THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Winto Group (Holdings) Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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This circular appears for information purposes only and does not constitute an invitation or offer to sell, dispose, acquire, purchase or subscribe for any securities of the Company.

WINTO GROUP (HOLDINGS) LIMITED
惠陶集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8238)

(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD AT THE CLOSE OF BUSINESS ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS; AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

Financial Adviser to the Company

ADVENT 宏智融資 Advent Corporate Finance Limited

Placing Agent to the Company

ADVENT 宏智證券(香港) Advent Securities (Hong Kong) Limited

Independent Financial Adviser to the Company

紅日資本有限公司 RED SUN CAPITAL LIMITED

Capitalised terms used on this cover page shall have the same meanings as defined in this circular.

A letter from the Board is set out on pages 8 to 29 of this circular. The recommendation of the Independent Board Committee to the Independent Shareholders is set out on page 30 of this circular. A letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders is set out on pages 31 to 57 of this circular.

A notice convening the EGM to be held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong on Friday, 16 January 2026 at 4:00 p.m. or any adjournment thereof is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend and vote at the EGM in person, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Share Registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event no less than 48 hours before the time appointed for holding the EGM (i.e. Wednesday, 14 January 2026 at 4:00 p.m.) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and, in such event, the instrument appointing the proxy shall be deemed to be revoked.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares and is subject to the fulfilment of conditions set out in the section headed "Letter from the Board – Conditions of the Rights Issue" in this circular. Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers. In the event that the Rights Issue is not fully subscribed, the Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placees under the Unsubscribed Arrangements. The Placing Shares which are not placed under the Unsubscribed Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue.

23 December 2025

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

Page

Characteristics of GEM i

Expected timetable 1

Definitions 4

Letter from the Board 8

Letter from the Independent Board Committee 30

Letter from Red Sun Capital 31

Appendix I — Financial information of the Group I-1

Appendix II — Unaudited pro forma financial information of the Group II-1

Appendix III — General information of the Group III-1

Notice of Extraordinary General Meeting EGM-1

Set out below is the expected timetable for the Rights Issue which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled:

Event	**2025/2026**
Expected despatch date of circular together with notice and form of proxy for the EGM	Tuesday, 23 December 2025
Latest time and date for lodging transfers document in order to qualify for attendance and voting at the EGM	4:30 p.m. on Friday, 9 January 2026
Closure of register of members of the Company for attending the EGM (both days inclusive)	Monday, 12 January 2026 to Friday, 16 January 2026
Latest time and date for lodging forms of proxy for the EGM	4:00 p.m. on Wednesday, 14 January 2026
Record date for determining attendance and voting at the EGM	Friday, 16 January 2026
Expected date and time of the EGM	4:00 p.m. on Friday, 16 January 2026
Announcement of poll results of the EGM	Friday, 16 January 2026
Register of members of the Company re-opens	Monday, 19 January 2026
The following events are conditional upon the results of the EGM and therefore the dates are tentative only.	
Last day of dealing in the Share on a cum-rights basis	Monday, 19 January 2026
First day of dealing in the Share on an ex-rights basis	Tuesday, 20 January 2026
Latest time for the Shareholders to lodge transfer of Shares in order to qualify for the Rights Issue	4:30 p.m. on Wednesday, 21 January 2026

Event	2025/2026
Closure of register of members of the Company for the Rights Issue (both days inclusive)	Thursday, 22 January 2026 to Wednesday, 28 January 2026
Record Date for determining entitlements to the Rights Issue	Wednesday, 28 January 2026
Register of members of the Company re-opens	Thursday, 29 January 2026
Despatch of Prospectus Documents	Thursday, 29 January 2026
First day of dealings in nil-paid Rights Shares	Monday, 2 February 2026
Latest time for splitting of provisional allotment letter	4:30 p.m. on Wednesday, 4 February 2026
Last day of dealings in nil-paid Rights Shares	Monday, 9 February 2026
Latest time for acceptance of and payment for the Rights Issue Shares	4:00 p.m. on Thursday, 12 February 2026
Announcement of the number of the Placing Shares subject to the Unsubscribed Arrangements	Friday, 13 February 2026
Commencement of placing of the Placing Shares by the Placing Agent	Wednesday, 25 February 2026
Latest time of placing of the Placing Shares by the Placing Agent	6:00 p.m. on Friday, 6 March 2026
Latest time for the Rights Issue and placing of the Placing Shares to become unconditional	4:00 p.m. on Monday, 9 March 2026
Announcement of results of the Rights Issue (including results of the placing of the Placing Shares and the amount of the Net Gain per Placing Share under the Unsubscribed Arrangements)	Friday, 13 March 2026

Event	2025/2026
Refund cheques to be despatched (if the Rights Issue does not proceed)	Monday, 16 March 2026
Certificates for fully-paid Rights Shares to be despatched	Monday, 16 March 2026
Expected commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Tuesday, 17 March 2026
Payment of Net Gain to relevant No Action Shareholders or Excluded Shareholders	Tuesday, 24 March 2026

All times and dates in this circular refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above or in other parts of this circular are indicative only and may be extended or varied by the Company. Any change to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The latest time for acceptance of and payment for the Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or "extreme conditions" caused by super typhoons announced by the government of Hong Kong or a "black" rainstorm warning:

(i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Thursday, 12 February 2026. 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 Thursday, 12 February 2026. Instead the latest time for acceptance of and payment for the 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 in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the "Expected timetable" above may be affected. An announcement will be made by the Company in such event as soon as practicable.

In this circular, unless the context otherwise requires, the following expressions have the meanings as set out below:

"associate(s)"	has the same meaning ascribed to thereto under the GEM Listing Rules
"Board"	the board of Directors
"Business Day(s)"	a day(s) (excluding Saturday, Sunday and any day on which "extreme conditions" caused by super typhoons is announced by the Government of Hong Kong or 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 a "black" rainstorm warning 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) on which licensed banks in Hong Kong are open for general business
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCASS 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
"Companies (WUMP) Ordinance"	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
"Company"	Winto Group (Holdings) Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on GEM of the Stock Exchange
"Directors"	the directors of the Company
"EGM"	the extraordinary general meeting of the Company to be convened and held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong on Friday, 16 January 2026 at 4:00 p.m. (or any adjournment thereof) to consider and approve the Rights Issue
"ES Unsold Rights Shares"	the Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholders in nil paid form that have not been sold by the Company

"Excluded Shareholders"	those Overseas Shareholders whom the Rights Shares are not offered
"GEM"	GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Independent Board Committee"	the independent board committee of the Company comprising all the independent non-executive Directors and is established to advise the Independent Shareholders in respect of the the Rights Issue
"Independent Financial Adviser"	Red Sun Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue
"Independent Shareholders"	Shareholders who are not required to abstain from voting at the EGM
"Independent Third Parties"	third parties independent of and not connected with the Company and its connected persons
"Last Trading Day"	6 November 2025, being the last full trading day before the publication of the announcement in respect of the Rights Issue
"Latest Practicable Date"	17 December 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
"Latest Time for Acceptance"	4:00 p.m. on Thursday, 12 February 2026, being the latest time for acceptance of the offer of and payment for the Rights Shares
"Net Gain"	any premiums paid by the Placees over the Subscription Price for the Placing Shares placed by the Placing Agent

"No Action Shareholders"	Qualifying Shareholders or their renouncees who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or such persons who are holders of nil paid rights at the time such nil paid rights lapse
"Overseas Shareholders"	the Shareholders (whose names appears on the register of members of the Company at the close of business on the Record Date) with registered addresses outside Hong Kong
"PAL(s)"	the provisional allotment letter(s) to be issued to the Qualifying Shareholders
"Placees"	individuals, corporate, institutional investors or other investors, procured by the Placing Agent and/or its sub-placing agents to subscribe for the Placing Shares pursuant to the Placing Agreement
"Placing"	the placing of the Placing Shares
"Placing Agent"	Advent Securities (Hong Kong) Limited, a licensed corporation to carry on Type 1 (dealing in securities) regulated activity under the SFO, being the placing agent appointed by the Company to place the Placing Shares under the Unsubscribed Arrangements
"Placing Agreement"	the placing agreement dated 6 November 2025 entered into between the Company and the Placing Agent in relation to the placing of the Placing Shares
"Placing Shares"	the placing of Unsubscribed Rights Shares and the ES Unsold Right Shares
"Prospectus"	the prospectus to be issued to the Shareholders containing details of the Rights Issues
"Prospectus Documents"	the Prospectus and the PAL
"Prospectus Posting Date"	Thursday, 29 January 2026 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders

"Qualifying Shareholders"	Shareholders, other than the Excluded Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date
"Record Date"	Wednesday, 28 January 2026 or such other date as may be determined by the Company, being the date by reference to which the Shareholders' entitlements to the Rights Issue are to be determined
"Rights Issue"	the issue of the Rights Shares by way of rights on the basis of three Rights Shares for every one Share held by the Qualifying Shareholders on the Record Date at the Subscription Price
"Rights Shares"	up to 261,273,600 new Shares to be allotted and issued pursuant to the Rights Issue
"SFC"	the Securities and Futures Commission
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share Registrar"	Tricor Investor Services Limited
"Shareholders"	holders of the Shares
"Shares"	the ordinary share(s) in the share capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	the subscription price of HK$0.2 per Rights Share under the Rights Issue
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Unsubscribed Arrangements"	arrangements to place the Unsubscribed Rights Shares by the Placing Agent on a best effort basis to investors who (or as the case maybe, their ultimate beneficial owner(s)) are Independent Third Parties pursuant to Rule 10.31(1)(b) of the GEM Listing Rules
"Unsubscribed Rights Shares"	the Rights Shares that are not subscribed by the Qualifying Shareholders

WINTO GROUP (HOLDINGS) LIMITED
惠陶集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8238)

Executive Directors:
Ms. Lao Lai
Mr. Lei Kam Chao

Independent non-executive Directors:
Ms. Wong Chi Ling
Mr. Lee Kwok Lun
Mr. Ma King Fai, Lucas

Registered office:
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Cayman Islands

Head office and principal place of business:
Suite 913, 9/F.
Chinachem Golden Plaza
No. 77 Mody Road
Tsim Sha Tsui
Kowloon, Hong Kong

23 December 2025

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD AT THE CLOSE OF BUSINESS ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS; AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with, among other things, (i) further details of the Rights Issue; (ii) a letter from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; (iv) other information required under the GEM Listing Rules; and (v) a notice convening the EGM.

PROPOSED RIGHTS ISSUE

The Company proposes the Rights Issue, details of which are summarised below:

Issue statistics

Assuming no further change in the number of issued Shares on or before the effective date of the Record Date:

Basis of Rights Issue	:	Three Rights Shares for every one Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK$0.20 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	87,091,200 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 261,273,600 Shares
Aggregate nominal value of the Rights Shares	:	Up to HK$52,254,720
Total number of Shares in issue immediately upon completion of the Rights Issue	:	Up to 348,364,800 Shares
Maximum funds raised before expenses	:	Up to approximately HK$52.25 million (assuming all the Rights Shares will be taken up)

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

Assuming no Shares are issued or repurchased on or before the Record Date, the maximum number of 261,273,600 Rights Shares to be issued pursuant to the terms of the Rights Issue represents 300% of the total number of the existing issued Shares as at the Latest Practicable Date and 75% of the total number of the issued Shares as enlarged by the allotment and issue of the Rights Shares immediately upon completion of the Rights Issue.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully subscribed, the Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placees under the Unsubscribed Arrangements. The Placing Shares which remain not placed under the Unsubscribed Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. There is also no statutory requirement regarding minimum subscription level in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, Shareholders who apply to take up all or part of their entitlements under the PALs 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 Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue 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 in accordance to the note to Rule 10.26(2) of the GEM Listing Rules.

The Company conducted an evaluation of potential underwriting arrangements for the Rights Issue, approaching a number of securities firms to assess their interest in acting as underwriter. However, only the Placing Agent expressed interest and willingness to participate as a placing agent, with no other underwriters prepared to commit to a full underwriting agreement.

Given the lack of underwriting interest, the Board determined that proceeding on a non-underwritten basis, combined with the Placing Agreement, represents the most viable and efficient approach to meet the Company's funding objectives.

Furthermore, as detailed in the section headed "Placing Agreement" below, the Unsubscribed Arrangements would provide a distribution channel of the Unsubscribed Rights Shares and a compensatory mechanism for No Action Shareholders and the Excluded Shareholders. After careful deliberation, the Board concluded that the terms of the Rights Issue, including the non-underwritten structure and Unsubscribed Arrangements, are fair, reasonable, and in the best interests of the Company and its Shareholders as a whole.

Subscription Price

The Subscription Price of HK$0.20 per Rights Share is payable in full when the Qualifying Shareholders accept the relevant provisional allotment of Rights Shares. Assuming that all the Rights Shares are fully subscribed, the net price per Rights Share is estimated to be approximately HK$0.19.

The Subscription Price represents:

(i) a discount of approximately 6.98% to the closing price of HK$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 16.67% to the closing price of HK$0.240 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(iii) a discount of approximately 6.98% to the average closing price of HK$0.215 per Share as quoted on the Stock Exchange for the five consecutive trading days prior to the Last Trading Day;

(iv) a discount of approximately 6.10% to the average closing price of HK$0.213 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;

(v) a discount of approximately 10.31% to the average closing price of HK$0.223 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day;

(vi) a discount of approximately 1.96% to the theoretical ex-rights price of HK$0.204 per Share based on the closing price of HK$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day; and

(vii) a cumulative theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 5.12%, represented by the theoretical diluted price of approximately HK$0.204 per Share to the benchmarked price (as defined under Rule 10.44A of the GEM Listing Rules), taking into account the closing price on the Last Trading Day of HK$0.215 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the Last Trading Day of approximately HK$0.215 per Share).

The Subscription Price was determined with reference to (i) the recent market price and the low trading volume of the Shares; (ii) the prevailing market conditions; (iii) the latest business performance and financial position of the Group; and (iv) the reasons for and benefits of the Rights Issue as discussed in this circular.

