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**MINDTELL TECHNOLOGY LIMITED**  
**九福來國際控股有限公司**

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

**(Stock Code: 8611)**

**PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1)  
RIGHTS SHARE FOR EVERY TWO (2) SHARES  
HELD ON THE RECORD DATE  
ON A NON-UNDERWRITTEN BASIS**

**Financial Adviser and Placing Agent to the Company**



**PROPOSED RIGHTS ISSUE**

The Company proposes, subject to, among other things, to raise gross proceeds of up to approximately HK\$287.8 million (before expenses) (assuming full subscription under the Rights Issue) by issuing up to 234,000,000 Rights Shares (assuming no new Shares are issued or repurchased on or before the Record Date) by way of rights issue at the Subscription Price of HK\$1.23 per Rights Share, on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date.

The net proceeds from the Rights Issue after deducting the estimated expenses in relation to the Rights Issue are estimated to be not more than approximately HK\$281.3 million (assuming no change in the number of Shares in issue on or before the Record Date). The Company intends to apply the proceeds from the Rights Issue in enhancing its existing IT infrastructure with AI-integrated solutions, repositioning key data centres with enlarged data capacity in the PRC and redeveloping certain SaaS products to diversify its service offerings.

The Rights Issue is only available to Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company on the Record Date and must not be a Non-Qualifying Shareholder. In order to be registered as members of the Company on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) with the Registrar for registration no later than 4:30 p.m. (Hong Kong time) on Tuesday, 6 January 2026.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. There is no minimum subscription level or minimum amount to be raised under the Rights Issue.

## **THE COMPENSATORY ARRANGEMENTS AND THE PLACING AGREEMENT**

The Company will make arrangements to dispose of the Unsubscribed Rights Shares comprising the Rights Shares that are not subscribed by the Qualifying Shareholders and the NQS Rights Shares that are not successfully sold by the Company as described in the paragraph headed “Arrangements for the NQS Rights Shares” in this announcement, by offering the Unsubscribed Rights Shares to independent placees for the benefit of the relevant No Action Shareholders and Non-Qualifying Shareholders.

After the trading hours of the Stock Exchange on 23 December 2025, the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has agreed to procure Placee(s), on a best effort basis, to subscribe for up to 234,000,000 Unsubscribed Rights Shares. The placing price of the Unsubscribed Rights Shares shall be not less than the Subscription Price. The final price will be determined based on the demand for the Unsubscribed Rights Shares and market conditions at the time of placement.

Subject to the terms set out in the Placing Agreement, if and to the extent that at the Latest Time for Compensatory Arrangements, there shall be any Unsubscribed Rights Shares which have not been successfully placed out by the Placing Agent under the Compensatory Arrangements, then the Placing Agent shall procure subscription for up to 234,000,000 Rights Shares (assuming no Shares being issued or bought back by the Company on or after the date of the Placing Agreement and on or before the Record Date).

The Company shall make an application to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be allotted and issued pursuant to the Rights Issue.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As the Company has not conducted any rights issue or open offer within 12 months prior to the date of this announcement and the Rights Issue will not increase either the total number of issued Shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders pursuant to GEM Listing Rules.

The Rights Issue will 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.

## **GENERAL**

The Prospectus Documents containing, among other things, the Prospectus setting out details of the Rights Issue and the PAL will be despatched to the Qualifying Shareholders on 14 January 2026. A copy of the Prospectus will also be made available on the websites of the Company and the Stock Exchange.

Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders (if any) for their information only, but will not send any PAL to them.

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

**The Shares are expected to be dealt in on an ex-rights basis from 5 January 2026. If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Please refer to the section headed "Conditions of the Rights Issue" in this announcement below.**

**Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue are will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.**

**Shareholders and potential investors are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).**

## **PROPOSED RIGHTS ISSUE**

The Board proposes the Rights Issue with the terms set out as follows:

### **Issue statistics**

Basis of the Rights Issue	: One (1) Rights Share for every two (2) Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	: HK\$1.23 per Rights Share
Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	: Approximately HK\$1.20 per Rights Share

Number of Shares in issue as at the date of this announcement	: 468,000,000 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	: Up to 234,000,000 Rights Shares  The aggregate nominal value of the Rights Shares will be up to HK\$2,340,000.00
Total number of Shares in issue upon completion of the Rights Issue	: Up to 702,000,000 Shares (assuming no further issue or repurchase of Shares on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before the completion of the Rights Issue)
Gross proceeds from the Rights Issue	: Approximately HK\$287.8 million before expenses
Right of excess applications	: There will be no excess application arrangements in relation to the Rights issue

Assuming no further issue or repurchase of Shares on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 234,000,000 Rights Shares proposed to be issued pursuant to the terms of the Rights Issue represent approximately 50.0% of the total number of issued Shares and 33.3% of the total number of issued Shares as enlarged by the issue of the Rights Shares.

