repair, maintenance, alteration and addition (“**RMAA**”) works in Hong Kong and has accumulated relevant project experience, technical know-how and operational capability to undertake the subcontracted works contemplated under the Framework Service Agreement.

In light of the challenging operating environment faced by the Group, as reflected in the Group's recent financial performance, the Directors consider that entering into the Framework Service Agreement will enable the Group to secure a source of project opportunities and revenue, improve workload visibility, and better utilise its existing workforce and resources, thereby enhancing operational efficiency. The Framework Service Agreement also provides a flexible contractual platform under which the Group may undertake subcontracted works on a project-by-project basis without committing to fixed volumes, which is consistent with the Group's prudent business strategy.

The Directors believe that the transactions contemplated under the Framework Service Agreement are conducted in the ordinary and usual course of business of the Group and are aligned with the Group's strategy to stabilise revenue, broaden its customer base and improve business sustainability under current market conditions.

The Directors (including the independent non-executive Directors) consider that the Framework Service Agreement (together with the Annual Caps) has been entered into on normal commercial terms and after arm's length negotiations between the parties, and that the service transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors has a material interest in the Framework Service Agreement and no Director is required to abstain from voting on the Board resolutions approving the entering into of the Framework Service Agreement and the transactions contemplated thereunder (together with the Annual Caps).

## GENERAL

The Group is principally engaged in RMAA works and other construction-related services in Hong Kong.

Hong Dau is an indirect wholly-owned subsidiary of the Company and is principally engaged in the provision of construction-related and RMAA services in Hong Kong.

Arcana is a company wholly owned by Ms. Yu So Yin and is principally engaged in construction project management and contracting-related businesses, including the engagement and management of subcontractors in connection with construction projects.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, no other Director, controlling shareholder or substantial shareholder of the Company has any interest in the transactions contemplated under the Framework Service Agreement.

## DEFINITIONS

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

“Annual Cap(s)”	the maximum aggregate contract sums to be received by the Group from Arcana for the relevant period or financial year under the Framework Service Agreement
“Arcana”	Arcana Water Seepage Investigation Co. Limited (北斗滲水檢測有限公司), a company incorporated in Hong Kong with limited liability whose entire equity is 100% owned by Ms. Yu So Yin
“Board”	the board of Directors
“Company”	Unity Enterprise Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”, “continuing connected transaction(s)”, “controlling shareholder”, “percentage ratio(s)” and “subsidiary(ies)”	each has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Framework Service Agreement”	the framework service agreement dated 23 February 2026 entered into between Hong Dau and Arcana in relation to the provision of construction-related subcontracting services by the Group to Arcana

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Dau”	Hong Dau Construction Company Limited (香島建築有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on Main Board of the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Mr. Yeung Wing Sun”	Mr. Yeung Wing Sun (楊永榮), a controlling shareholder of the Company and the spouse of Ms. Yu So Yin
“Ms. Yu So Yin”	Ms. Yu So Yin (余素賢), the spouse of Mr. Yeung Wing Sun
“Service Transactions”	the continuing connected subcontracting transactions contemplated under the Framework Service Agreement
“Share(s)”	ordinary share(s) of HK\$0.1 in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board of  
**Unity Enterprise Holdings Limited**  
**Chan Leung**  
*Chairperson and Executive Director*

Hong Kong, 23 February 2026

*As at the date of this announcement, the Board comprises Mr. Chan Leung (Chairman and Chief Executive Officer) as an executive Director; Ms. Chan Mei Wah, Mr. Mak Alexander and Mr. Wu Hak Ping as independent non-executive Directors.*