The Board thoroughly assessed the Company's immediate and medium-term funding requirements, including the repayment of outstanding liabilities which are overdue, the particulars of which are set out in the section headed "Reasons for and Benefits of the Rights Issue and Use of Proceeds", the net liability position of the Company as at 30 June 2025, and working capital needs, to ensure the Company maintains sufficient liquidity for its operations and strategic initiatives. The Subscription Price was set at a level that

balances the need to raise adequate capital while minimising undue dilution to existing shareholders.

When determining the Subscription Price, the Directors have considered, among other things, the closing prices of the Shares traded on the Stock Exchange from 6 November 2024, being 12 months prior to and including the Last Trading Day (the "**Review Period**"), as a benchmark to reflect the prevailing market conditions and recent market sentiment. The Directors consider that the Review Period is sufficient as it is intended to identify the most prevailing market price and recent trading performance of the Shares under the market conditions and sentiment close enough to that of the Rights Issue. During the period of 6 November 2024 to the Last Trading Day, the closing prices of the Shares on the Stock Exchange ranged from HK$0.124 per Share to HK$0.55 per Share, with an average closing price of approximately HK$0.264 per Share. The Review Period is not intended to extend further into the past nor any date after the Last Trading Day to cover the Company's Share price that is under market conditions and sentiment that may be different and therefore not relevant for comparison purpose. Thus, the Directors consider that it is fair and reasonable and in the interests of the Company and its Shareholders to set the Subscription Price with reference to the prevailing market conditions during the Review Period and the other factors as set out above.

The Directors noted that there was a general downward trend of the closing prices of the Shares on the Stock Exchange during the Review Period. The Board is not currently aware of any specific reasons that may have contributed to the significant price fluctuations during the Review Period.

Although the Subscription Price represents a discount of approximately 6.98% to the closing price of HK$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day, it should be noted that the Company recorded a net liability attributable to owners of the Company of approximately HK$36.5 million as at 30 June 2025. On this basis and having considered the financial performance and financial conditions of the Group, the Directors considered the challenge of raising funds through equity due to (i) the Shares' recent market performance, which has been in a downward trend; and (ii) the current market sentiment of the shares of listed companies in Hong Kong. Therefore, it is reasonable for the Subscription Price to be set at a discount to the prevailing closing price of the Shares in order to attract the Qualifying Shareholders to participate in the Rights Issue.

Given these factors, only a discounted price of the Shares would be attractive to the Qualifying Shareholders to participate in the Rights Issue, enabling the Company to raise sufficient capital.

The Company has also exhaustively conducted a search of recent proposed rights issue exercises, announced by the companies listed on the GEM of the Stock Exchange within the three months prior to the Last Trading Day to understand the trend of the recent market practice regarding rights issue exercises. The Company has identified a total of 8 rights

issue comparables (the "**Comparables**") during the respective period. Although the Comparables include rights issues in different scale, engaged in different business or have different financial performance and funding needs from the Company, having considered (i) all of the Comparables and the Group are listed on the GEM of the Stock Exchange; (ii) including transactions conducted by the Comparables with different funding needs and business represents a more comprehensive overall market sentiment in the Company's comparable analysis; (iii) the respective period for the selection of the Comparables has generated a reasonable and meaningful number of sample size of 8 Hong Kong listed issuers to reflect the market practice regarding recent rights issue; and (iv) the 8 Comparables identified during the aforementioned period were exhaustively included without any artificial selection or filtering so the Comparables represent a true and fair view of the recent market trends for rights issue conducted by other Hong Kong listed issuers in the GEM of the Stock Exchange. Therefore, the Company considers that the Comparables are indicative in assessing the fairness and reasonableness of the terms of the Rights Issue (including the Subscription Price).

Details of the 8 Comparables are set out below:

Stock Code	**Company Name**	**Premium/ (discount) of the subscription price over/to the theoretical ex-rights price based on the closing price per share on the last trading day** *(%)*	**Theoretical dilution effect** *(%)*
8283	Zhongshi Minan Holdings Limited	-4.89	21.7
8153	Jiading International Group Holdings Limited	-29.69	12.9
8612	World Super Holdings Limited	5.26	N/A
8431	Hao Bai International (Cayman) Limited	-4.55	23.2
8282	Gameone Holdings Limited	1.12	0.6
8341	Aeso Holdings Limited	-10.35	17.1
8133	Jisheng Group Holdings Limited	-4.15	10.6
8178	China Information Technology Development Limited	-47.11	15.1
Average		**-11.80**	**14.5**

The premium/discount of subscription price over/to the theoretical ex-rights price based on the closing price per share on the last trading day prior to the announcement of the respective Comparables generally ranged from a premium of approximately 5.26% to a discount of approximately 47.11% with an average of approximately 11.8% in discount to the theoretical ex-rights price.

Taking into consideration the Company's discount of approximately 1.96% to the theoretical ex-rights price of HK$0.204 per Share based on the closing price of HK$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day, it falls within the range of that of the Comparables.

The cumulative theoretical dilution effect of the Comparables ranged from 0.6 to 23.2, with an average cumulative theoretical dilution effect of approximately 14.5%. The Company's cumulative theoretical dilution effect of approximately 5.12% falls within the range of that of the Comparables and less than the average Comparables' dilution effect, the Directors consider that the theoretical dilution effect and the discount of the Subscription Price is in line with market practice.

The Directors (excluding the members of the Independent Board Committee, whose opinion will be provided after taking into account the advice of the Independent Financial Adviser) consider that the terms of the Rights Issue, including the Subscription Price, are fair, reasonable and in the best interests of the Company and the Shareholders as a whole.

Undertakings

The Company has not received any information or irrevocable undertaking from any substantial shareholder of the Company of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue as at the date of this circular.

Basis of provisional allotment

The basis of the provisional allotment shall be three Rights Shares for every one Share held by the Qualifying Shareholders as at the close of business on the Record Date. The PAL relating to the Rights Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares.

Prior to determining the entitlement ratio of the Rights Issue, the Board has considered various options. Given the amount of funds the Company intends to raise under the Rights Issue for repayment of outstanding liabilities and business development are not insignificant, and by taking into account of the latest financial performance of the Group and the recent market price of the Shares, the Company considers the Rights Issue entitlement ratio of three Rights Shares for every one Share is reasonable to raise necessary funds to support operation needs and strengthen capital structure.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance for the Rights Shares being applied for with the Share Registrar on or before the Latest Time for Acceptance.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be an Excluded Shareholder on the Record Date. In order to be registered as a member of the Company on the Record Date, Shareholders must lodge the relevant documents for transfer of Shares (with the relevant share certificates) with the Share Registrar at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Wednesday, 21 January 2026.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company. For Shareholders whose Shares are held by a nominee (or held in CCASS) and would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Share Registrar for registration no later than 4:30 p.m. on Wednesday, 21 January 2026.

The last day of dealings in the Share on a cum-rights basis is Monday, 19 January 2026. The Share will be dealt with on an ex-rights basis from Tuesday, 20 January 2026. If a Qualifying Shareholder does not take up his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

Excluded Shareholders (if any)

The Prospectus Documents to be issued in connection with the Rights Issue will not be filed or registered under the applicable securities legislation of any jurisdiction other than Hong Kong. The Company will not extend the Rights Issue to the Excluded Shareholders. Accordingly, no provisional allotment of Rights Shares will be made to the Excluded Shareholders and Excluded Shareholders will not be entitled to apply for Rights Shares. Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders, to be sold in their nil-paid form on the Stock Exchange as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, levies and stamp duty, if more than HK$100, the excess will be paid pro-rata (but rounded down to the nearest cent) to the shareholdings of the relevant Excluded Shareholders held on the Record Date in Hong Kong dollars. The Company will retain individual amounts of HK$100 or less for its own benefit to cover the administrative costs that it would have incurred.

All ES Unsold Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form, will be placed by the Placing Agent at the price at least equal to the Subscription Price under the Placing. For the nil-paid Rights Shares that are sold as described above but the buyers of such nil-paid Rights Shares do not take up the entitlement, such Unsubscribed Rights Shares will be subject to the Unsubscribed Arrangements. Any ES Unsold Rights Shares and Unsubscribed Rights Shares which are not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Rights of Overseas Shareholders

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Based on the register of members of the Company, there is no Overseas Shareholder as at the Latest Practicable Date. If there is any Overseas Shareholder on the Record Date, the Company will make enquiries pursuant to Rule 17.41(1) of the GEM Listing Rules regarding the feasibility of extending the Rights Issue to the Overseas Shareholders under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If it is in the opinion of the Board that it would be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place to exclude such Overseas Shareholders from the Rights Issue, no Rights Share (whether in nil paid or fully-paid form) will be offered to such Overseas Shareholders. The basis for excluding the Excluded Shareholders from the Rights Issue will be set out in the Prospectus. The Company will send the Prospectus to the Excluded Shareholders for their information only but will not send any PAL to them. The Company reserves the right to treat as invalid any acceptance of or application for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Excluded Shareholders should exercise caution when dealing in the Shares.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects among themselves and with the Shares in issue at the time. 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 after the date of allotment and issue of the Rights Shares.

Fractional entitlement to the Rights Shares

On the basis of provisional allotment of three Rights Shares for every one Share held by the Qualifying Shareholders on the Record Date, no fractional entitlement to the Rights Shares will arise under the Rights Issue.

Odd lot arrangement

In order to facilitate the trading of odd lots (if any) of the Shares, a designated broker will be appointed to stand in the market to match the purchase and sale of odd lots of the Shares at the relevant market price, on a best effort basis. Shareholders should note that matching of the sale and purchase of odd lots of the Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangement is recommended to consult his/her/its own professional advisers. Further details in respect of the odd lots trading arrangement will be set out in the Prospectus.

Procedures in Respect of the Unsubscribed Rights Shares and the Unsubscribed Arrangements

The Company will make arrangements described in Rule 10.31(1)(b) of the GEM Listing Rule to dispose of the Placing Shares by offering the Placing Shares to independent Placees for benefit of the Shareholders to whom they are offered by way of the Rights Issue. There will be no excess application arrangement in relation to the Rights Issue.

The Company has appointed the Placing Agent to place the Placing Shares after the Latest Time for Acceptance of the Rights Shares to independent Placees on a best effort basis. The Placing Agent will, on a best effort basis, procure, by not later than 6:00 p.m., on Friday, 6 March 2026, acquirers for all (or as many as possible) of those Placing Shares. Any premium over the Subscription Price and the expenses of procuring such acquirers (including commission and other related expenses/fees) that is realised will be paid to the No Action Shareholders and Excluded Shareholders on a pro-rata basis. All Placing Shares which are not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) on pro-rata basis (on the basis of all Placing Shares) to the No Action Shareholders and the Excluded Shareholders (but rounded down to the nearest cent) as set out below:

(i) where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL (unless that person is covered by (iii) below);

(ii) where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holders of those nil-paid rights in CCASS (unless that they are covered by (iii) below);

(iii) where the Rights Issue is extended to the Overseas Shareholders and whose entitlements to the Rights Shares were not taken up, to such Overseas Shareholders.

It is proposed that Net Gain of HK$100 or more to the individual No Action Shareholder mentioned in (i) to (iii) above will be paid to them in Hong Kong Dollars only and the Company will retain individual amount of less than HK$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised and, accordingly, the No Action Shareholders and the Excluded Shareholders may or may not receive any Net Gain.

PLACING AGREEMENT

On 6 November 2025 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by itself or through its sub-placing agents) to procure independent Placees, on a best effort basis, to subscribe for the Placing Shares. Details of the Placing are as follows:

Date	:	6 November 2025
Parties	:	(i) the Company, as issuer; and (ii) the Placing Agent
Placing Agent	:	Advent Securities (Hong Kong) Limited, appointed as the Placing Agent to place the Placing Shares on a best effort basis. The Placing Agent has confirmed that it is an Independent Third Party.
Fees and expenses	:	3% of the amount which is equal to the placing price multiplied by the Placing Shares that are successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement and reimbursed for the expenses in relation to the Placing, which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion.

Placing price of the Placing Shares	:	The placing price of the Placing Shares shall be at least equal to the Subscription Price. The final price is dependent on the demand and market conditions of the Placing Shares during the process of placement.
Placees	:	The individuals, corporate, institutional investors or other investors procured by the Placing Agent and/or its sub-placing agents to subscribe for the Placing Shares.
Ranking of the Placing Shares	:	The Placing Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue.
Termination	:	The Placing shall end on Monday, 9 March 2026 or any other date by mutual written agreement between the Placing Agent and the Company. The engagement of the Placing Agent may be terminated by the Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill their respective duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.
Conditions precedent	:	The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled (or being waived by the Placing Agent in writing, if applicable): (i) the passing by the Shareholders (including the Independent Shareholders) at the EGM of the necessary resolutions to approve the Rights Issue; (ii) the GEM Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares (including the Placing Shares);

(iii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and

(iv) the Placing Agreement not having been terminated in accordance with the provisions thereof.

The Placing Agent may, in its absolute discretion, waive the fulfillment of all or any or any part of the above conditions (other than those set out in paragraphs (i) and (ii) above) by notice in writing to the Company.

Completion : Placing completion shall take place on 4:00 p.m. of Monday, 9 March 2026 or such other date as the Company and the Placing Agent may agree in writing.

The Placing Agent shall ensure that the Placing Shares are placed (i) only to institutional, corporate or individual investors who and whose ultimate beneficial owners shall be Independent Third Parties; (ii) such that the Placing will not have any implication under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and (iii) such that the Placing will not result in the Company incapable of complying with the public float requirements under the GEM Listing Rules immediately following the Placing. The Company will continue to comply with the public float requirements under Rule 11.23(7) of the GEM Listing Rules and the Placing will not have any implication under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.

The engagement between the Company and the Placing Agent for the Placing of the Placing Shares was determined after arm's length negotiations between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the financial position of the Group, the size of the Rights Issue, and the market conditions. The Board considers the terms of the Placing for the Placing Shares (including the commission payable) are on normal commercial terms.

Given that the Unsubscribed Arrangements would provide (i) a distribution channel of the Placing Shares; and (ii) a compensatory mechanism for No Action Shareholders and the Excluded Shareholders, the Board considers that the Unsubscribed Arrangements are fair and reasonable and would provide adequate safeguard to protect the interest of the Company's minority shareholders.