### **Conditions of the Rights Issue**

The completion of the Rights Issue are conditional on:

- (a) the Listing Committee granting or agreeing to grant and not having withdrawn or revoked the listing of and permission to deal in the Shares;
- (b) the Listing Committee 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 (in their nil-paid and fully-paid forms);
- (c) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of one copy of each of the Prospectus Documents duly signed by all the Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (together with any other documents required by the applicable law or regulation to be annexed thereto) by no later than the Prospectus Posting Date;

- (d) the posting of the Prospectus Documents to the Qualifying Shareholders by no later than the Prospectus Posting Date and the posting of the Prospectus and a letter to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue by no later than the Prospectus Posting Date; and
- (e) the compliance with the requirements under the applicable laws and regulations of Hong Kong and Cayman Islands.

All conditions above cannot be waived. In the event of the said conditions not being fulfilled, the Placing Agreement shall terminate (save in respect of any rights and obligations which may accrue under the Placing Agreement prior to such termination) and neither the Company or the Placing Agent shall have any claim against the other party for costs, damages, compensation or otherwise save for any antecedent breach and the Rights Issue will not proceed.

### **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.

### **Undertaking**

As at the date of this announcement, the Company has not received any information or undertaking from any Shareholder of their intention as to whether such Shareholder will take up his/her entitlements under the Rights Issue (or otherwise).

## **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 as at the close of business on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as members of the Company prior to the close of business on the Record Date, all transfers of the Consolidated Shares (together with the relevant share certificate(s)) must be lodged with the Registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Tuesday, 6 January 2026.

It is expected that the dealings in the Rights Shares in nil-paid form are expected to take place from Friday, 16 January 2026 to Friday, 23 January 2026 (both dates inclusive).

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. Shareholders with their Shares held by a nominee (or held in CCASS) are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date. For investors 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 Registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Tuesday, 6 January 2026.

Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date and will despatch the Prospectus only (without the PAL) to the Non-Qualifying Shareholder for their information only.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company.

**If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

## **Closure of register of members for the Rights Issue**

The register of members of the Company will be closed from Wednesday, 7 January 2026 to Tuesday, 13 January 2026 (both dates inclusive) for the purpose of determining entitlements to the Rights Issue. No transfer of the Shares will be registered during the above book closure period.

## **Basis of provisional allotments**

The Rights Shares will be allotted on the basis of one (1) Rights Share for every two (2) Shares 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 as shown therein. Acceptance for all or any part of a Qualifying Shareholder's provisional allotment should be made only by completing a PAL and lodging the same with a remittance for the Rights Shares being accepted with the Registrar by the Latest Time for Acceptance.

If a Qualifying Shareholder wishes to accept only a part of, or to renounce or transfer a part of, the Rights Shares provisionally allotted to him/her/it under the PAL, such Qualifying Shareholder will need to split his/her/its PAL into the denominations required. Details as to how to split the PALs will be set out in the Prospectus.

## **Rights of Overseas Shareholders (if any)**

The Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the securities law of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

Pursuant to Rule 17.41(1) of the GEM Listing Rules, the Board will make necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions under the laws of relevant place(s) or the requirements of the relevant overseas regulatory body or stock exchange, no provisional allotment of the nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, such Overseas Shareholders will become Non-Qualifying Shareholders and the Rights Issue will not be extended to them. The basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

**Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 17.41(1) of the GEM Listing Rules. Accordingly, Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should exercise caution when dealing in the securities of the Company.**

## **Arrangements for the NQS Rights Shares**

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and before the last day for dealing in the nil-paid Rights Shares, if a premium (net of expenses) can be obtained. Any net proceeds of sale thereof, after deduction of expenses, will be paid in Hong Kong dollars to the Non-Qualifying Shareholders pro rata to their respective entitlements as at the close of business on the Record Date, provided that if any of such persons would be entitled to a sum not exceeding HK\$100, such sum will be retained by the Company for its own benefit. Any such unsold nil-paid Rights Shares to which such Non-Qualifying Shareholders would otherwise have been entitled will be offered for subscription by the Placing Agent to the Placees under the Placing.

## **The Subscription Price**

The Subscription Price of HK\$1.23 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or when a transferee of the nil- paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 32.4% to the closing price of HK\$1.82 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 29.7% to the average closing price of HK\$1.75 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 23.4% to the average closing price of approximately HK\$1.61 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 6.6% to the average closing price of approximately HK\$1.32 per Share as quoted on the Stock Exchange for the thirty (30) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 24.2% to the theoretical ex-rights price of approximately HK\$1.62 per Share based on the closing price of HK\$1.82 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (vi) a premium of approximately 8,100% to the unaudited consolidated net asset value per Share of approximately HK\$0.015 (based on the latest published unaudited consolidated net asset value of the Group of approximately HK\$7.2 million as disclosed in the interim report of the Company for the six months ended 31 May 2025);
- (vii) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 10.8% represented by the theoretical diluted price of approximately HK\$1.62 to the benchmarked price of approximately HK\$1.82 per Share (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the closing price on the Last Trading Day of HK\$1.82 and the average closing price of HK\$1.75 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the date of this announcement); and
- (viii) a cumulative dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) in aggregation with the CB Subscription of approximately 14.8% represented by the theoretical diluted price of approximately HK\$1.55 to the benchmarked price of approximately HK\$1.82 per Share (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the closing price on the Last Trading Day of HK\$1.82 and the average closing price of HK\$1.75 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the date of this announcement).

