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# MADISON

— G R O U P —

## Madison Holdings Group Limited 麥迪森控股集團有限公司

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

**(Stock Code: 08057)**

- (1) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;**
- (2) PROPOSED SHARE CONSOLIDATION;**
- (3) PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY TWO (2) CONSOLIDATED SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS;**
- (4) THE COMPENSATORY ARRANGEMENTS AND THE PLACING AGREEMENT;**
- (5) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER;**
- AND**
- (6) PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY**

**Placing Agent of the Rights Issue**

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

**Independent Financial Adviser**



**紅日資本有限公司**  
RED SUN CAPITAL LIMITED

## **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

The Board proposes to increase the authorised share capital of the Company from HK\$10,000,000 divided into 1,000,000,000 Existing Shares to HK\$20,000,000 divided into 2,000,000,000 Existing Shares by the creation of an additional 1,000,000,000 new Existing Shares.

## **PROPOSED SHARE CONSOLIDATION**

Subject to the Increase in Authorised Share Capital becoming effective, the Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of HK\$0.01 each will be consolidated into one (1) Consolidated Share of HK\$0.10 each. The Share Consolidation is conditional upon, among other things, the approval of the Shareholders at the EGM.

Subject to the Increase in Authorised Share Capital becoming effective, the authorised share capital of the Company will become HK\$20,000,000 divided into 2,000,000,000 Existing Shares of par value of HK\$0.01 each, and there are 623,127,227 Existing Shares in issue which are fully paid or credited as fully paid. Assuming no further Shares will be issued or repurchased from the date of this announcement up to the effective date of the Share Consolidation, upon the Increase in Authorised Share Capital and the Share Consolidation becoming effective, the authorised share capital of the Company will become HK\$20,000,000 divided into 200,000,000 Consolidated Shares with par value of HK\$0.10 each, of which 62,312,722 Consolidated Shares will be in issue.

## **PROPOSED RIGHTS ISSUE**

The Company proposes to issue 93,469,083 Rights Shares by way of the Rights Issue, on the basis of three (3) Rights Shares for every two (2) Consolidated Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price of HK\$0.486 per Rights Share to raise approximately HK\$45.43 million before expenses (assuming no new issue or repurchase of Shares on or before the Record Date).

The maximum net proceeds from the Rights Issue after deducting the relevant expenses are estimated to be approximately HK\$42.79 million (assuming no change in the number of Shares in issue on or before the Record Date). The Company intends to apply the net proceeds from the Rights Issue for repayment of the Outstanding Loans and general working capital of the Group.

The Rights Issue will only be available to the Qualifying Shareholders and will not be available to the Non-Qualifying Shareholders. There will be no excess application arrangements in relation to the Rights Issue.

As at the date of this announcement, the Company has not received any information or irrevocable undertaking from any Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them 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 Non-Qualifying Shareholders, by offering the Unsubscribed Rights Shares to independent placees for the benefit of the relevant No Action Shareholders and the Non-Qualifying Shareholders to whom they were offered under the Rights Issue.

On 5 March 2026 (after trading hour 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. The placing price of the Unsubscribed Rights Shares shall be not less than the Subscription Price. The final price determination will be determined based on the demand for and market conditions of the Unsubscribed Rights Shares at the time of placement.

There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue. As the Rights Issue will proceed on a non-underwritten basis, any Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) 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 the part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 10.26(2) of the GEM Listing Rules. Such scale-down of applications of Rights Shares shall operate on a fair and equitable basis. Where the scale-down is necessitated by the exceeding of shareholding by a group rather than an individual Shareholder, the allocations of PAL(s) to members of the affected group should be made on a pro-rata basis by reference to the number of Shares held by the affected applicants on the Record Date, but for the avoidance of any doubt, any or any such onward allocation(s) shall be subject to the scaling-down as well. Any subscription monies not utilised due to the scaled-down application of entitled Rights Shares will be refunded to the affected applicants.

#### **GEM LISTING RULES IMPLICATIONS**

In accordance with Rule 10.29 of the GEM Listing Rules, as the Rights Issue will increase the issued shares of the Company by more than 50%, the Rights Issue is conditional on approval by the Independent Shareholders at the EGM by an ordinary resolution on which any controlling shareholders and their associates shall abstain from voting in favour under Rule 10.29(1) of the GEM Listing Rules.