Application for listing

The Company will apply to the GEM Listing Committee for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. The nil-paid and fully-paid Rights Shares shall have the same board lot size as the Shares, i.e. 8,000 Shares in one board lot. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

Eligibility for admission 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 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 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 should seek advice from their licensed securities dealers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

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

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposal of, or dealing in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Excluded Shareholders as regards to their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It should be noted that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealing in or exercising any right in relation to the Shares or the Rights Shares.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all Rights Shares are expected to be posted to the Qualifying Shareholders who have accepted and applied for (where appropriate), and paid for the Rights Shares on or before Monday, 16 March 2026 by ordinary post at their own risk.

If the Rights Issue is terminated, refund cheques in respect of the applications for Rights Shares are expected to be posted on or before Monday, 16 March 2026 by ordinary post to the applicants at their own risk.

Conditions of the Rights Issue

The Rights Issue is conditional upon:

(i) the passing by the Shareholders (including the Independent Shareholders) at the EGM of all necessary resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;

(ii) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly certified in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (and other documents required to be attached thereto) and otherwise complying with the requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Companies Ordinance and the GEM Listing Rules;

(iii) the despatch of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus to the Excluded Shareholders, if any, for information purpose only on or before the Prospectus Posting Date;

(iv) the GEM 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;

(v) all relevant consents and approvals being obtained from the regulatory authorities, including the Stock Exchange, as the case may require in connection with the Rights Issue by the relevant time that each consent and approval is required; and

(vi) the Placing Agreement not being terminated.

None of the above conditions can be waived. None of the above conditions has been fulfilled as at the Latest Practicable Date. The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions by the respective dates specified above. As the Rights Issue is subject to the above conditions, it may or may not proceed.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 22 January 2026 to Wednesday, 28 January 2026 (both dates inclusive) for the purpose of determining entitlements to the Rights Issue. No transfer of Shares will be registered during the above book closure period.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are (i) exhibition and trade show business and related services; (ii) publications and advertising business (the "**Publications and Advertising Business**") including print and online advertising, sales of publications, advertising and related production services and outdoor advertising; (iii) online sales of beauty and cosmetics products; and (iv) sales of luxury products.

As at 30 June 2025, the Group's current liabilities exceeded its current assets by approximately HK$40.11 million and the Group had net liabilities of approximately HK$39.14 million, while its cash and cash equivalents amounted to approximately HK$5.03 million. The Directors considered that it is imperative to conduct fundraising activities to maintain sufficient working capital to finance its operations and to meet its financial obligations. Assuming that all Rights Shares to be issued under the Rights Issue have been taken up in full, the Company is expected to have sufficient working capital for at least twelve months from the date of completion of the Rights Issue.

On 15 October 2025, the Company announced that it entered into a placing agreement with a placing agent to procure to subscribe for up to 17,416,000 shares under general mandate. The placing is conditional upon the fulfillment of certain conditions on or before 5 November 2025. On 5 November 2025, the Company announced that the conditions as set out in the placing agreement have not been fully satisfied. The placing agreement has lapsed and the placing will not proceed.

The net proceeds of the Rights Issue and the Placing (after deduction of expenses) are estimated to be approximately HK$49.44 million. The Company intends to apply the net proceeds of approximately HK$49.44 million as follows:

Repayment of Outstanding Liabilities

Approximately HK$32.27 million (being approximately 65.3% of the net proceeds) is intended to be used for repayment of outstanding liabilities of the Group, including the (i) outstanding principal and interest of loan from the Independent Third Parties, who are subsidiaries of two different listed companies in Hong Kong; and (ii) trade and other payables. The two loans are unsecured, unguaranteed, both loans bearing interest of 18% per annum and were obtained in March 2023 and January 2025 respectively. The trade and other payables are unguaranteed and unsecured. The detail breakdown of the use of proceeds which will be utilised for the repayment of the outstanding liabilities of the Group are summarised in the table as below. Such proceeds shall be utilised by first half of 2026. The Directors believe that repaying such liabilities will enable the Group to improve its financial position of the Company. By doing so, the Group can potentially negotiate better terms with other financial institutions. This strategic move aims to improve the Group's financial position and provide opportunities for more favorable financing arrangements in the future.

Items	**Amount** *(HK$ million)*	**Interest Rate** *(per annum)*	**Due Date**
Loan from a Third Party	4.5	18%	Past due over 3 months
Loan from a Third Party	2.8	18%	Past due over 15 months
Accrued interests	1.47		
Trade and other payables:			
– Trade payables	10.23		Past due over 6 months
– Other payables	8.74		Past due for 6 months
– Accrued staff costs and accrued professional fee	4.53		Past due for 6 months
Total	32.27		

New Project of the Publications and Advertising Business – The Qingmao Port Project

Approximately HK$9.75 million (being approximately 19.7% of the net proceeds) is intended to be used for the costs and expenses for the Qingmao Port Project.

During the years, the Publications and Advertising Business is the principal business of the Group and it has been one of the major sources of revenue of the Group. It is the Group's aim to diversify this business and enhance its capabilities as an omni-channel advertising service provider. The Qingmao Port Project is the provision of out-of-home advertising spaces and

services to customers, which comprise end-users aiming to promote their brands, products or services, and advertising agents acting for such advertisers. It is within the existing business model of the Publications and advertising income segment of the Group. The Company aims to deliver integrated out-of-home media services to customers which enable them to enhance their brand recognition and expand and strengthen their connection with customers.

On 7 July 2025, Tiance Cultural Communication Limited, a subsidiary of the Company, entered into a sub-license agreement (the "**Sub-license Agreement**") with a licensor (the "**Licensor**") who is the main contractor/licensor, a company incorporated in Macau and independent of the Company and its connected persons, pursuant to which the Group is licensed to operate and procure advertising services to its customers on 13 units of LED displays located at Zhuhai to Macau exit channel on second floor of Qingmao Port and 11 units of LED displays located at Macau to Zhuhai exit channel on third floor of the Qingmao Port. The main licensor was established in 2009. It is a leading media operator in Macau, owning a large number of exclusive media resources at Macau's border gate, Gongbei Port, Hengqin Port, Qingmao Port, Wanzai Port, and Macau Light Rail stations. It serves as the ultimate promotional channel for tourists from various countries traveling to Macau by land. The media coverage reaches over 70% of Mainland Chinese tourists and over 90% of Macau residents.

Revenue from the Qingmao Port Project represents the advertising income generated from the rental of advertising spaces in terms of timing of the advertisements shown on the LEDs installed at the Group's licensed spots in the Qingmao Port. The Group also provides design and production services to deliver creative, comprehensive media solutions to meet the unique advertising needs of the customers and proactively provide them with creative suggestions. The Group generally out-sources the design and production services to design houses but the Group remains responsible for supervising and overseeing the design works from the design houses. The costs and expenses of the Qingmao Port Project consists of (i) rental cost; (ii) out-sourcing fees from design and production services; (iii) installation and maintenance fees for the LED displays; and (iv) staff recruitment and salary expenses. The Company expects such proceeds to be utilised by first half of 2026.

General Working Capital

Approximately HK$7.42 million (being approximately 15.0% of the net proceeds) is intended to be used for general working capital of the Group including but not limited to salary expenses, rental expenses, professional fee and other business development expenses, which is expected to be utilised by the end of 2026. The Directors believe that the proceeds will help to replenish the working capital of the Group to support its operations.

In the event there is an under-subscription of the Rights Issue, the net proceeds of the Right Issue will be applied in the order of priority as set out above, starting with the repayment of the liabilities. If proceeds fall short of HK$32.27 million, the Group intends to cover the shortfall using its internal cash resources.

The Company has considered other fund-raising alternatives before resolving to the Rights Issue, including but not limited to debt financing, placing of new Shares and open offer. Debt financing or bank loans would result in additional interest burden to and higher gearing ratio of the Group. Placing of new Shares would only be available to certain placees who were not necessarily the existing Shareholders and would dilute the shareholding of the existing Shareholders in the Company. As for open offer, although it is similar to a rights issue in offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market.

In view of the above, the Board (excluding the members of the Independent Board Committee whose opinion will be rendered after considering the advice from the independent financial adviser) considers that as compared to raising fund by other means, raising funds by way of the Rights Issue, which will allow Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain their respective pro-rata shareholding interests in the Company and dealing with the Shares, is an appropriate fundraising method and is fair, cost effective, efficient and beneficial to the Company and its shareholders as a whole.

SHAREHOLDING STRUCTURES

Assuming there is no further issue or repurchase of Shares from the date of this circular up to and including the date of completion of the Rights Issue, the table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue, assuming full acceptance by all Qualifying Shareholders; (iii) immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders have taken up any entitlements of the Rights Shares and all the Unsubscribed Shares are placed to the independent Placees:

	As at the Latest Practicable Date		**Immediately upon completion of the Rights Issue provided that all Shareholders have taken up all their entitled Rights Shares**		**Immediately upon completion of the Rights Issue provided that none of the Shareholders have taken up any of their entitled Rights Shares with all the Placing Shares are placed to Independent Third Parties under the Placing**	
	Number of issued Shares	*Approximate %*	*Number of issued Shares*	*Approximate %*	*Number of issued Shares*	*Approximate %*
Name of the Shareholders						
Public Shareholders	87,091,200	100.00	348,364,800	100.00	87,091,200	25.00
Placees	–	–	–	–	261,273,600	75.00
Total	87,091,200	100.00	348,364,800	100.00	348,364,800	100.00

EQUITY FUNDRAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company's equity fund raising exercises over the past 12-month period immediately preceding the Latest Practicable Date are set out below.

Date of initial announcement	Event	Net proceeds raised *(approximately)*	Intended use of proceeds	Actual use of proceeds
8 November 2024	Placing of New Shares Under General Mandate	HK$3.94 million	Approximately HK$3.94 million which will be used for expenditure for current business operation, development and general working capital	Utilised as intended
15 October 2025	Placing of New Shares Under General Mandate	HK$5.7 million	Approximately HK$5.7 million will be used for expenditure for current business operation, development and general working capital	Lapsed on 5 November 2025

GEM LISTING RULES IMPLICATIONS

As the Rights Issue will increase the number of the issued Shares by more than 50%, in accordance with Rule 10.29(1) of the GEM Listing Rules, the Rights Issue must be made conditional on approval by Independent Shareholders in a general meeting by a resolution on which all controlling Shareholders and their associates or, where there is no controlling Shareholder, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the Rights Issue. As at the Latest Practicable Date, the Company has no controlling Shareholder, and none of the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates have interest in the Shares. Therefore, no shareholder is required to abstain from voting in favour of the resolution(s) relating to the Rights Issue and the transactions contemplated thereunder at the EGM.

The Rights Issue does not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

Subject to the approval of the Rights Issue by the Independent Shareholders at the EGM, the Prospectus Documents containing further information the Rights Issue are expected to be despatched to the Qualifying Shareholders on 29 January 2026.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is subject to fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Any dealing in the Shares from the date of this circular up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholder dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders or other persons contemplating any dealing in the Shares and/or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

EGM

A notice convening the EGM to be held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong on Friday, 16 January 2026 at 4:00 p.m. at which ordinary resolution will be proposed to consider and approve the Rights Issue is set out on pages EGM-1 to EGM-2 of this circular. All the resolutions to be proposed at the EGM will be taken by poll and an announcement on the results of the EGM will be made by the Company after the EGM.

Whether or not you intend to attend the EGM, you are requested to complete and return the form of proxy accompanying this circular in accordance with the instructions printed thereon in any event no later than Wednesday, 14 January 2026 at 4:00 p.m. (Hong Kong time). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof in person if you so wish, and in such event, the form of proxy shall be deemed to be revoked.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, Monday, 12 January 2026 to Friday, 16 January 2026 (both days inclusive) for determining the identity of the Shareholders entitled to attend and vote at the EGM. For the avoidance of doubt, the Excluded Shareholders are entitled to attend and vote at the EGM.

RECOMMENDATION

The Board considers that the Rights Issue are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the ordinary resolution as set out in the notice of the EGM.

Your attention is drawn to the letter from the Independent Board Committee set out on page 30 of this circular and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 31 to 57 of this circular in connection with the Rights Issue and the transactions contemplated thereunder and the principal factors and reasons considered by the Independent Financial Adviser in arriving at such advice.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the Rights Issue and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned and on normal commercial terms or better and in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole.

Shareholders are advised to read the letter from the Independent Board Committee and the letter from the Independent Financial Adviser before deciding how to vote on the resolutions to be proposed at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information as set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
Winto Group (Holdings) Limited
Lao Lai
Executive Director

The following is the text of the letter from the Independent Board Committee setting out its recommendation to the Independent Shareholder in respect of the Rights Issue.

WINTO GROUP (HOLDINGS) LIMITED
惠陶集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8238)

23 December 2025

To the Independent Shareholders

Dear Sir or Madam,

(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD AT THE CLOSE OF BUSINESS ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS; AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

We refer to the circular of the Company dated 23 December 2025 ("**Circular**"), of which this letter forms part. Unless the context otherwise requires, capitalised terms defined in the Circular shall have the same meanings when used in this letter.

We have been appointed by the Board as the members of the Independent Board Committee, to advise the Independent Shareholders as to whether the terms of the Rights Issue are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

The Independent Financial Adviser has been appointed to advise us and Independent Shareholders in respect of the terms of the Rights Issue.

Having considered the terms of the Rights Issue and the advice of the Independent Financial Adviser, we are of the opinion that the terms of the Rights Issue are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Rights Issue.

Yours faithfully,
For and on behalf of
the Independent Board Committee
Winto Group (Holdings) Limited

Ms. Wong Chi Ling | **Mr. Lee Kwok Lun** | **Mr. Ma King Fai, Lucas**

Independent non-executive Directors

The following is the full text of the letter from the Independent Financial Adviser which sets out its advice to the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue and the transactions as contemplated thereunder, which has been prepared for the purpose of inclusion in this circular.