The Subscription Price was determined after arm's length negotiation between the Company and the Placing Agent with reference to, among others, (i) the recent closing price of the Shares; (ii) the prevailing market conditions of the capital market in Hong Kong; (iii) the financial position of the Group; and (iv) the imminent funding and capital needs of the Company in Hong Kong as more particularly disclosed in the paragraph headed "Reasons for the Rights Issue and use of proceeds" in this announcement.

In determining the discount rate of the Subscription Price, the Directors have taken into account that it is a common practice for listed companies on the Stock Exchange to issue rights shares at a discount to the prevailing market price in order to enhance the attractiveness of the rights issue and to encourage the Shareholders to participate in the future growth of the Group, hence consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Status of the Rights Shares**

The Rights Shares (when allotted, fully paid or credited as fully paid and issued) will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully paid Rights Shares.

## **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, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

## **Certificates of the Rights Shares and refund cheques for the Rights Issue**

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully paid Rights Shares are expected to be sent on or before Friday, 20 February 2026 to those entitled thereto by ordinary post, at their own risk, to their registered addresses. If the Placing Agreement is terminated or not becoming unconditional, refund cheques will be despatched on or before Friday, 20 February 2026, by ordinary post, at the respective Shareholders' own risk, to their registered addresses.

## **Fractional entitlement to the Rights Shares**

The Company will not provisionally allot and will not accept applications for any fraction of Rights Shares. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number of a Share) and all nil-paid Rights Shares arising from such aggregation will be sold in the market for the benefit of the Company if a premium (net of expenses) can be achieved.

## **Odd lots matching services**

In order to alleviate the difficulties arising from the existence of odd lots of the Rights Shares arising from the Rights Issue, a designated broker will be appointed to match the purchase and sale of odd lots of the Shares at the relevant market price per Share for the period from 9:00 a.m. on Friday, 20 February 2026 to 4:00 p.m. on Thursday, 5 March 2026 (both dates inclusive). Holders of the Shares in odd lots represented by the existing certificates for the Shares who wish to take advantage of this facility either to acquire odd lots of the Shares to make up a full board lot or dispose of their odd lots of the Shares may, directly or through their broker, contact Mr. Ringo Hui of VBG Capital Limited at Suites 707-709, 7/F., 12 Taikoo Wan Road, Taikoo, Hong Kong (telephone number: 2200 7611) during such period. Holders of odd lots of the Shares should note that successful matching of the sale and purchase of odd lots of the Shares is on the best effort basis and not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers.

## **Taxation**

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised 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, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

## **Application for listing**

The Company will apply to the Listing Committee for the listing of, and the 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. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

## **Rights Shares will be eligible for admission into CCASS**

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares 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 CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

## **Procedures in respect of the Unsubscribed Rights Shares and the Compensatory Arrangements**

Pursuant to Rule 10.31(1)(b) of the GEM Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to independent placees for the benefit of the relevant No Action Shareholders and Non-Qualifying Shareholders. As the Compensatory Arrangements are in place, there will be no excess application arrangements in relation to the Rights Issue.

The Company appointed the Placing Agent to place the Unsubscribed Rights Shares after the Latest Time for Acceptance to independent placees on a best effort basis, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing (the “**Net Gain**”) will be paid to the relevant No Action Shareholders and Non-Qualifying Shareholders in the manner set out below. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Friday, 6 February 2026, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares at a price not less than the Subscription Price.

Net Gain (if any but rounded down to the nearest cent) will be paid on a pro-rata basis to the relevant No Action Shareholders and Non-Qualifying Shareholders as set out below:

- (i) for No Action Shareholders, the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for, and 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 and 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 holder of those nil-paid rights in CCASS; and
- (ii) for Non-Qualifying Shareholders, the relevant Non-Qualifying Shareholders whose name and address appeared on the register of members of the Company on the Record Date with reference to their shareholdings in the Company on the Record Date.

It is proposed that if the Net Gain to any of the No Action Shareholder(s) and Non-Qualifying Shareholder(s) mentioned above (i) is more than HK\$100, the entire amount will be paid to them; or (ii) is HK\$100 or less, such amount will be retained by the Company for its own benefit.