As at the date of this announcement, Mr. Ting beneficially owns as to 10,193,243 Existing Shares and is interested in 254,479,672 Existing Shares, representing in aggregate approximately 42.47% of the issued share capital of the Company, through Royal Spectrum, Devoss Global, CVP Financial, Plan Marvel, Kaiser Capital and Highgrade Holding. As at the date of this announcement, none of the Directors or their associates hold any Existing Shares.

In addition, as at the date of this announcement, the Company is indebted to Mr. Ting the Shareholder's Loan. The Company intends to apply part of the net proceeds from the Rights Issue to repay part of the Shareholder's Loan. As such, Mr. Ting is considered to have a material interest in the Rights Issue and thus, Mr. Ting and his associates shall abstain from voting in favour of the resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM.

#### **THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, comprising Mr. Chu Kin Wang Peleus, Dr. Lau Reimer, Mary Jean and Mr. Zhou Li, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the Rights Issue and the transactions contemplated thereunder respectively, and as to the voting action therefor.

With the approval of the Independent Board Committee, Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in these regards.

#### **PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY**

The Board proposes to amend the Existing M&A and to adopt the New M&A in substitution for, and to the exclusion of, the Existing M&A in order to, among other things, update the authorised share capital of the Company and the nominal value of Shares pursuant to the Increase in Authorised Share Capital and the Share Consolidation.

#### **DESPATCH OF CIRCULAR AND PROSPECTUS DOCUMENTS**

The Circular containing, among other things, (i) further details of the Rights Issue, the Placing Agreement, the proposed Increase in Authorised Share capital, the proposed Share Consolidation and the Proposed Amendments and the proposed adoption of the New M&A; (ii) a letter of recommendations from the Independent Board Committee in respect of the Rights Issue and the Placing Agreement; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in regards of the above; (iv) other information required under the GEM Listing Rules; and (v) a notice convening the EGM, is expected to be despatched to the Shareholders (including the Non-Qualifying Shareholders) on or before Thursday, 2 April 2026.

Subject to, among other things, the Rights Issue, the Placing Agreement, the proposed Increase in Authorised Share Capital and the proposed Share Consolidation having been approved by the Independent Shareholders at the EGM, the Prospectus Documents or the Prospectus, whichever appropriate, will be despatched to the Qualifying Shareholders and, for information only, the Non-Qualifying Shareholders in due course. For the avoidance of doubt, the Non-Qualifying Shareholders are entitled to attend and vote at the EGM.

### **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE RIGHTS SHARES**

**The Shares are expected to be dealt in on an ex-rights basis from Thursday, 30 April 2026. Dealings in the Rights Shares in nil-paid form are expected to take place from Thursday, 14 May 2026 to Thursday, 21 May 2026. Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is 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). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject 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 the nil-paid Right Shares.**

### **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

In order to provide the Company with greater flexibility in fund raising whereby promoting future business growth, the Board proposes the Increase in Authorised Share Capital.

As at the date of this announcement, the authorised share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 Existing Shares of par value of HK\$0.01 each, of which 623,127,227 Existing Shares in issue are fully paid or credited as fully paid. In order to provide the Company with greater flexibility to raise funds in the future, the Board proposes to increase the authorised share capital of the Company from HK\$10,000,000 divided into 1,000,000,000 Existing Shares to HK\$20,000,000 divided into 2,000,000,000 Existing Shares by the creation of an additional 1,000,000,000 new Existing Shares.

The proposed Increase in Authorised Share Capital of the Company is subject to the approval of the Shareholders by way of an ordinary resolution at the EGM to be held on Monday, 27 April 2026.

## **PROPOSED SHARE CONSOLIDATION**

Subject to the Increase in Authorised Share Capital becoming effective, the Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of HK\$0.01 each will be consolidated into one (1) Consolidated Share of HK\$0.10 each. The Share Consolidation is conditional upon, among other things, the approval of the Shareholders at the EGM.

### **Effect of the Share Consolidation**

Subject to the Increase in Authorised Share Capital becoming effective, the authorised share capital of the Company will become HK\$20,000,000 divided into 2,000,000,000 Existing Shares of par value of HK\$0.01 each, and there are 623,127,227 Existing Shares in issue which are fully paid or credited as fully paid. Assuming no further Shares will be issued or repurchased from the date of this announcement up to the effective date of the Share Consolidation, upon the Increase in Authorised Share Capital and the Share Consolidation becoming effective, the authorised share capital of the Company will become HK\$20,000,000 divided into 200,000,000 Consolidated Shares with par value of HK\$0.10 each, of which 62,312,722 Consolidated Shares will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will have no effect on the consolidated net asset value of the Group, nor alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to Shareholders who may otherwise be entitled and the necessary professional expenses for the implementation of the Share Consolidation.