红日资本有限公司
RED SUN CAPITAL LIMITED

Room 2703, Floor 27
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Hong Kong
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23 December 2025

To: the Independent Board of Committee and the Independent Shareholders of Winto Group (Holdings) Limited

PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD AT THE CLOSE OF BUSINESS ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue and the transactions contemplated thereunder, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular dated 23 December 2025 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

Reference is made to the Letter from the Board, the Company proposed to raise up to approximately HK$52.25 million before expenses by way of the Rights Issue of a maximum of 261,273,600 Share at the Subscription Price of HK$0.20 per Rights Share on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date (assuming no further change in the number of issued Shares on or before the Record Date). The estimated net proceeds of the Rights Issue, will be approximately HK$49.44 million. The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares and will not be extended to the Excluded Shareholders. There will be no excess application arrangement in relation to the Rights Issue.

According to Rule 10.31(1)(b) of the GEM Listing Rules, the Company will make the Unsubscribed Arrangements to dispose of the Placing Shares by offering these Shares to independent Placees for the benefit of the Shareholders to whom they are offered by way of the

Rights Issue. Accordingly, on 6 November 2025 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent to place the Placing Shares to independent Placees on a best effort basis.

GEM LISTING RULES IMPLICATIONS

As the Rights Issue will increase the number of the issued Shares by more than 50%, in accordance with Rule 10.29(1) of the GEM Listing Rules, the Rights Issue must be made conditional on approval by the Independent Shareholders in a general meeting by a resolution on which all controlling Shareholders and their associates or, where there is no controlling Shareholder, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the Rights Issue. As at the Latest Practicable Date, the Company has no controlling Shareholder as defined under the GEM Listing Rules. Therefore, no Shareholder is required to abstain from voting in favour of the resolution(s) relating to Rights Issue and the transaction contemplated thereafter at the EGM.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Ms. Wong Chi Ling, Mr. Lee Kwok Lun and Mr. Ma King Fai, Lucas, has been established to advise the Independent Shareholders as to whether the terms of the Rights Issue are fair and reasonable and in the interest of the Company and the Shareholders as a whole and to advise the Independent Shareholders on how to vote at the EGM. We have been appointed as the Independent Financial Adviser and approved by the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any business relationship with or interest in the Company or the Placing Agent that could reasonably be regarded as relevant in assessing our independence. Save for our appointment as the Independent Financial Adviser, Red Sun Capital Limited did not act as an independent financial adviser to the Company under the GEM Listing Rules in the past two years. Apart from the normal advisory fee payable to us in connection with our appointment as the Independent Financial Adviser, no arrangement exists whereby we shall receive any other fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent pursuant to Rule 17.96 of the GEM Listing Rules.

BASIS OF OUR ADVICE

In formulating our advice, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations provided to us by the Group, the Directors and/or senior management of the Company (the "**Management**"). We have reviewed, among other things, (i) the Placing Agreement; (ii) the annual report of the Company for the year ended 31 December 2024 (the "**2024 Annual Report**"); (iii) the interim report of the Company for the six months ended 30 June 2025 (the "**2025 Interim Report**"); (iv) the debt repayment schedule and the Sub-license Agreement for the purpose of our analysis in relation to the use of proceeds; and (v) the Letter from the Board and noted the principal terms of the Rights Issue, including the basis of the Rights Issue, the comparison of the Subscription Price to recent closing Share price and the best effort placing arrangement as part of the compensatory arrangement under the GEM Listing Rules. We have assumed that all information, representations and opinions contained or referred to in the Circular or made, given or provided to us by the Company, the Directors and the Management, for which they are solely and wholly responsible, were true and accurate and complete in all material respects at the time when they were made and continue to be so as at the Latest Practicable Date, and should there be any material changes to our opinion after the Latest Practicable Date, Shareholders would be notified as soon as possible. We have assumed that all the opinions and representations made by the Directors in the Circular have been reasonably made after due and careful enquiry. The Directors and the Management confirmed that no material facts have been omitted from the information provided and referred to in the Circular, nor statements, information, opinions or representation provided to us to be untrue, inaccurate or misleading.

We have not, however, carried out any independent verification of the information provided, nor have we conducted any independent investigation into the financial position, business and affairs of the Group or its respective history, experience and track records, or the prospects of the markets in which it operates.

We consider that we have been provided with sufficient information to enable us to reach an informed view and to provide a reasonable basis for our advice. We have no reason to doubt the truth, accuracy and completeness of the statements, information, opinions and representations provided to us by the Group, the Directors and/or the Management and their respective advisers or to believe that material information has been withheld or omitted from the information provided to us or referred to in the aforesaid documents.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely for their consideration of the transactions as contemplated under the Rights Issue, and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Rights Issue, we have taken into consideration the following principal factors and reasons:

1. Background and Financial Information of the Group

As set out in the Letter from the Board, the principal activity of the Company is investment holding and the principal activities of its subsidiaries are (i) exhibition and trade show business and related services; (ii) publications and advertising business (the "**Publications and Advertising Business**") including print and online advertising, sales of publications, advertising and related production services and outdoor advertising; (iii) online sales of beauty and cosmetics products; and (iv) sales of luxury products.

Set out below is a summary of (i) the audited consolidated financial performance of the Group for each of the years ended 31 December 2023 and 2024 as extracted from the 2024 Annual Report; and (ii) the unaudited financial performance of the Group for the six months ended 30 June 2024 and 2025 as extracted from the 2025 Interim Report.

Summary of the Group's consolidated statement of profit or loss and other comprehensive income

	For the year ended 31 December		**For the six months ended 30 June**	
	2024	**2023**	**2025**	**2024**
	(audited)	(audited)	(unaudited)	(unaudited)
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	20,481	23,550	11,824	7,672
Gross profit	9,198	6,375	6,572	5,523
Operating expenses	(11,688)	(11,360)	(6,373)	(5,422)
Other losses	(905)	(56,802)	–	–
Impairment loss recognised under the expected credit loss model	(15,808)	(11,830)	–	–
Finance costs	(1,803)	(1,198)	(638)	(556)
Loss before taxation	(20,367)	(74,661)	(408)	(406)
Loss for the year/period and total comprehensive expenses for the year/period	(20,367)	(74,661)	(408)	(406)

Financial performance for the year ended 31 December 2024

As set out in the 2024 Annual Report, the Group recorded revenue of approximately HK$20.5 million for the year ended 31 December 2024 ("**FY2024**"), representing a decrease of approximately 13.0% compared to approximately HK$23.6 million for the year ended 31 December 2023 ("**FY2023**"). This change reflects the net impact of (i) the decrease in revenue from online sales and beauty and cosmetics products of approximately HK$10.6 million, which was attributable to reduced market demand for such products; and (ii) the increase in revenue generated from sales of luxury products of approximately HK$3.8 million and generated from publications and advertising business of approximately HK$4.1 million, driven by the Group's strategic expansion into sales and marketing of luxury products during FY2024.

The Group's operating expenses remained largely stable at approximately HK$11.7 million in FY2024, compared to approximately HK$11.4 million in FY2023. The Group recorded other losses of approximately HK$0.9 million for FY2024, which mainly represented an impairment loss on goodwill.

The Group recorded an impairment loss recognised under the expected credit loss model of approximately HK$15.8 million for FY2024, representing an increase of approximately 33.6% compared to approximately HK$11.8 million for FY2023. Such impairment loss was recognised on trade receivables due to the expected credit losses.

The Group recorded finance costs of approximately HK$1.8 million for FY2024, representing an increase of 50.0% compared to approximately HK$1.2 million for FY2023. The change in finance costs was mainly attributed to the increase in interest expense on bank and other borrowings.

The Group recorded a loss for the year and total comprehensive expenses of approximately HK$20.4 million for FY2024, representing a decrease of approximately 72.7% compared to approximately HK$74.7 million for FY2023. Such fluctuation was mainly attributable to a decrease in other losses for FY2024.

Financial performance for the six months ended 30 June 2025

As set out in the 2025 Interim Report, the Group recorded revenue of approximately HK$11.8 million for the six months ended 30 June 2025 ("**1H2025**"), representing an increase of approximately 53.2% compared to approximately HK$7.7 million for the six months ended 30 June 2024 ("**1H2024**"). This growth was mainly driven by higher sales of luxury products, publications, and advertising income.

The Group's operating expenses increased by approximately 18.5%, from approximately HK$5.4 million in 1H2024 to approximately HK$6.4 million in 1H2025, primarily due to higher staff costs.

The Group's finance costs amounted to approximately HK$0.6 million for 1H2025, primarily consisting of interest payable on other borrowings.

The Group recorded a loss for the period and total comprehensive expenses of approximately HK$0.4 million for 1H2025, representing a largely stable financial performance compared to 1H2024.

Disclaimer of opinion for FYE2024

In the 2024 Annual Report, the auditors of the Company (the "**Auditors**") explained that they do not express an opinion on the consolidated financial statements of the Group for FY2024 (the "**FY2024 Consolidated Financial Statements**"). Due to the significance of the matter described in the basis for disclaimer of opinion section of the Auditors' report, the Auditors have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the FY2024 Consolidated Financial Statements. In all other respects, in the Auditors' opinion, the FY2024 Consolidated Financial Statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

We note that the Board considers it appropriate to prepare the FY2024 Consolidated Financial Statements on a going concern basis, taking into account the various measures (the "**Going Concern Measures**") undertaken to improve the Group's liquidity and financial position, and to meet its liabilities as and when they fall due, as set out below,

(i) the Group is negotiating with its contracting party for a favorable term in settling the Group's obligations of approximately HK$37.5 million arising from the early termination of a subcontracting agreement;

(ii) the Group is negotiating with its lenders in seeking for the extension of repayments of its borrowings, including principals and interests; and

(iii) the Group is actively negotiating with external parties to obtain new sources of funding to finance the Group's working capital and improve the liquidity position.

We note that should the Group fail to achieve the abovementioned measures, the liquidity issues will persist and may be unable to operate on a going concern and adjustments may have to be made to the carrying values of the Group's assets and liabilities in the financial statements. Furthermore, whether the Auditors will express a disclaim of opinion on the consolidated financial statements for the year ended 31 December 2025 will depend on, among others, the then financial position and situation faced by the Group at the material time.

Summary of the Group consolidated statement of financial position

	As at 30 June 2025 (unaudited) *HK$'000*	As at 31 December 2025 (audited) *HK$'000*
Non-current assets	**968**	**1,109**
Current assets	**27,773**	**27,377**
– Trade, other receivables and other deposits	16,793	15,374
– Bank balances and cash	5,027	9,590
Current liabilities	**(67,878)**	**(67,215)**
– Trade and other payables	(22,731)	(26,660)
– Provision	(37,489)	(37,489)
– Other borrowing(s)	(7,300)	(2,800)
Net liabilities	**(39,137)**	**(38,729)**

Note: For the avoidance of doubt, only selected major asset and liability components are disclosed in the table above.

Consolidated financial position as at 30 June 2025

As at 30 June 2025, the Group recorded net liabilities of approximately HK$39.1 million and current liabilities of approximately HK$67.8 million, mainly comprising trade and other payables of approximately HK$22.7 million, the provision of approximately HK$37.5 million, which was related to certain advertising spaces in the Hong Kong Boundary Crossing Facilities that were subcontracted by the prime contractor to Tiance Cultural Communication Limited ("**Tiance Cultural**"), being a subsidiary of the Company, the subject subcontracting agreement was terminated but Tiance Cultural is obliged to pay the prime contractor the monthly service fee for the remaining term of the subcontracting agreement that Tiance Cultural did not fulfill. The provision was made based on the monthly service fee and remaining term of the subcontracting agreement that Tiance Cultural is required to fulfill, and other borrowings of approximately HK$7.3 million. The Group's net liabilities balance and current liabilities balance remained stable compared to that of 31 December 2024, being at approximately HK$38.8 million and HK$67.2 million, respectively. As at 31 December 2024, the current liabilities mainly comprised trade and other payables of approximately HK$26.7 million, the provision of approximately HK$37.5 million and other borrowings of approximately HK$2.8 million.

As set out in the Company's announcements dated 15 October 2025 and 5 November 2025, the Company and the placing agent entered into a placing agreement (the "**October Placing Agreement**") with the placing agent, pursuant to which the Company proposed to offer up to 17,416,000 placing shares for subscription. Pursuant to the October Placing Agreement, the placing agent undertook, on a best-effort basis,

to procure not fewer than six placees to subscribe for the placing shares at a price of not less than HK$0.34 per share during the placing period. The Board subsequently announced that the conditions stipulated in the October Placing Agreement were not fully satisfied on or before the long stop date, resulting in the lapse of the October Placing Agreement and the placing not proceeding.

Reasons for the Rights Issue and the use of proceeds

As disclosed in the Letter from the Board, the Group intends to apply the net proceeds from the proposed Rights Issue of approximately HK$49.44 million as follows:

(i) Repayment of outstanding liabilities

Approximately HK$32.27 million (being approximately 65.3% of the net proceeds) is intended to be used for repayment of outstanding liabilities of the Group, including (a) outstanding principal and interest of two loans (both are unsecured and non-guaranteed) from the Independent Third Parties; and (b) trade and other payables (collectively, the "**Outstanding Liabilities**"). The detailed breakdown of the use of proceeds for the repayment of the Outstanding Liabilities of the Group are summarised in the table below.

Items	**Amount** *(HK$ million)*	**Interest Rate** *(per annum)*	**Due Date**
Loan from a third party	4.5	18%	Past due over 3 months
Loan from a third party	2.8	18%	Past due over 18 months
Accrued interests	1.47		
Trade and other payables:			
– Trade payables	10.23	N/A	Past due over 6 months
– Other payables	8.74	N/A	Past due over 6 months
– Accrued staff costs and accrued professional fee	4.53	N/A	Past due over 6 months
Total	32.27		

The Directors believe that repaying such liabilities will enable the Group to improve its financial position. Having an improved financial position after the reduction of the Group's overall liabilities could potentially place the Group in a

more advantageous position when negotiating for better terms with other financial institutions. This strategic move aims to improve the Group's financial position and provide opportunities for more favorable financing arrangements in the future.