## THE COMPENSATORY ARRANGEMENT

### Placing Agreement

On 23 December 2025 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has agreed to procure Placee(s), on a best effort basis, to subscribe for the Unsubscribed Rights Shares. Details of the Placing Agreement are as follows:

Date	: 23 December 2025 (after trading hours of the Stock Exchange)
Placing Agent	: VBG Capital Limited was appointed as the placing agent to place, or procure the placing of, up to 234,000,000 Unsubscribed Rights Shares (assuming no Shares being issued or bought back by the Company on or after the date of the Placing Agreement and on or before the Record Date) on a best effort basis, to the Placee(s).
To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are independent third party to the Company.	
Placing fee	: The Placing Agent will charge the Company a placing commission of 2.0% of the aggregate amount equal to the placing price multiplied by the number of the Unsubscribed Rights Shares being placed by the Placing Agent.
Placing price of the Unsubscribed Rights Shares	: The placing price of the Unsubscribed Rights Shares shall be not less than the Subscription Price.  The final price will be determined based on the demand for the Unsubscribed Rights Shares and market conditions at the time of placement.
Placees	: The Unsubscribed Rights Shares shall only be offered (i) to institutional, corporate or individual investor(s) who and whose ultimate beneficial owner(s) shall be Independent Third Parties; and (ii) no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.
Ranking of Unsubscribed Rights Shares	: The Unsubscribed Rights Shares (when placed, allotted, issued and fully paid) shall rank <i>pari passu</i> in all respects among themselves and with the Shares then in issue.

Placing condition	: The Placing is subject to and conditional upon, inter alia, (i) the Listing Committee having granted the listing of, and permission to deal in, the Rights Shares; (ii) all necessary consents and approvals to be obtained by the Company in respect of the transactions contemplated thereunder; and (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof, including provisions regarding the force majeure events.
Completion date of the Placing	: Friday, 6 February 2026 or such other date as the Company and the Placing Agent may agree.

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 terms of the Placing Agreement (including the placing fee) were determined after arm's length negotiation between the Placing Agent and the Company with reference to the size of the Rights Issue and are on normal commercial terms. The Directors consider that the terms of the Placing Agreement are fair and reasonable.

Given that the Compensatory Arrangements would provide a compensatory mechanism for the relevant No Action Shareholders and Non-Qualifying Shareholders, the Directors consider that the Compensatory Arrangements are in the interest of the minority Shareholders.

## **REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS**

The Group is principally engaged in the provision of system integration and development services, IT outsourcing services and maintenance and consultancy services.

With reference to the announcements of the Company dated 24 October 2025 and 27 October 2025, the Company entered into a CB Subscription Agreement with the CB Subscriber, pursuant to which the Company conditionally agreed to issue and the CB Subscriber conditionally agreed to subscribe for the Convertible Bonds in the principal amount of HK\$28,600,000. Pursuant to the CB Subscription, the Group strives to explore the possibility of investing in new hardware to enhance the Group's existing capabilities and establish a stronger presence in its core operations in the PRC and other potential regions in South-East Asia. The Group aims this business development would help enable the provision of new automated solutions targeted to clients in banking, education and SMEs as well as broadening its revenue stream from its core IT services offered by the Group.

The Group intends to use (i) approximately 60% of the net proceeds from the CB Subscription (approximately HK\$17.2 million) in technology upgrade comprised of key investment into traditional up-to-date hardware to enhance the Group's existing capabilities and help enable the provision of automated solutions tailored to varying industries; (ii) approximately 20% of the net proceeds from the CB Subscription (approximately HK\$5.7 million) proceeds in the headcount expansion by recruitment of software developers and professional affiliates and the provision of incentives in the retaining of talents; and (iii) approximately 20% of the net proceeds from the CB Subscription (approximately HK\$5.7 million) for the support of day-to-day operations and other integration costs.

Following its development strategies, which centre on key investments in advanced hardware and talent acquisition, the Group aims to further strengthen its competitive position in the IT sector amid the growing demand for sophisticated data analytics, predictive insights and regulatory-compliant solutions. The Group's core competency lies in proprietary software for enterprise data conversion and management, widely applied in mobile payment and banking systems, enterprise portals, regulatory compliance reporting, and custom solutions serving financial institutions, government-linked entities, and the education sector across Malaysia and Southeast Asia.

While continued development of existing products can support current clients and improve short-term project success, the absence of genuine advancements in processing speed, analytics capabilities and high-capacity computing infrastructure will gradually erode the Group's competitive edge. Larger contracts, particularly in the financial industries of Malaysia and the PRC, now require bidders to demonstrate predictive analytics, automated data validation and scalable secure processing-capabilities that go beyond incremental upgrades and demand substantial investment in advanced hardware and specialised teams.

In addition, the PRC market presents particularly attractive growth prospects, with recent industry reports projecting China's software market to grow at a compound annual growth rate of approximately 14% from 2025 to 2030, reaching over USD130 billion by 2030, driven by widespread digital transformation across public and private sectors and increasing demand for enterprise-grade data management, analytics-enhanced integration and compliance-focused solutions.