The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group and that on the date the Share Consolidation is to be effected, there are no reasonable grounds for believing that the Company is, or after the Share Consolidation would be, unable to pay its liabilities as they become due. The Share Consolidation will not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any unpaid capital of the Company nor will it result in any change in the relative rights of the Shareholders.

## **Conditions of the Share Consolidation**

The implementation of Share Consolidation is conditional upon:

- (i) the Increase in Authorised Share Capital becoming effective;
- (ii) the passing of an ordinary resolution to approve the Share Consolidation by the Shareholders at the EGM;
- (iii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iv) the compliance with the relevant procedures and requirements under the laws of the Cayman Islands (where applicable) and the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Share Consolidation, if any.

As at the date of this announcement, none of the above conditions had been fulfilled.

Subject to the satisfaction of all the above conditions, it is expected that the Share Consolidation will become effective on Wednesday, 29 April 2026.

## **Listing Application**

An application will be made by the Company to the GEM Listing Committee for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective. Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date 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 settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

## **Fractional entitlement to Consolidated Shares**

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of share certificates held by such holder. Shareholders concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

## **Arrangement on odd lot trading**

In order to facilitate the trading of odd lots, if any, of the Consolidated Shares arising from the Share Consolidation, the Company will appoint a securities firm as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lot arrangement will be set out in the circular to be despatched to the Shareholders.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

## **Free exchange of share certificates for Consolidated Shares**

Subject to the Share Consolidation having become effective, Shareholders may, during the period from Wednesday, 29 April 2026 to 4:30 p.m. on Monday, 8 June 2026 (both days inclusive), submit the existing share certificates for the Existing Shares to the Registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, to exchange, at the expense of the Company, for new share certificates for the Consolidated Shares. Thereafter, existing share certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for Consolidated Shares at the expense of the Shareholders on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each existing share certificate cancelled or each new share certificate issued for Consolidated Shares (whichever is higher) but are not acceptable for delivery, trading and settlement purposes.

The colour of the new share certificates for the Consolidated Shares will be in golden colour in order to distinguish them from the existing share certificates in blue colour.

## **Adjustments in relation to other securities of the Company**

As at the date of this announcement, there are outstanding share options for subscription of an aggregate of 30,150,000 Existing Shares under the Share Option Scheme. The Share Consolidation may lead to adjustments to the exercise price and/or the number of Consolidated Shares falling to be issued upon exercise of the outstanding share options pursuant to the terms and conditions of the Share Option Scheme. The Company will publish announcement(s) on such adjustments as and when appropriate. Save for the aforesaid, the Company has no other outstanding convertible securities, options or warrants in issue which are convertible or exchangeable into Shares as at the date of this announcement.

## **REASONS FOR THE PROPOSED SHARE CONSOLIDATION**

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated in September 2024 (the “Guide”) states that (i) market price of the shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value per board lot should be greater than HK\$2,000.

The Company’s share prices have remained below HK\$0.10 and the value of each board lot has remained below HK\$2,000 since October 2025. In view of the prevailing trading prices of the Existing Shares and the value per board lot being substantially less than HK\$2,000, the Board proposes to implement the Share Consolidation. It is expected that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange. As a result, the proposed Share Consolidation would enable the Company to comply with the trading requirements under the GEM Listing Rules. Based on the closing price of HK\$0.081 per Existing Share (equivalent to HK\$0.81 per Consolidated Share) as quoted on the Stock Exchange as at the date of this announcement, the expected market value of each board lot of 4,000 Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$3,240, which is greater than HK\$2,000 and therefore complies with the requirement as set out in the Guide.