(ii) New project of the Publications and Advertising Business – The Qingmao Port Project

Approximately HK$9.75 million (being approximately 19.7% of the net proceeds) is intended to be used for the costs and expenses for the Qingmao Port Project. The Publications and Advertising Business has been a principal business of the Group and one of the major sources of revenue of the Group in recent years. It is the Group's aim to diversify this business and enhance its capabilities as an omni-channel advertising service provider. The Qingmao Port Project is the provision of out-of-home advertising spaces and services to customers, which comprise end-users aiming to promote their brands, products or services, and advertising agents acting for such advertisers. It is in line with the existing business of the Publications and Advertising Business segment of the Group. The Company aims to deliver integrated out-of-home media services to customers which enable them to enhance their brand recognition and expand and strengthen their connection with customers.

On 7 July 2025, Tiance Cultural Communication Limited, a subsidiary of the Company, entered into a sub-license agreement (the "**Sub-license Agreement**") with a licensor (the "**Licensor**") who is the main contractor/licensor, a company incorporated in Macau and independent of the Company and its connected persons, pursuant to which the Group is licensed to operate and procure advertising services to its customers on 13 units of LED displays located at Zhuhai to Macau exit channel on second floor of Qingmao Port and 11 units of LED displays located at Macau to Zhuhai exit channel on third floor of the Qingmao Port. The main licensor was established in 2009. It is a leading media operator in Macau, owning a large number of exclusive media resources at Macau's border gate, Gongbei Port, Hengqin Port, Qingmao Port, Wanzai Port, and Macau Light Rail stations. It serves as the ultimate promotional channel for tourists from various countries traveling to Macau by land.

Revenue from the Qingmao Port Project represents the advertising income generated from the rental of advertising spaces in terms of timing of the advertisements shown on the LEDs installed at the Group's licensed spots in the Qingmao Port. The Group also provides design and production services to deliver creative, comprehensive media solutions to meet the unique advertising needs of the customers and proactively provide them with creative suggestions. The Group generally out-sources the design and production services to design houses but the Group remains responsible for supervising and overseeing the design works from the design houses. The costs and expenses of the Qingmao Port Project consist of

(a) rental costs; (b) outsourcing fees for design and production services; (c) installation and maintenance fees for the LED displays; and (d) staff recruitment and salary expenses. The Company expects such proceeds to be utilised by first half of 2026.

(iii) General working capital

Approximately HK$7.42 million (being approximately 15.0% of the net proceeds) is intended to be used for general working capital of the Group including but not limited to salary expenses, rental expenses, professional fee and other business development expenses, which is expected to be utilised by the end of 2026. The Directors believe that the proceeds will help to replenish the working capital of the Group to support its operations.

In the event there is an under-subscription of the Rights Issue, the net proceeds of the Right Issue will be applied in the order of priority as set out above, starting with the repayment of the liabilities. If proceeds fall short of HK$32.27 million, the Group intends to cover the shortfall using its internal cash resources.

In view of the above, the Board considers that the Rights Issue, as compared to fundraising by other means, will allow Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain their respective pro-rata shareholding interests in the Company and dealing with the Shares, is an appropriate fundraising method and is fair, cost effective, efficient and beneficial to the Company and its Shareholders as a whole.

Based on our review of the recent financial position of the Group as at 30 June 2025 and in particular, (i) its bank balance and cash of approximately HK$5.0 million as well as the Group's net borrowing position of approximately HK$2.6 million (calculated by subtracting the cash and cash equivalents balance from the total of other borrowings and the amount due to a Director); (ii) as at 30 June 2025, the Group's current liabilities of approximately HK$67.9 million exceeded its current assets of approximately HK$27.8 million by approximately HK$40.1 million and there were Outstanding Liabilities amounted to approximately HK$32.3 million past due over 3 months; and (iii) the Group had net liabilities of approximately HK$39.1 million, we concur with the Board's view that it is imperative to conduct fundraising activities to maintain sufficient working capital to finance its operations and to meet its financial obligations. Assuming that all Rights Shares to be issued under the Rights Issue have been taken up in full, the Board is of the view that the Company is expected to have sufficient working capital for at least twelve months from the date of completion of the Rights Issue. Therefore, we also consider it appropriate for the Group to apply net proceeds to repay the past due Outstanding Liabilities upon completion of the Rights Issue described above.

Having taken into account of (i) the Company had cash and cash equivalents of approximately HK$5.0 million as at 30 June 2025; (ii) the recent lapsed October Placing Agreement; (iii) the Company has insufficient internal financial resources as at the Latest Practicable Date to settle the Outstanding Liabilities in full; (iv) the Outstanding Liabilities comprised overdue third-party loans with the aggregate principal amount of approximately HK$7.3 million, carrying an annual interest rate of 18% and failure to repay such loan will further exacerbate the financial burden of the Group; (v) failure to repay the outstanding loan constituted a breach of the repayment terms and resulted in default under the respective loan agreements. The subject lenders are entitled to pursue further actions, including legal proceedings against the Company, with a view to recover the outstanding principal and interests; and (vi) such actions could expose the Group to undue risks, including, where applicable, litigation, suspension in trading of the Shares, cross-default, and, in the event of continued non-repayment, delisting and/or potential liquidation of the Company, if such matters are left unresolved, we are of the view that the Company has imminent funding needs to raise additional funds through the Rights Issue, in particular, to settle the Outstanding Liabilities.

As set out in the 2024 Annual Report, the Auditors could not express an opinion on the 2024 Consolidated Financial Statements as there was insufficient appropriate audit evidence to satisfy themselves about the appropriateness of the use of the going concern basis of accounting in the preparation of the 2024 Consolidated Financial Statements given the Group incurred a loss of approximately HK$20.4 million for FY2024 and as of that date, the Group's current liabilities exceeded its current assets by approximately HK$39.8 million and its total liabilities exceeded its total assets by approximately HK$38.7 million. These conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The completion of the Rights Issue will allow the Group to raise net proceeds of up to HK$49.4 million shall notably improve the Group's then working capital barring unforeseen circumstances.

Fundraising alternatives

In light of the lapsed October Placing Agreement, the Company has considered alternative financing strategies before resolving to the Rights Issue, including but not limited to, debt financing, placing of new Shares and open offer. We noted that while debt financing or bank loans would result in additional interest burden to and higher gearing ratio of the Group. Placing of new Shares would only be available to certain placees which may not necessarily include existing Shareholders and would dilute the shareholding in the Company of those existing Shareholders who does not participate in such placement of Shares. As for open offer, although it is similar to a rights issue in offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market.

Having consider that (i) debt financing or bank loans would result in additional interest burden to and higher gearing ratio of the Group; (ii) placing of new Shares would only be available to certain placees and would dilute the shareholding of the existing Shareholders who do not participate in such placing exercise; (iii) the recent lapse of the October Placing Agreement; (iv) as for open offer, although it is similar to a rights issue in offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market and accordingly, Shareholders must either participate in the open offer or lose the benefit of any discount at which the new shares are offered; and (v) the Rights Issue will allow Qualifying Shareholders to participate in the future development of the Company and at the same time offer flexibility to the Qualifying Shareholders to choose whether to maintain their respective pro-rata shareholding interests in the Company or trade the relevant nil-paid Rights Shares in the market thus reducing impact from dilution of their shareholdings, we concur with the Board's view that fundraising by way of the Rights Issue which will offer Qualifying Shareholders the opportunity to maintain their respective pro rata shareholding interests in the Company is appropriate and is fair and beneficial to the Company and its shareholders as a whole.

Taking into account that (i) the Company had cash and cash equivalents of approximately HK$5.0 million as at 30 June 2025; (ii) based on our review of the financial information as prepared by the Management, including the estimated cash flows from operating activities in the next twelve months; and (iii) the estimated net proceeds from the Rights Issue of approximately HK$49.4 million, which is intended to be applied towards (a) the repayment of the Outstanding Liabilities; (b) the development of the Qingmao Port Project; and (c) general working capital purposes, we concur with the Directors that, barring unforeseen circumstances, the Group shall have sufficient working capital for its present requirements for at least the next twelve months from the date of this circular.

2. Principal terms of the Rights Issue and the Placing Agreement

Assuming no further change in the number of issued Shares on or before the Record Date:

Basis of the Rights Issue	:	Three (3) Rights Shares for every one (1) Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK$0.20 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	87,091,200 Shares

Number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 261,273,600 Shares
Aggregate nominal value of the Rights Shares	:	Up to HK$52,254,720
Total number of Shares in issue immediately upon completion of the Rights Issue	:	Up to 348,364,800 Shares
Maximum funds raised before expenses	:	Up to approximately HK$52.25 million (assuming all the Rights Shares will be taken up)

As at the Latest Practicable Date, the Group had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into the Shares. Assuming no Shares are issued or repurchased on or before the Record Date, the maximum number of 261,273,600 Rights Shares to be issued pursuant to the terms of the proposed Rights Issue represents 300% of the total number of the existing issued Shares as at the Latest Practicable Date and 75% of the total number of the issued Shares as enlarged by the allotment and issue of the Rights Shares immediately upon completion of the Rights Issue.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully subscribed, the Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placees under the Unsubscribed Arrangements. The Placing Shares which remain not placed under the Unsubscribed Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. There is also no statutory requirement regarding minimum subscription level in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, Shareholders who apply to take up all or part of their entitlements under the Rights Issue 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 Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue 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 in accordance to the note to Rule 10.26(2) of the GEM Listing Rules.

Subscription Price

The Subscription Price of HK$0.20 per Rights Share is payable in full when the Qualifying Shareholders accept the relevant provisional allotment of Rights Shares. Assuming that all the Rights Shares are fully subscribed, the net price per Rights Share is estimated to be approximately HK$0.19.

The Subscription Price represents:

(i) a discount of approximately 6.98% to the closing price of HK$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 16.67% to the closing price of HK$0.240 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(iii) a discount of approximately 6.98% to the average closing price of HK$0.215 per Share as quoted on the Stock Exchange for the five consecutive trading days prior to the Last Trading Day;

(iv) a discount of approximately 6.10% to the average closing price of HK$0.213 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;

(v) a discount of approximately 10.31% to the average closing price of HK$0.223 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day;

(vi) a discount of approximately 1.96% to the theoretical ex-rights price of HK$0.204 per Share based on the closing price of HK$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day; and

(vii) a cumulative theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 5.12%, represented by the theoretical diluted price of approximately HK$0.204 per Share to the benchmarked price (as defined under Rule 10.44A of the GEM Listing Rules), taking into account the closing price on the Last Trading Day of HK$0.215 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the Last Trading Day of approximately HK$0.215 per Share.

As set out in the Letter from the Board, when determining the Subscription Price, the Directors have considered, among other things, (i) the closing prices of the Shares

traded on the Stock Exchange from 6 November 2024, being 12 months prior to and including the Last Trading Day, as a benchmark to reflect the prevailing market conditions and recent market sentiment; and (ii) the Review Period (as defined in the Letter from the Board) is sufficient as it is intended to identify the most prevailing market price and recent trading performance of the Shares under the market conditions and sentiment close enough to that of the Rights Issue. Thus, the Directors consider that it is fair and reasonable and in the interests of the Company and its Shareholders to set the Subscription Price with reference to the prevailing market conditions during such review period and the other factors as set out in the Letter from the Board and summarised above.

Although the Subscription Price represents a discount of approximately 6.98% to the closing price of HK$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day, it should be noted that the Company recorded a net liability attributable to owners of the Company of approximately HK$36.5 million as at 30 June 2025. Therefore, the Directors are of the view that it is reasonable for the Subscription Price to be set at a discount to the prevailing closing price of the Shares in order to attract the Qualifying Shareholders to participate in the Rights Issue. Given these factors, the Directors consider that only a discounted price of the Shares would be attractive to the Qualifying Shareholders to participate in the Rights Issue, enabling the Company to raise sufficient capital.

The Company has also conducted market research of recent proposed rights issue exercises. Details of such market research are set out under the section headed "Proposed rights issue – Subscription Price" in the Letter from the Board.

As part of our work performed, we have conducted an independent analysis of recent comparable rights issue transactions, further details of which are set out in the sub-section headed "Analysis on recent rights issue market comparables" in this section below.

As set out in the Letter from the Board, the Subscription Price was determined with reference to (i) the recent market price and the low trading volume of the Shares; (ii) the prevailing market conditions; (iii) the latest business performance and financial position of the Group; and (iv) the reasons for and benefits of the Rights Issue as discussed in the Letter from the Board. The Board considers 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.

Irrevocable Undertaking

The Company has not received any information or irrevocable undertaking from any substantial shareholder of the Company of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue as at the Latest Practicable Date.

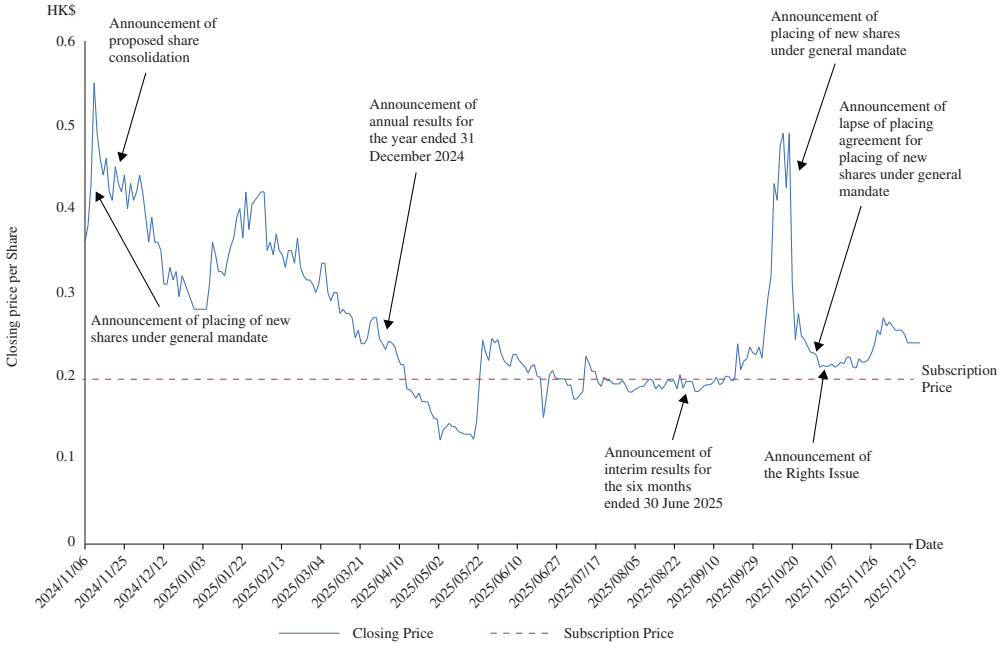
Analysis on the Subscription Price

In order to assess the fairness and reasonableness of the Subscription Price, we set out the following analysis for illustrative purposes:

Analysis on historical Share price performance

In order to assess the fairness and reasonableness of the Subscription Price, we have reviewed the movements in the closing price per Share during the period from 6 November 2024, being 12 months immediately preceding the Last Trading Day, up to and including the Latest Practicable Date (the "**Share Price Review Period**"), which is commonly adopted for share price analysis of similar type. We consider that a period of 12 months is adequate and sufficiently lengthy to illustrate the recent price movements of the Shares for conducting a reasonable comparison between the Subscription Price and the closing price of the Shares for assessing the reasonableness and fairness of the Subscription Price.