Although the Group currently does not have any operations in the PRC, the Directors have commenced preparations that prioritise establishing local partnerships and ensuring compliance with relevant PRC regulations and laws on data security, including the Cybersecurity Law, Data Security Law, Personal Information Protection Law (PIPL), and Multi-Level Protection Scheme (MLPS). The Directors are of the view that strict adherence to these regulatory requirements is the fundamental prerequisite for lawfully operating any IT-related business in the PRC and for building long-term trust with enterprise clients, particularly in data-sensitive sectors such as finance and healthcare. Accordingly, full regulatory compliance must be secured before any material commercial rollout, which necessitates the early engagement of consultants and the pursuit of strategic local partnerships. These preparations include the following key areas:

**Market research on the IT sector and regulatory compliance** – The Directors have engaged industry consultants to conduct market research on demand for IT integration and data management solutions across various sectors. In addition, the Directors have engaged a legal consultant with PRC presence to perform regulatory due diligence on data localisation and security obligations, assist with applications for required licences, and prepare a data security framework for the Group’s financial IT solutions.

**Identifying local partnerships** – The Directors are focused on identifying local partnerships to facilitate distribution, compliance support, and market access. Through industry events and advisor introductions, the Group meets and evaluates local IT firms that can collaborate on projects, including financial IT integrators, manufacturing enterprises, healthcare providers, and logistics and supply chain companies. The Group is currently evaluating 3–5 such firms and is pursuing non-binding memoranda of understanding with suitable candidates to explore co-development, reselling, or joint pilot projects involving localised versions of the NS3 and CUSTPRO platforms.

**Intellectual property protection** – The Directors intend to register key trademarks and software copyrights with the China National Intellectual Property Administration (CNIPA) at an early stage and to implement appropriate technical data protection measures.

With consideration of the digital transformation in businesses post-pandemic in the PRC, the Directors anticipate that the extensive applications of “non-contact” online services would drive a growth in the overall IT solution business in the PRC market, and as a result would drive a growth to the Group’s IT solution business should the Group consider expanding in line with business opportunities in the PRC. The Directors believe that the SaaS industry in the PRC has a significant room for expansion with a lot of the Chinese enterprises start to shift away from hardware infrastructure to cloud-based infrastructure. Given the Group’s continuing and maturing success in its existing business in Malaysia, the Directors believe it is in the Group’s interest to maintain its existing customer base while aiming to increase its market share by none other than exploring new customer and business needs in the PRC.

To address this and capture these higher-value opportunities, the Group will focus the majority of the net proceeds on targeted research and development, enhancing its existing IT infrastructure with advanced computing capacity, integrating powerful analytics features into its core NS3 and CUSTPRO platforms, and ensuring sufficient leased server resources to support larger, data-intensive client implementations—tailored especially for the stringent regulatory and scalability requirements of the PRC market.

With upgraded hardware and expanded technical teams, the Group will be better positioned to engage Tier-1 clients—such as leading commercial banks, major fintech companies, large private hospital groups, digital insurers, and government bodies pursuing smart-city initiatives—that require more sophisticated and measurable operational outcomes.

The Directors believe this business development is essential to complement the Group's existing IT services, secure new and larger contracts in the long term through the provision of analytics-enhanced automated solutions, and broaden revenue streams beyond traditional project-based core services, thereby sustaining long-term competitiveness in rapidly digitising markets.

The following table illustrates how the planned technology and hardware upgrades can potentially improve the Group's current service offerings, particularly its flagship products NS3 and CUSTPRO, across key industries.

Product Name	NS3
Core application	Data conversion & migration platform used by financial institutions for regulatory reporting, AML monitoring, compliance submissions, and secure data integration in mobile banking and payment gateways.
Hardware-enabled product enhancement	Real-time anomaly detection, predictive compliance scoring, automated regulatory reporting, and intelligent data validation through advanced analytics and processing capabilities.
Added value in key industries	Finance – Instant AML checks & fraud prevention in mobile banking
	Government – Smart-city traffic flow prediction, predictive maintenance for public infrastructure (e.g., street lighting, drainage), real-time energy consumption optimisation in government buildings

Product Name	CUSTPRO
Core application	Customer profile management & basic analytics supporting mobile banking, mobile payments, customer verification, transaction history, and segmentation for banks and enterprises.
Hardware-enabled product enhancement	Real-time behavioural analytics, predictive churn/credit-risk scoring, personalised recommendations, next-best-action automation
Key Industries	Finance & Digital Banking – Tailored offers & fraud alerts in mobile apps  Healthcare – Patient 360° view, predictive readmission risk & personalised care plans  Government – Predictive demand forecasting for public transport ridership & facility usage, personalised service routing in citizen portals Insurance & Large Enterprises – Advanced customer intelligence & cross-selling

Set out below are the intended use of the net proceeds and their respective expected timeframe as follows:

Intended use of net proceeds	Net Proceeds to be used	Expected timeframe
Approximately 20.0%, or HK\$56.3 million, will be applied towards strengthening the Group's research and development capabilities through investments in advanced hardware and high-performance computing infrastructure to support the integration of advanced data analytics and machine learning-assisted tools into the NS3 data management and conversion platform and CUSTPRO user/sales management system, enabling enhanced features such as predictive sales forecasting, automated data validation and reconciliation, regulatory compliance monitoring, and risk/alert analytics. In particular:	HK\$56.3 million	
<ul style="list-style-type: none"> <li>– Approximately 8.0%, or HK\$22.5 million, for talent acquisition and retention, including the recruitment of software developers, data analysts, system architects, and compliance specialists with expertise in financial-sector solutions and analytics integration, primarily in Malaysia and Hong Kong. These roles will focus on targeted enhancements to NS3 and CUSTPRO aligned with client demands for higher-value data processing.</li> </ul>		Recruitment and onboarding to commence immediately upon receipt of proceeds; expanded team fully operational by 31 December 2026.

Intended use of net proceeds	Net Proceeds to be used	Expected timeframe
<ul style="list-style-type: none"> <li>– Approximately 6.0%, or HK\$16.9 million, for the procurement of advanced hardware and software licenses, including GPUs for accelerated data processing, high-performance servers, enterprise-grade analytics platforms, and secure database management systems. These investments will bolster computing capacity and enable faster, more scalable analytics within existing products.</li> <li>– Approximately 6.0%, or HK\$16.9 million, for infrastructure expansion, including leasing high-capacity co-location server facilities in Malaysia and key South-East Asia regions to support stable testing, deployment, and data-intensive operations while complying with regional regulations.</li> </ul>	Procurement and installation to be substantially completed by 30 September 2026.	Leasing arrangements and setup to be finalised by 31 December 2026; full operational utilisation by 30 June 2027.
<p>Approximately 60.0%, or HK\$168.8 million, will be allocated to bolster the Group's research and development capabilities in the People's Republic of China (PRC) through significant investments in advanced hardware and high-performance computing infrastructure, with utilisation of the proceeds expected to occur progressively over the next 18 to 36 months to account for regulatory approvals and localised implementation in the PRC. This will facilitate tailored enhancements to the NS3 and CUSTPRO platforms for the PRC market, incorporating advanced analytics, compliance, and data processing features to meet local regulatory and client requirements. In particular:</p>	HK\$168.8 million	
<ul style="list-style-type: none"> <li>– Approximately 25.0%, or HK\$70.3 million, for expanding the PRC-based R&amp;D team with software developers, data analysts, system architects, and IT consultants focused on predictive analytics, data validation, and regulatory reporting modules tailored to PRC requirements.</li> </ul>	Recruitment to begin immediately; core team in place by 31 March 2027; full expansion completed by 31 December 2027.	
<ul style="list-style-type: none"> <li>– Approximately 20.0%, or HK\$56.3 million, for procurement of advanced hardware and software licenses, including GPUs, high-performance servers, enterprise-grade analytics platforms, and secure database systems to enhance processing speed and scalability for PRC-specific implementations.</li> </ul>	Procurement and deployment to be substantially completed by 30 June 2027.	

Intended use of net proceeds	Net Proceeds to be used	Expected timeframe
<ul style="list-style-type: none"> <li>– Approximately 15.0%, or HK\$42.2 million, for leasing high-capacity co-location facilities in key PRC regions to ensure data localization compliance, stable network operations, and support for large-scale deployments, alongside localised sales and marketing initiatives.</li> </ul>		Site selection and leasing agreements finalised by 31 December 2027; full operational capacity achieved by 31 December 2028.
Approximately 20.0%, or HK\$56.3 million, for support of day-to-day operations, project integration costs, administrative expenses, and contingencies to ensure smooth implementation of the R&D initiatives and ongoing business continuity.	HK\$56.3 million	To be utilised progressively over the 24 to 36 months.
<b>Total</b>	<b>HK281.3 million</b>	

The Directors have no intention to apply the use of proceeds to the Group's e-commerce business.

### Fund-raising alternatives

Apart from the Rights Issue, the Board has considered various fund-raising alternatives before resolving to the Rights Issue, including but not limited to debt financing, placing of new shares and open offer. The Board notes that bank borrowings, if available, would result in additional interest burden, higher gearing ratio of the Company and create pressure to the liquidity of the Company. Hence, the Board does not consider it to be beneficial to the Company. As for open offer, while it is similar to a rights issue, offering Qualifying Shareholders to participate, it does not allow free trading of rights entitlements in the open market. As opposed to open offer, Rights Issue would 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.

Having considered all the other fund-raising alternatives, the Directors are of the view that the Rights Issue is in the best interests of the Company and the Shareholders as a whole, and that it is an appropriate fund-raising method to strengthen the capital base of the Company and support the Company's continuing business development and growth.

## EXPECTED TIMETABLE OF THE RIGHTS ISSUE

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 or otherwise waived:

Event	Date and Time
Publication of the announcement	Tuesday, 23 December 2025
Last day of dealings in the Shares on a cum-rights basis relating to the Rights Issue	Friday, 2 January 2026
First day of dealings in the Shares on an ex-rights basis relating to the Rights Issue	Monday, 5 January 2026
Latest time for the Shareholders to lodge transfer documents of the Shares in order to be qualified for the Rights Issue	4:30 p.m. on Tuesday, 6 January 2026
Closure of register of members to determine the entitlements to the Rights Issue	Wednesday, 7 January 2026 to Tuesday, 13 January 2026 (both dates inclusive)
Record date for the Rights Issue	Tuesday, 13 January 2026
Register of members of the Company re-opens	Wednesday, 14 January 2026
Expected despatch date of the Prospectus Documents (including the PAL and Prospectus), and in case of the Non-Qualifying Shareholders, the Prospectus only	Wednesday, 14 January 2026
First day of dealings in nil-paid Rights Shares	Friday, 16 January 2026
Latest time for splitting the PAL	4:30 p.m. on Tuesday, 20 January 2026
Last day of dealings in nil-paid Rights Shares	Friday, 23 January 2026
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Wednesday, 28 January 2026
Announcement of the number of Unsubscribed Rights Shares subject to the Compensatory Arrangements	Wednesday, 4 February 2026