Share price chart during the Share Price Review Period



Source: www.hkex.com.hk

During the Share Price Review Period, the average closing price per Share was approximately HK$0.261 per Share (the "**Average Closing Price**"). The daily closing price per Share ranged from HK$0.124 per Share recorded on 2 May 2025 (the "**Lowest Closing Price**") to HK$0.550 per Share recorded on 11 November 2024 (the "**Highest Closing Price**").

As set out in the chart above, during the Share Price Review Period, we noted the closing Share price experienced a broad downward trend from the Highest Closing Price on 11 November 2024 around the early period of the Share Price Review Period to the Lowest Closing Price on 2 May 2025, with fluctuations during the aforesaid period from time to time.

For the period between 2 June 2025 to 30 September 2025, the closing Share price was primarily in the range of HK$0.151 to HK$0.239. The closing Share price experienced significant fluctuation in the month of October 2025 and up to the Last Trading Date, during which placement of new Shares under general mandate was proposed but subsequently lapsed, the Company confirmed that save as disclosed in the announcement(s) of the Company at the relevant time, the Company was not aware of any reasons that may lead to the price fluctuation at the material time.

It is noted that on 6 November 2025 (after trading hours of the Stock Exchange), the Company and a placing agent entered into a placing agreement in relation to the Rights Issue. The closing price per Share on the first trading day immediately following the publication of the announcement in relation to the Rights Issue, including the Placing Agreement, was HK$0.211 on 7 November 2025.

The Subscription Price of HK$0.200 per Rights Share represents a discount of approximately 6.98% to the closing price of HK$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day.

As set out in the section headed "Analysis on recent rights issue market comparables" in this letter below, we noted that it is a common market practice (six out of eight Rights Issue Comparables (defined hereafter)) to set the subscription price at a discount to the prevailing trading prices of the relevant shares with a view to attract and encourage shareholders to participate in the rights issue. Having considered the above and the factors set out in our analysis under the section headed "Reasons for the Rights Issue and the use of proceeds" in this letter, we consider that the Subscription Price, which is set at a discount to the closing price on the Last Trading Day, is fair and reasonable.

Our analysis on historical trading volume and liquidity

We have also reviewed the historical trading volume of the Shares during the Share Price Review Period. The number of trading days, average daily trading volume of the Shares and the percentages of daily trading volume of the Shares as compared to the total number of issued Shares during the Share Price Review Period are set out in the table below.

Month/period	Number of trading days	Approximately average daily number of Shares traded	Percentage of average daily trading volume to total number of issued shares as at the end of the month/period *(Note 2)*
2024			
November (from 6 November 2024) *(Note 1)*	18	561,367	0.75%
December	20	327,452	0.38%
2025			
January	19	389,381	0.45%
February	20	152,100	0.17%
March	21	215,253	0.25%
April	19	398,721	0.46%
May	20	945,464	1.09%
June	21	123,236	0.14%
July	22	112,273	0.13%
August	21	57,147	0.07%
September	22	260,109	0.30%
October	20	2,812,391	3.23%
November	20	311,760	0.36%
December (up to and including the Latest Practicable Date)	13	549,908	0.63%
Average		515,469	0.60%
Maximum		2,812,391	3.23%
Minimum		57,147	0.07%

Source: www.hkex.com.hk

Notes:

1. There was 746,496,000 Shares in issue as of 30 November 2024 before the share consolidation of the Company completed on 12 December 2024. Therefore, the calculation for November 2024 was based on the share consolidation having become effective.

2. Calculated based on the total number of the Shares in issue at the end of month/period.

As set out in the table above, during the Share Price Review Period, the percentage of average daily trading volume of the Shares by month/period were in the range of approximately 0.07% to approximately 3.23% with an average of approximately 0.60% (the "**Average Trading Volume Percentage**") as to the total number of issued Shares.

Based on the above statistics, the trading liquidity of the Shares has been low in the open market, given the Average Trading Volume Percentage of approximately 0.60%, and the closing price per Share generally showed a decreasing trend during the Share Price Review Period as discussed under the section headed "Analysis on historical Share price performance" in this letter above, we consider that the Company will face challenges to conduct equity fundraising without a discount to the prevailing Share price.

The percentage of average daily trading volume in the October 2025 was approximately 3.23%, which was 2.63 percentage points higher than the Average Trading Volume Percentage of approximately 0.60%. It is noted that on 15 October 2025 (after trading hours of the Stock Exchange), the Company and a placing agent entered into the October Placing Agreement. We have discussed with the Management and the Company has confirmed that, save for the information as set out in the announcement of the Company dated 15 October 2025 in relation to the October Placing Agreement, they are not aware of any information which may cause the notable increase in trading volume of the Shares. As such, the increase in trading volume of the Shares after the said announcement may be attributable to market reactions to the October Placing Agreement. Subsequently, the Board announced that as the conditions set out in the October Placing Agreement have not been fully satisfied on or before the long stop date, being 5 November 2025, the Placing Agreement has therefore lapsed and the Placing will not proceed. The percentage of average daily trading volume in the November 2025 then decreased to approximately 0.36%.

Although the Subscription Price represents a discount of approximately 6.98% to the closing price of HK$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day, it should be noted that the Company recorded a net liability attributable to owners of the Company of approximately HK$36.5 million as at 30 June 2025. On this basis and having considered the financial performance and financial conditions of the Group as analysed under the section headed "1. Background and Financial Information of the Group" in this letter, we are of the view that it is reasonable for the Subscription to be set at a discount to the prevailing closing price of the Shares in order to attract the Qualifying Shareholders to participate in the Rights Issue.

Analysis on recent rights issue market comparables

With a view to assess the fairness and reasonableness of the terms of the Rights Issue, we have conducted market research on recent proposed rights issues based on the following selection criteria: (i) the shares of the company are listed on the GEM of the Stock Exchange; and (ii) the proposed rights issues announced during the 3-months period (the "**Review Period**") commencing on 6 August 2025 up to and including the Last Trading Day (the "**Criteria**"). Based on the Criteria, we have identified eight rights issues (the "**Rights Issue Comparable(s)**") for the purpose of our analysis, which is exhaustive based on the selection Criteria.

We consider the Review Period of approximately three months is adequate and appropriate for the purpose of our analysis given that (i) such length of Review Period would provide us with an insight into the recent market practice of rights issues for comparison purposes; and (ii) we are able to identify a sufficient and reasonable sample size of Rights Issue Comparables within the Review Period, being a total of eight Rights Issue Comparables based on the Criteria, which was determined based on the principal terms of the Rights Issue with a view to identify recent rights issues conducted by GEM listed companies.

We noted that (i) the structure and size of the rights issue announced by the Rights Issue Comparables may not be directly comparable to the terms of the Rights Issue due to the differences in size of the listed issuer, their shareholding structure and/or their respective funding needs at the time; and (ii) the business activities of the listed issuers conducting the Rights Issue Comparables may not be directly comparable to the business activities carried out by the Group. Despite the terms of the rights issue depend on various factors, including the dilution effects to shareholding, the funding needs and use of proceeds, discounts to share price, etc., we consider that they are often influenced by the recent market trends for rights issue. Hence, despite the Rights Issue Comparables are on different basis of entitlement, and involved issuers which engaged in different business or with different financial performance and different proposed use of proceeds from that of the Group, we consider that the Rights Issue Comparables and the Review Period of three months are appropriate and reasonable to serve as a general reference for the purpose of an assessment on the Subscription Price and recent rights issue market practice, as (i) all of the Rights Issue Comparables and the Company are listed on GEM of the Stock Exchange; (ii) our analysis is mainly concerned with the comparison of subscription price to closing price, maximum dilution on the shareholding and theoretical dilution effect; and (iii) the Review Period of three months offers sufficient scope to capture transaction characteristics and identify representative samples, as evidenced by eight Rights Issue Comparables, while balancing analytical depth with timeliness to ensure conclusions remain reliable and relevant.

We set out our findings in the following table:

Date of announcement	Company name (Stock code)	Basis of entitlement	Gross proceeds *(Approximately HK$' million)*	Premium/(discount) of subscription price over/to the closing price per share on the last trading day *(Approximately %)*	Premium/(discount) of subscription price over/to the average closing price per share for the 10 consecutive trading days up to and including the last trading day *(Approximately %)*	Premium/(discount) of subscription price over/to the consolidated net asset value per share *(Note 1)* *(Approximately %)*	Excess application *(Yes/No)*	Underwritten *(Yes/No)*	Theoretical dilution effect *(Note 2)* *(Approximately %)*	Placing commission %	Relevant shareholders' approval obtained or completed as at the Latest Practicable Date *(Yes/No)*
4-Nov-2025	Zhongshi Minan Holdings Limited (8283)	5 for 1	100.8	(23.9)	(25.7)	(64.7)	No	No	21.7	2.5	No *(Note 4)*
24-Oct-2025	Jiading International Group Holdings Limited (8153)	1 for 2	6.9	(38.8)	(30.0)	N/A	No	No	12.9	2.0	Yes
17-Oct-2025	World Super Holdings Limited ("**World Super**") (8612)	3 for 1	31.1	23.5	17.8	669.2 *(Note 3)*	No	No	N/A	2.5	No *(Note 4)*
9-Oct-2025	Hao Bai International (Cayman) Limited (8431)	4 for 1	38.2	(19.2)	(26.3)	59.1	No	No	23.2	1.5	No *(Note 4)*
22-Sept-2025	Gameone Holdings Limited (8282)	1 for 2	11.4	1.7	(2.9)	(3.2)	Yes	No	0.6	N/A	Yes
4-Sept-2025	Aeso Holdings Limited (8341)	2 for 1	17.6	(25.7)	(26.0)	(83.0)	No	No	17.1	2.5	Yes
26-Aug-2025	Jisheng Group Holdings Limited (8133)	3 for 1	34.4	(14.3)	(16.7)	(45.5)	No	No	10.6	1.5	No *(Note 5)*
13-Aug-2025	China Information Technology Development Limited (8178)	3 for 8	38.0	(55.1)	(55.4)	(63.0)	Yes	Yes	15.1	N/A	Yes
	Maximum			23.5	17.8	59.1			23.2	2.5%	
	Minimum			(55.1)	(55.4)	(83.0)			0.6	1.5%	
	Average			(19.0)	(20.6)	(33.4)			14.5	2.1%	
	The Company			(7.0)	(10.3)	N/A	No	No	5.12	3.0%	

Source: the website of the Stock Exchange (http://www.hkex.com.hk)

Notes:

1. The net asset value (the "**NAV**") per share is calculated based on the latest published audited/unaudited consolidated equity attribute to owners of the company and total number of shares in issue as at the date of the respective announcements. "N/A" denotes that the NAV of the subject company has net liabilities according to their respective latest published audited/unaudited consolidated financial statements.

2. As extracted from the respective rights issue related publication(s), where available.

3. The premium of the subscription price over the net asset value per issued share of World Super is exceptionally high as compared to the other Rights Issue Comparables and therefore such ratio for World Super is considered an outlier for the purpose of our analysis herein (the "**Outliner**"), and is therefore not included in the calculation of the premium/discount of the subscription price to the net assets per share.

4. Rights issue circular despatched and pending relevant shareholders' approval as at the Latest Practicable Date.

5. Pending the issuance of the relevant rights issue circular and shareholders' approval as at the Latest Practicable Date.

As set out in the table above, we noted that the premium or discount of subscription price over or to (i) the closing price on the last trading day of the Rights Issue Comparables ranged from a discount of approximately 55.1% to a premium of approximately 23.5% (the "**Comparable LTD Range**"), with an average discount of approximately 19.0% (the "**Average Discount of Comparable LTD**"); and (ii) average closing price per share for the 10 consecutive trading days up to and including the last trading day of the Rights Issue Comparables ranged from a discount of approximately 55.4% to a premium of approximately 17.8% (the "**Comparable 10-TD Range**"), with an average discount of approximately 20.6% (the "**Average Discount of Comparable 10-TD**"). The Subscription Price represents (i) a discount of approximately 7.0% to the closing price per Share on the Last Trading Day, falls within the Comparable LTD Range and is lower than the Average Discount of Comparable LTD; and (ii) a discount of approximately 10.3% to the average closing price per Share for the 10 consecutive trading days up to and including Last Trading Day, falls within the Comparable 10-TD Range and is lower than the Average Discount of Comparable 10-TD. Although a wide range of discounts and premiums was observed, having considered that (i) all eight Rights Issue Comparables were selected based on Criteria within the three-month Review Period, ensuring that they reflect recent market practice of similar transactions to the Rights Issue conducted by companies listed on GEM of the Stock Exchange; (ii) while the structures of rights issue, sizes of gross proceeds, and business activities of the Rights Issue Comparables may differ, the key parameters are considered to be relevant to our analysis for comparison purposed, namely subscription price relative to closing price, and theoretical dilution effect and placing commission; and (iii) the observed range of discounts and premiums is a result of prevailing market practice, which demonstrated the variations in the market, we consider the Rights Issue Comparables to be fair and representative samples.