<b>Event</b>	<b>Date and Time</b>
Commencement of placing of Unsubscribed Rights Shares by the Placing Agent	Friday, 6 February 2026
Latest time of placing of the Unsubscribed Rights Shares by the Placing Agent	6:00 p.m. on Friday, 6 February 2026
Latest time for the Rights Issue to become unconditional	4:00 p.m. on Thursday, 12 February 2026
Announcement of results of the Rights Issue to be published on the respective websites of the Stock Exchange and the Company	Monday, 16 February 2026
Despatch of share certificates for fully-paid Rights Shares and completion of Unsubscribed Rights Share Placing to take place	Friday, 20 February 2026
Despatch of refund cheques, if any, if the Rights Issue is terminated	Friday, 20 February 2026
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	9:00 a.m. on Friday, 20 February 2026
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Monday, 23 February 2026
Payment of Net Gain to relevant No Action Shareholders (if any) or Excluded Shareholders (if any)	Wednesday, 4 March 2026
Designated broker ceases to provide matching services for odd lots of Shares	4:00 p.m. on Thursday, 5 March 2026
All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above or in other parts of this announcement are indicative only and may be extended or varied by the Company. Any changes 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 AND FOR APPLICATION AND PAYMENT FOR RIGHTS SHARES**

The Latest Time for Acceptance will not take place if a tropical cyclone warning signal no.8 or above, or “extreme conditions” caused by super typhoons as announced by the Government of the Hong Kong Special Administrative Region or a “black” rainstorm warning:

- (i) is/are in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
- (ii) is/are in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead the Latest Time for Acceptance 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 section headed “Expected timetable of the Share Consolidation and the Rights Issue” above may be affected. The Company will notify the Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

## **EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY**

The following table sets out the possible changes in the shareholding structure of the Company arising from the proposed Rights Issue which are for illustrative purpose only.

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after completion of the Rights Issue assuming all Qualifying Shareholders take up their respective entitlements; and (iii) immediately after completion of the Rights Issue assuming no Qualifying Shareholders take up their respective entitlements and the Unsubscribed Shares and the NQS Unsold Rights Shares are fully placed to the placees under the Compensatory Arrangements:

Controlling Shareholder, Substantial Shareholders and Directors	As at the date of this announcement	Assuming no Qualifying Shareholders take up their respective entitlements under the Rights Issue and the Unsubscribed Rights Shares and the NQS Unsold						Immediately upon full conversion of the Convertible Bonds at the Conversion Price	
		Assuming all Qualifying Shareholders take up their respective entitlements		Rights Shares are fully placed to the placees under the Compensatory Arrangements		Rights Shares are fully placed to the placees under the Compensatory Arrangements			
		Number of Shares	Approx %	Number of Shares	Approx %	Number of Shares	Approx %		
Delicate Edge Limited	98,280,000	21.00%	147,420,000	21.00%	98,280,000	14.00%	98,280,000	13.03%	
King Nordic Limited	98,280,000	21.00%	147,420,000	21.00%	98,280,000	14.00%	98,280,000	13.03%	
Placees	0	0.00%	0	0.00%	234,000,000	33.33%	234,000,000	31.03%	
CB Subscriber	0	0.00%	0	0.00%	0	0.00%	52,000,000	6.90%	
Other public shareholders	271,440,000	58.00%	407,160,000	58.00%	271,440,000	38.67%	271,440,000	36.00%	
Total	468,000,000	100.00%	702,000,000	100.00%	702,000,000	100.00%	754,000,000	100.00%	

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

## FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST 12 MONTHS

The following is the equity fund raising activity conducted by the Company in the past 12 months immediately before this announcement.

<b>Date of announcement</b>	<b>Fundraising activity</b>	<b>Net proceeds raised</b>	<b>Intended use of net proceeds</b>	<b>Actual use of net proceeds</b>
7 January 2025	Subscription of new shares under general mandate	HK\$4.0 million	General working capital	Fully utilized as intended
24 October 2025 and 27 October 2025	Subscription of convertible bonds under specific mandate	HK\$28.6 million	Approximately 60% of the net proceeds (approximately HK\$17.2 million) in the key investment into hardware to enhance the Group's existing capabilities and help enable the provision of automated solutions tailored to varying industries	Subject to independent shareholders' approval
			Approximately 20% of the net proceeds (approximately HK\$5.7 million) in the headcount expansion by recruitment of software developers and professional affiliates and the provision of incentives in the retaining of talents	Approximately 20% of the net proceeds (approximately HK\$5.7 million) for support of day-to-day operations and other integration costs

Save as disclosed above, the Company has not conducted any equity fund raising activities in the past 12 months immediately prior to the date of this announcement.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As the Company has not conducted any rights issue or open offer within 12 months prior to the date of this announcement and the Rights Issue will not increase either the total number of issued Shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders pursuant to GEM Listing Rules.