It is also noted from the table above that the premium or discount of the subscription price over/to the consolidated net asset value per share of the Rights Issue Comparables ranged from a discount of approximately 83.0% to a premium of approximately 59.1%, excluding the Outliner (i.e. World Super) as detailed under note 2 of the table above given it is notably higher than the next premium to the consolidated net asset value per share of the Rights Issue Comparables, with an average discount of approximately 33.4%. Given the Group was in a net liability position according to the 2025 Interim Report, the corresponding premium/discount to net asset value as represented by the Subscription Price was not applicable. Nonetheless, Shareholders should take note of the Group's net liability position as further detailed under the section headed "1. Background and Financial Information of the Group" in this letter.

The Rights Issue allows the Qualifying Shareholders to maintain their proportionate interests in the Company and to participate in the future development of the Company should they wish to do so. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled should note that their shareholdings in the Company will be diluted upon completion of the Rights Issue and their aggregate shareholding interests in the Company may be reduced by a maximum theoretical dilution of approximately 5.12%.

The theoretical dilution effect of the Rights Issue Comparables ranged from approximately 0.6% to approximately 23.2% (the "**Comparable Dilution Range**"), with an average theoretical dilution effect of approximately 14.5% (the "**Average Comparable Dilution**"). The theoretical dilution effect of the Rights Issue of approximately 5.12% is within the Comparable Dilution Range and less than the Average Comparable Dilution.

It is noted from the Letter from the Board that the Qualifying Shareholders will not be entitled to subscribe for any Rights Shares in excess of their respective entitlements. Based on our analysis on the Rights Issue Comparables, we noted that six out of eight Rights Issue Comparables did not offer excess application as part of the rights issue. On this basis, we considered the absence of excess application is in line with market practice.

Furthermore, the Rights Issue will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, for Qualifying Shareholders who accept their respective entitlements under the Rights Issue in full, they would be able to maintain their respective existing shareholdings in the Company after completion of the Rights Issue. As such, we considered that the absence of excess application arrangement is acceptable so far as the Independent Shareholders are concerned.

We also noted that the Rights Issue is conducted on a non-underwritten basis, of which seven out of eight Rights Issue Comparables were also conducted on a

non-underwritten basis. As such, we considered that the Rights Issue being conducted on a non-underwritten basis is not uncommon in the market.

The placing commission of the Rights Issue Comparables, where applicable, ranged from 1.5% to 2.5%, with an average of approximately 2.1% (the "**Comparable Placing Commission Range**"). Pursuant to the terms of the Placing Agreement, the Placing Agent shall be entitled to a commitment fee equal to 3.0% of the actual gross proceeds from the successful subscription of the Placing Shares (the "**Placing Commission**"), and the such percentage represented 0.5 percentage points higher than the average placing commission of the Rights Issue Comparables of 2.1% but such is notably lower than the placing commission of 7% under the October Placing Agreement.

Given the recent lapse of the October Placing Agreement, it is important for the Rights Issue to be able to raise sufficient funds for the Group considering the Group's overall financial position and working capital. Furthermore, the Placing Commission of 3% is comparatively lower than the 7% placing commission under the October Placing Agreement, and that the Placing Commission is only for the portion of successful subscription, in the event that the Rights Shares are fully subscribed, the placing under the Placing Agreement will not take place. Nonetheless, with a view to maximise the likelihood of placing any unsubscribed Rights Shares by the Placing Agent, a 3% commission fee was agreed, which is slightly above the upper limit of the Comparable Placing Commission Range, as a strategic incentive for the Placing Agent. This strategy reflects the Company's willingness to absorb higher placement costs in exchange for a stronger commitment and effort from the Placing Agent to secure independent Placees, in the event that the Rights Issue is under-subscribed.

Having considered that (i) our analysis on the closing price per Share during the Share Price Review Period; (ii) the thin trading volume of the Shares during most of the Share Price Review Period; (iii) the discount to closing prices offered by the Subscription Price is common market practice and such discount falls within the range of that of the Rights Issue Comparables; (iv) theoretical dilution effect of the Rights Issue is in compliance with the theoretical dilution limit as set out under the GEM Listing Rules; (v) the discount to closing prices offered by the Subscription Price could enhance the attractiveness of the Rights Issue and encourage Qualifying Shareholders to participate; (vi) the Rights Issue being conducted on a non-underwritten basis, is not uncommon in the market; and (vii) our analysis on the Placing Commission, which we understand that it serves as an incentive for the Placing Agent to secure independent Placees in the event that the Rights Issue is under-subscribed, given the recent lapse of the October Placing Agreement, we are of the view that the Subscription Price is on normal commercial term and is fair and reasonable so far as the Independent Shareholders are concerned and the potential dilution effect of the Rights Issue is fair and reasonable so far as the Independent Shareholders are concerned.

3. Equity fundraising activities in the past 12 months

As set out in the Letter from the Board, the Company has conducted certain equity fund raising exercises over the past 12-month period immediately preceding the Latest Practicable Date, including (i) a placing of new Shares under general mandate for a net proceeds of approximately HK$3.94 million as initially announced on 8 November 2024; and (ii) the placing as contemplated under the October Placing Agreement, which lapsed on 5 November 2025. For further details, please refer to the section headed "Equity fundraising activities in the past 12 months" in the Letter from the Board.

4. Financial effects of the Rights Issue

Net liabilities

According to the unaudited pro forma financial information of the Group, the basis and assumptions thereto as set out in Appendix II to the Circular, the unaudited consolidated net tangible liabilities of the Group attributable to equity holders of the Company was approximately HK$36.79 million as at 30 June 2025. Upon completion of the Rights Issue, the Group will receive estimated net proceeds of approximately HK$49.44 million and the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company immediately after completion of the Rights Issue will be approximately HK$12.64 million.

Liquidity

As part of the proceeds of approximately HK$7.42 million from the Rights Issue will be used as the general working capital of the Group, the net liabilities position of the Group would be improved upon completion of the Rights Issue.

Total liabilities

As at 30 June 2025, the Company's total liabilities were approximately HK$67.88 million. As part of the proceeds of approximately HK$32.27 million from the Rights Issue will be used as the repayment of Outstanding Liabilities, the working capital position of the Group would be improved upon completion of the Rights Issue.

Having taken into consideration the above factors, particularly the improvement in the Group's net liabilities position, enhanced liquidity, and reduction in total liabilities, we are of the view that the Rights Issue is in the interests of the Company and its Shareholders as a whole.

RECOMMENDATION

Having taken into consideration the principal factors and reasons as referred to the above, including:

(i) the imminent need for capital by the Group to settle the Outstanding Liabilities as discussed under sub-section headed "Reasons for the Rights Issue and the use of proceeds" in this letter;

(ii) the Subscription Price, being at a discount to the prevailing market prices of the Share should attract the Shareholders to participate in the Rights Issue;

(iii) taking into account the benefits and costs of each of the alternative fundraising methods, the Rights Issue represents an appropriate means for fundraising to improve the Group's financial position as discussed under the sub-section headed "Reasons for the Rights Issue and the use of proceeds" in this letter;

(iv) the Subscription Price and the commission under the Placing Agreement is fair and reasonable with considering the factors as discussed in the section headed "2. Principal terms of the Rights Issue and the Placing Agreement – Analysis on the Subscription Price" in this letter;

(v) the dilution effects of the Rights Issue and the commission under the Placing Agreement are reasonable as discussed in the section headed "2. Principal terms of the Rights Issue and the Placing Agreement" in this letter;

(vi) the Rights Issue is conducted on the basis that all the Qualifying Shareholders have been offered the equal opportunity to maintain their proportionate interests in the Company;

(vii) Shareholders who do not accept the Rights Shares provisionally allotted to them could dispose of their nil-paid Rights Shares in open market; and

(viii) the potential financial effects to the Group upon completion of the Rights Issue as discussed in the section headed "4. Financial effects of the Rights Issue",

we are of the opinion that (i) the terms of the Rights Issue and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable as far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the relevant resolution on the Rights Issue to be proposed at the EGM.

Yours faithfully,
For and on behalf of
Red Sun Capital Limited
Lewis Lai
Managing Director

Mr. Lewis Lai is a licensed person registered with the SFC and a responsible officer of Red Sun Capital Limited to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and has around 19 years of experience in the corporate finance industry.

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three financial years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025 were disclosed in the following documents which have been published on the website of the Stock Exchange (www.hkex.com.hk) and the Company's website (http://www.wintogroup.hk/):

- annual report of the Company for the year ended 31 December 2022 published on 31 March 2023 (pages 56 to 168);

  (https://www1.hkexnews.hk/listedco/listconews/gem/2023/0331/2023033103815.pdf)

- annual report of the Company for the year ended 31 December 2023 published on 30 April 2024 (pages 52 to 168);

  (https://www1.hkexnews.hk/listedco/listconews/gem/2024/0430/2024043003256.pdf)

- annual report of the Company for the year ended 31 December 2024 published on 1 May 2025 (pages 52 to 164); and

  (https://www1.hkexnews.hk/listedco/listconews/gem/2025/0501/2025050100017.pdf)

- interim report of the Company for the six months ended 30 June 2025 published on 29 August 2025 (pages 6 to 20).

  (https://www1.hkexnews.hk/listedco/listconews/gem/2025/0829/2025082903422.pdf)

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 October 2025, being the latest practicable date for the purpose of ascertaining information contained in this statement of indebtedness prior to the printing of this circular, the details of the Group's indebtedness are as follows:

Other borrowings

	Note	**As at 31 October 2025** *HK$'000*
Other borrowings – unsecured and unguaranteed	(a)	7,300

Note:

(a) The Group's borrowings are principally applied by the Group for working capital purposes. As at 31 October 2025, being the latest practicable date prior to the printing of this circular and for the purpose of this indebtedness statement, the Group had total outstanding unsecured and unguaranteed borrowings of approximately HK$7.3 million, which were default and carry a default interest rate of 4% per month.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have at the close of business on 31 October 2025 any loan capital issued and outstanding or agreed to be issued, bank overdrafts, debt securities, term loans and other borrowings, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other contingent liabilities.

3. WORKING CAPITAL SUFFICIENCY

The Directors are of the opinion that, taking into consideration the Group's present financial resources and the estimated net proceeds from the Rights Issue, the Group has sufficient working capital for its present requirements for at least the twelve (12) months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

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

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are (i) exhibition and trade show business and related services; (ii) publications and advertising business (the "**Publications and Advertising Business**") including print and online advertising, sales of publications, advertising and related production services and outdoor advertising; (iii) online sales of beauty and cosmetics products; and (iv) sales of luxury products.

According to the Company's interim report for the six months ended 30 June 2025, the Group recorded total revenue of approximately HK$11,824,000 for the six months ended 30 June 2025, representing an increase of approximately 54% from approximately HK$7,672,000 for the six months ended 30 June 2024. It was mainly due to the increase in sales of luxury products and publications and advertising income. Gross profit increased from gross loss of approximately HK$2,148,000 for the six months ended 30 June 2024 to approximately HK$5,242,000 for the six months ended 30 June 2025. The increase in gross profit was mainly due to the increase in revenue in publications and advertising income.

Looking forward, the Group will pay close attention to the uncertainties in the economic environment, and stay alert to formulate strategies to pursue steady development and strive for generous returns to our shareholders.

For illustrative purpose only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group after completion of the Rights Issue. Although reasonable care has been exercised in preparing the unaudited pro forma financial information, Shareholders who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a complete picture of the Group's financial results and positions for the financial periods concerned.

(A) UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE LIABILITIES

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company (the "Unaudited Pro forma Financial Information") which has been prepared by the Directors in accordance with Rule 7.31 of the GEM Listing Rules to illustrate the effect of the Rights Issue on the consolidated net tangible assets of the Group attributable to equity holders of the Company as if the Rights Issue had been completed on 30 June 2025. As it is 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 equity holders of the Company had if the Rights Issue been completed as at 30 June 2025 or at any future date.

The Unaudited Pro Forma Information is prepared based on the unaudited consolidated net tangible liabilities of the Group attributable to equity holders of the Company as at 30 June 2025 as derived from the Group's published interim results announcement for the six months ended 30 June 2025 and is adjusted for the effect of the Rights Issue as if the Rights Issue had been completed as at 30 June 2025.

	Unaudited consolidated net tangible liabilities of the Group attributable to equity holders of the Company as at 30 June 2025 *(Note 1)* *HK$'000*	Estimated net proceeds from the Rights Issue *(Note 2)* *HK$'000*	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 June 2025 immediately after completion of the Rights Issue *HK$'000*	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 June 2025 per Share immediately after the Completion of the Rights Issue *(Note 3)* *HK$*
Based on 261,273,600 Rights Shares to be issued at the Subscription Price of HK$0.20 per Share	(36,794)	49,435	12,641	0.04

Notes:

1. The unaudited consolidated net tangible liabilities of the Group attributable to equity holders of the Company of HK$36,794,000 as at 30 June 2025 is extracted from the interim results announcement of the Company for the six months ended 30 June 2025. The amount is based on deducting non-controlling interests of approximately HK$2,673,000 and intangible assets of approximately HK$330,000 from the total deficit of approximately HK$39,137,000.

2. The estimated net proceeds from the Rights Issue are based on 261,273,600 Rights Shares (calculated on the basis of three Rights Shares for every one share held on record date, details as disclosed in note 3) to be issued at the subscription price of HK$0.20 per share, after deducting the estimated related expenses of HK$2,820,000 to be incurred by the Group.

3. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 June 2025 per Share immediately after the completion of the Rights Issue is calculated based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 June 2025 of HK$12,641,000 divided by 348,364,800 shares in issue upon completion of the Rights Issue, which comprises 87,091,200 shares in issue before the Rights Issue and 261,273,600 Rights Shares to be issued under the Rights Issue.

4. 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) REPORTING ACCOUNTANTS' REPORT ON PRO FORMA FINANCIAL INFORMATION

The following is the text of the independent reporting accountants' assurance report received from Global Link CPA Limited, 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.



Room 1604, 16/F, Shun Tak Centre West Tower,
No. 168–200 Connaught Road Central,
Sheung Wan, Hong Kong
General Line: (852) 3580 0885
Fax: (852) 3563 5208
Email: info@globallinkcpa.com
Website: www.globallinkcpa.com

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

The Board of Directors of Winto Group (Holdings) Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Winto Group (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company as at 30 June 2025 and related notes as set out on in appendix II of the circular issued by the Company dated 23 December 2025 (the "Circular") issued in connection with the proposed rights issue of the Company. The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described in appendix II of the Circular.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the proposed rights issue of the Company on the basis of three rights shares for every one share held on the record date on a non-underwritten basis (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 financial position has been extracted by the directors of the Company from the Group's condensed consolidated financial statements for the six months ended 30 June 2025, on which no audit or review report has been published.

Directors' Responsibility for the Unaudited pro forma Financial Information

The directors of the Company are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 31 of Chapter 7 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") 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 requirement 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.

The firm applies Hong Kong Standard on Quality Management ("HKSQM") 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 31(7) of Chapter 7 of the GEM 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 of the Company have compiled the unaudited pro forma financial information in accordance with paragraph 31 of Chapter 7 of the GEM 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 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 occurred 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 at 30 June 2025 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 event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited 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 event or transaction 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 purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 31(1) of Chapter 7 of the GEM Listing Rules.

Global Link CPA Limited
Certified Public Accountants
Hong Kong
23 December 2025

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 circular 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 circular misleading.

2. SHARE CAPITAL

Assuming there is no change in the number of issued Shares from the Latest Practicable Date up to the completion of the Rights Issue and full acceptance of the Rights Shares, the number of Shares in issue are as follows:

	Number
(a) As at the Latest Practicable Date:	
Issued Shares	87,091,200
(b) Immediately following completion of the Rights Issue:	
Rights Shares to be issued	261,273,600
Shares in issue after the Rights Issue	348,364,800

All the Rights Shares in issue and to be issued rank and will rank *pari passu* in all respects with each other including rights to dividends, voting and return of capital. The Rights Shares in issue and to be issued are or will be listed on GEM.

As at the Latest Practicable Date, the Company did not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Shares and no capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option. As at the Latest Practicable Date, the Company has no treasury shares. The Company has no intention to issue or grant any convertible securities, warrants and/or options on or before the Record Date.

No part of the share capital 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 any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

(a) Interests of Directors and chief executive of the Company

As at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had or was deemed to have any interests and 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) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO, or otherwise which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, the Directors were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or who was expected, directly or indirectly, to be interested in 5% or more of the nominal value of any class of the share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, who are directly or indirectly interested in 5% or more of the Shares.

4. 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 Group within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or any of their close associates has any interest in business which competes with or may compete with the business of the Group or has any other conflict of interests which any person has or may have with the Group.

6. MATERIAL LITIGATION

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

7. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2024, the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

8. RISKS FACTORS

The key business and operation risk exposure of the Group mainly resulted from the slow down of the economy and customer spending as well as market competition.

9. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm there is no material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up.

10. MATERIAL CONTRACTS

Save for the Placing Agreement, no material contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or any other its subsidiaries within two years immediately preceding the date of this circular and up to the Latest Practicable Date.

11. QUALIFICATION AND CONSENT OF EXPERTS

The following is the qualification of the experts who have given opinion, letter or advice contained in this circular (the "**Experts**"):

Name	**Qualification**
Global Link CPA Limited	certified public accountants
Red Sun Capital Limited	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, each of the above Experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letters or reports and the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, none of the Experts had any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the Experts had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited accounts of the Company were made up.

12. EXPENSES

The expenses payable by the Company in connection with the Rights Issue, including Independent Financial Adviser fees, placing commission, printing, registration, translation, legal and accounting fees, are estimated to be approximately HK$2.82 million.

13. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors	*Executive Director* Ms. Lao Lai Mr. Lei Kam Chao *Independent non-executive Directors* Ms. Wong Chi Ling Mr. Lee Kwok Lun Mr. Ma King Fai, Lucas
Audit committee	Ms. Wong Chi Ling *(Chairman)* Mr. Lee Kwok Lun Mr. Ma King Fai, Lucas
Nomination committee	Ms. Wong Chi Ling *(Chairman)* Mr. Lee Kwok Lun Mr. Ma King Fai, Lucas
Remuneration committee	Ms. Wong Chi Ling *(Chairman)* Mr. Lee Kwok Lun Mr. Ma King Fai, Lucas
Corporate governance & risk management committee	Ms. Wong Chi Ling *(Chairman)* Mr. Lee Kwok Lun Mr. Ma King Fai, Lucas
Registered office	Cricket Square Hutchins Drive PO Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head office and principal place of business	Suite 913, 9/F Chinachem Golden Plaza No. 77 Mody Road Tsim Sha Tsui, Hong Kong
Authorised representatives	Ms. Lao Lai Mr. Yu Ngai
Company secretary	Mr. Yu Ngai *(Member of The Hong Kong Institute of Certified Public Accountants)*

Share Registrar in Hong Kong	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong
Principal bankers	Bank of Communications Company Limited 20 Pedder Street, Central Hong Kong
	The Hongkong and Shanghai Banking Corporation Limited 1 Queen's Road Central Hong Kong
Auditors and reporting accountants	Global Link CPA Limited *Certified Public Accountants* Suite 1604, 16/F Shun Tak Centre West Tower No. 168–200 Connaught Road Central Sheung Wan, Hong Kong
Legal adviser to the Company as to Hong Kong laws	ZM Lawyers 20th Floor, Central 88 Nos. 88–98 Des Voeux Road Central Hong Kong
Financial adviser to the Company	Advent Corporate Finance Limited Unit A–C, 11/F Kee Shing Centre 74–76 Kimberley Road Kowloon, Hong Kong
Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders	Red Sun Capital Limited Room 2703, Floor 27 China Insurance Group Building 141 Des Voeux Road Central Hong Kong
Placing Agent	Advent Securities (Hong Kong) Limited Unit A–C, 11/F Kee Shing Centre 74–76 Kimberley Road Kowloon, Hong Kong

14. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

Executive Director

Ms. Lao Lai, aged 39, is an executive Director and chairman of the Company since August 2025. Ms. Lao obtained a Bachelor's Degree in Managerial Economics from University of California, Davis in the U.S. in 2010. Ms. Lao is currently CEO of Lok Ngai Investment and Development Company Ltd. since October 2024, chiefly responsible for the strategic initiatives of "Dinner in the Sky", project launch and execution as well as general marketing. She has been a director of Agencia Comercial Lok Ngai since January 2019. She was a store manager at Richemont Group (Global Top 500) from April 2022 to September 2024.

Mr. Lei Kam Chao, aged 69, is an executive Director of the Company since November 2025. Mr. Lei has over 40 years of business experience. He was an executive director of Diamond Square Investment & Management Company Limited, a company incorporated in Hong Kong, and was primarily responsible for the overall management and supervision of the company's resources and administrative functions. Mr. Lei had been the executive director and vice chairman of Amax Holdings Limited (currently known as Century Entertainment International Holdings Limited) (stock code: 959) from June 2012 to September 2012 and executive director and chairman of Alco Holdings Limited (stock code: 328) from August 2022 to November 2023. In addition, Mr. Lei is also the President Honorario of MaKuoc-Mio-Macau (澳門媽閣廟) Development Committee and the President Honorario of Macau Yacht Club. In general, Mr. Lei has extensive experiences in business and as an executive director and vice chairman of listed company, and he is also active in public benefit activities.

Independent non-executive Directors

Ms. Wong Chi Ling, aged 54, is an independent non-executive Director of the Company since October 2019. Ms. Wong obtained a master degree of arts in parent education and a professional diploma in guidance and counselling from The Chinese University of Hong Kong, a postgraduate diploma in early childhood education from The Hong Kong Baptist University and a bachelor degree of arts in accountancy from the Hong Kong Polytechnic University. Ms. Wong is a fellow member of The Association of Chartered Certified Accountants in the United Kingdom, a fellow member of The Institute of Chartered Accountants in England and Wales and an associate member of Institute of Certified Public Accountants. Ms. Wong possesses over 25 years of experience in finance, accounting and company secretarial services experience in Hong Kong.

Mr. Lee Kwok Lun, aged 42, is an independent non-executive Director of the Company since April 2025. Mr. Lee has over 15 years of experience in accounting, audit, corporate finance and financial management. Mr. Lee obtained a degree of Bachelor of Arts (Hons) in Accounting from the University of Hertfordshire in September 2006. He is a member of the Association of Chartered Certified Accountants since January 2013 and a

member of the Hong Kong Institute of Certified Public Accountants since September 2013. Mr. Lee is managing partner of Prism Hong Kong Limited, and Mr. Lee is currently an independent non-executive Director of Wing Chi Holdings Limited (stock code: 6080), and Ever Reach Group (Holdings) Company Limited (stock code: 3616), the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong limited.

Mr. Ma King Fai, Lucas, aged 28, is an independent non-executive Director of the Company since November 2025. Mr. Ma graduated from the bachelor of science in International Management from University College London in 2017. Mr. Ma has been serving as executive director of Welloyd International Limited, a Hong Kong-based electronic communications equipment and services company with established business cooperation with Ericsson, since 2021. From 2018 to 2021, he was assistant to the president of Taching Petroleum Company Limited. He holds active leadership roles in several prominent organisations, including executive vice president of the Hong Kong Suzhou Association (香港蘇州總會), vice president of the federation of Hong Kong Jiangsu Youth (香港江蘇青年總會), and director of the Jiangsu Federation (江蘇聯會).

Company Secretary

Mr. Yu Ngai (余毅), aged 35, was appointed as the Company Secretary on 3 April 2019. Mr. Yu is a member of the Hong Kong Institute of Certified Public Accountants and has extensive working experience in finance, accounting, company secretarial and compliance areas and worked for an international accounting firm and listed companies in Hong Kong.

Business address of the Directors and senior management

The business address of the Directors and the senior management is the same as the Company's head office and principal place of business in Hong Kong at Suite 913, 9/F, Chinachem Golden Plaza, No. 77 Mody Road, Tsim Sha Tsui, Hong Kong.

15. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee of the Board comprises all the independent non-executive Directors, namely Ms. Wong Chi Ling, Mr. Lee Kwok Lun, and Mr. Ma King Fai, Lucas, being the primary duties of the audit committee include the review of the Group's financial reporting process and the internal control systems as well as risk management of the Group.

16. DOCUMENTS ON DISPLAY

Copies of the following documents are will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (http://www.wintogroup.hk/) for 14 days from the date of this circular:

(a) the letter of recommendation from the Independent Board Committee, the text of which is set out on page 30 of this circular;

(b) the letter of advice from the Independent Financial Adviser, the text of which is set out on pages 31 to 57 of this circular;

(c) the accountants' report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this circular;

(d) the material contracts referred to in the paragraph headed "10. Material Contracts" of this appendix; and

(e) the written consent referred to in paragraph headed "11. Qualification and consent of Experts" of this appendix.

17. MISCELLANEOUS

(a) 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.

(b) As at the Latest Practicable Date, the Company has no significant exposure to foreign exchange liabilities.

(c) In the event of any inconsistency, the English texts of this circular and the accompanying form of proxy shall prevail over their respective Chinese texts.

WINTO GROUP (HOLDINGS) LIMITED
惠陶集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8238)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**Meeting**") of Winto Group (Holdings) Limited (the "**Company**") will be held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong on Friday, 16 January 2026 at 4:00 p.m. for the purpose of considering and passing the following resolution with or without amendments as ordinary resolution of the Company:

ORDINARY RESOLUTION

"**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares (as defined below, in their nil-paid and fully-paid forms) to be allotted and issued to the shareholders of the Company (the "**Shareholder(s)**") pursuant to the terms and conditions of the Rights Issue becoming unconditional:

(a) the issue by way of rights issue (the "**Rights Issue**") of up to 261,273,600 ordinary shares (the "**Rights Share(s)**") at the subscription price of HK$0.2 per Rights Share to the qualifying shareholders (the "**Qualifying Shareholders**") of the Company whose names appear on the register of members of the Company on 28 January 2026 (the "**Record Date**") or such other date as may be determined by the Company for the determination of the entitlements under the Rights Issue (other than those shareholders (the "**Excluded Shareholders**") with registered addresses outside Hong Kong whom the Directors, after making relevant enquiry, consider their exclusion from the Rights Issue to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place) in the proportion of three (3) Rights Shares for every one (1) share of the Company then held on the Record Date and otherwise on the terms and conditions set out in the circular of the Company dated 23 December 2025 (the "**Circular**") be and is hereby approved;

(b) the Directors be and are hereby authorised to allot and issue the Rights Shares pursuant to the Rights Issue notwithstanding the same may be offered, allotted or issued otherwise than pro-rata to the Qualifying Shareholders and, in particular, the Directors may make such exclusions or other arrangements in relation to the Excluded Shareholders as they may deem necessary, desirable or expedient having regard to any restrictions or obligations under the articles of association of the Company or the laws of, or the rules and regulations of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong; and

(c) the Directors be and are hereby authorised to approve, sign and execute such documents and take any and all steps, and to do and/or procure to be done any and all acts and things which in their opinion may be necessary, desirable or expedient to implement and carry into effect this resolution."

By order of the Board
Winto Group (Holdings) Limited
Lao Lai
Executive Director

Hong Kong, 23 December 2025

Registered office:
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head office and principal place of business:
Suite 913, 9/F
Chinachem Golden Plaza
No. 77 Mody Road
Tsim Sha Tsui, Hong Kong

Notes:

1. A member entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.

2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the Meeting (i.e. 4:00 p.m. on Wednesday, 14 January 2026) or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the Meeting or any adjournment thereof, should he so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

3. The register of members of the Company will be closed from Monday, 12 January 2026 to Friday, 16 January 2026 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the Meeting, all transfers accompanied by the relevant share certificate(s), must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, 9 January 2026. The record date for determining attendance and voting at the Meeting is Friday, 16 January 2026.

4. A form of proxy for use at the Meeting is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (http://www.wintogroup.hk/).

5. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning or "extreme conditions after super typhoons" announced by the Government of Hong Kong is/are in effect any time after 7:00 a.m. on the date of the Meeting, the meeting will be postponed. The Company will post an announcement on the websites of the Company at http://www.wintogroup.hk/ and the Stock Exchange at www.hkexnews.hk to notify members of the date, time and place of the rescheduled meeting.