The Rights Issue will 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.

## **GENERAL**

The Prospectus Documents containing, among other things, the Prospectus setting out details of the Rights Issue and the PAL will be despatched to the Qualifying Shareholders on Wednesday, 14 January 2026. A copy of the Prospectus will also be made available on the websites of the Company and the Stock Exchange.

Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders (if any) for their information only, but will not send any PAL to them.

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

**The Shares are expected to be dealt in on an ex-rights basis from Monday, 5 January 2026. If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Please refer to the section headed "Conditions of the Rights Issue" in this announcement above.**

**Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.**

**Shareholders and potential investors are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).**

## DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“CB Subscriber”	Mr. Zhang Rongxuan, who is an executive Director
“CB Subscription”	the proposed subscription of Convertible Bonds in the Company by the CB Subscriber in the principal amount of HK\$28,600,000
“CB Subscription Agreement”	the subscription agreement dated 24 October 2025 entered into between the Company and the CB Subscriber in respect of the subscription of the Convertible Bonds
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Mindtell Technology Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on GEM (stock code: 8611)
“Compensatory Arrangements”	the arrangement involving the placing of the Unsubscribed Rights Shares, if any, by the Placing Agent on a best effort basis pursuant to the Placing Agreement in accordance with Rule 10.31(1)(b) of the GEM Listing Rules
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Conversion Shares”	a maximum of 52,000,000 Shares to be issued upon conversion of the Convertible Bonds pursuant to the terms and conditions of the Convertible Bonds

“Convertible Bonds”	the convertible bonds in the aggregate principal amount of HK\$28,600,000 to be issued by the Company to the CB Subscriber pursuant to the CB Subscription Agreement
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Last Trading Day”	23 December 2025, being the last trading day of the Shares on the Stock Exchange before the release of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Wednesday, 28 January 2026, being the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus Documents
“Latest Time for Compensatory Arrangements”	being the latest time for the Placing Agent to determine the list of Placees and to notify the Company of the results of the Placing
“Listing Committee”	has the meaning as defined in the GEM Listing Rules
“No Action Shareholders”	those Qualifying Shareholders who do not subscribe for the Right Shares (whether partially or fully) under the PALs or their renounces, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed

“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, after making enquiries with the legal advisers in the relevant jurisdictions, consider it necessary or expedient not to offer the Rights Issue to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form
“Overseas Shareholder(s)”	the Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placee(s)”	professional, institutional, corporate or other investor(s), procured by the Placing Agent and/or its sub-placing agent(s) to subscribe for any of the Unsubscribed Rights Shares pursuant to the Placing Agreement
“Placing”	the placing of a maximum of 234,000,000 Unsubscribed Rights Shares on a best effort basis by the Placing Agent and/or its sub-placing agents(s) to the Placees on the terms and conditions of the Placing Agreement
“Placing Agent”	VBG Capital Limited, a licensed corporation carrying out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the placing agent appointed by the Company pursuant to the Placing Agreement
“Placing Agreement”	the placing agreement dated 23 December 2025 entered into between the Company and the Placing Agent in relation to the Placing
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus and the PAL
“Prospectus Posting Date”	Wednesday, 14 January 2026 being the date of despatch of the Prospectus Documents

“Qualifying Shareholder(s)’’	Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Tuesday, 13 January 2026, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company
“Rights Issue”	the proposed issue of the Rights Shares on the basis of one (1) Rights Shares for every two (2) Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price, payable in full on acceptance and on the terms and subject to the conditions in the Prospectus Documents
“Rights Share(s)”	234,000,000 new Shares to be allotted and issued pursuant to the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company from time to time
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$1.23 per Rights Share
“Unsubscribed Rights Shares”	those Rights Shares that are not subscribed by the Qualifying Shareholders and the NQS Rights Shares that are not successfully sold by the Company as described in the paragraph headed “Arrangements for the NQS Rights Shares” in this announcement
“%”	per cent.

By order of the Board of  
**Mindtell Technology Limited**  
**Zhang Rongxuan**  
*Chairman*

Hong Kong, 23 December 2025

*As at the date of this announcement, the executive Directors are Mr. Zhang Rongxuan and Mr. Lyu Xingjian; the non-executive Director is Mr. Chong Yee Ping; and the independent non-executive Directors are Dato' Yeong Kok Hee, Mr. Yuen Chun Fai and Ms. Chan Laam Chi.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 announcement 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 announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days after the date of publication and on the Company’s website at [www.mindtelltech.com](http://www.mindtelltech.com).*

\* for identification purpose only