**Shareholders and potential investors should note that the Share Consolidation is conditional upon satisfaction of the conditions as set out in the paragraph headed “Conditions of the Share Consolidation” above. Accordingly, the Share Consolidation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.**

## **PROPOSED RIGHTS ISSUE**

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

Basis of the Rights Issue:	Three (3) Rights Shares (in nil-paid form) for every two (2) Consolidated Shares held at the close of business on the Record Date
Subscription Price:	HK\$0.486 per Rights Share
Net price per Rights Share (the aggregate Subscription Price of the maximum number of Rights Shares to be issued less costs and expenses estimated to be incurred in the Rights Issue divided by the maximum number of Rights Shares to be issued):	Approximately HK\$0.458 per Rights Share
Number of Existing Shares in issue as at the date of this announcement:	623,127,227 Existing Shares
Number of Consolidated Shares in issue upon the Share Consolidation having become effective:	62,312,722 Consolidated Shares
Number of Rights Shares to be issued:	up to 93,469,083 Rights Shares (assuming no change in the number of Consolidated Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares:	up to HK\$9,346,908.30 (assuming no change in the number of Shares in issue on or before the Record Date)

Number of Consolidated Shares in issue upon completion of the Rights Issue (assuming that the Rights Issue is fully subscribed):	up to 155,781,805 Consolidated Shares (assuming no change in the number of Consolidated Shares in issue on or before the Record Date and that no new Consolidated Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Gross proceeds from the Rights Issue (before expenses):	Approximately HK\$45.43 million
Net proceeds from the Rights Issue:	Approximately HK\$42.79 million
Rights of excess application:	There will be no excess application arrangements in relation to the Rights Issue

As at the date of this announcement, there are outstanding share options carrying the right to subscribe for 30,150,000 Existing Shares. Save for the above, there are no options, warrants, derivatives or other convertible securities granted by the Company which confer rights to subscribe for, convert or exchange into Existing Shares that are subsisting as at the date of this announcement.

Assuming no change in the number of issued Consolidated 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 maximum of 93,469,083 Rights Shares proposed to be issued pursuant to the terms of the Rights Issue represent approximately (i) 150.0% of the issued share capital of the Company immediately upon completion of the Share Consolidation but before the completion of the Rights Issue and (ii) 60.0% of the issued share capital of the Company after completion of the Share Consolidation and the Rights Issue as enlarged by the allotment and issue of the Rights Shares.

As at the date of this announcement, the Company has not received any information or irrevocable undertaking from any Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them under the Rights Issue.

## Subscription Price

The Subscription Price is HK\$0.486 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares or, where applicable, when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of 40.0% to the theoretical closing price of HK\$0.81 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 39.10% to the theoretical average closing prices per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the five previous consecutive trading days up to and including the Last Trading Day of HK\$0.798 per Consolidated Share;
- (iii) a discount of approximately 37.05% to the theoretical average closing prices per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the ten previous consecutive trading days up to and including the Last Trading Day of HK\$0.772 per Consolidated Share;
- (iv) a discount of approximately 21.10% to the theoretical ex-rights price of approximately HK\$0.616 per Consolidated Share based on the closing price of HK\$0.81 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the Last Trading Day; and
- (v) a discount of approximately 79.83% to the net asset value of the Company of approximately HK\$2.41 per Consolidated Share calculated based on the unaudited consolidated net asset value of the Company of approximately HK\$149,922,000 as at 30 September 2025 and the total number of issued Consolidated Shares after the Share Consolidation, which will be 62,312,722 Shares.

The Rights Issue will result in a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 24.00% to the existing Shareholders if they elect not to participate in the Rights Issue, which is calculated based on the theoretical diluted price of approximately HK\$0.616 per Consolidated Share and the theoretical benchmarked price (as defined under Rule 10.44A of the GEM Listing Rules) of HK\$0.81 per Consolidated Share.

The net price per Rights Share (i.e. the aggregate Subscription Price of the maximum number of Rights Shares to be issued less costs and expenses estimated to be incurred in the Rights Issue divided by the maximum number of Rights Shares to be issued), assuming that the Rights Issue is fully subscribed, will be approximately HK\$0.458.

The Subscription Price was determined by the Company with reference to (i) the average closing price of the Shares quoted on the Stock Exchange of approximately HK\$0.072 for the three months up to and including the Last Trading Day; (ii) the highest and lowest closing price of the Shares quoted on the Stock Exchange of HK\$0.084 and HK\$0.055 respectively for the three months up to and including the Last Trading Day; and (iii) the persistent loss-making position of the Company.

The Directors consider that, despite any potential dilution impact of the Rights Issue on the shareholding interests of the Shareholders, 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, after taking into account the following factors: (i) the Qualifying Shareholders are provided with an equal opportunity to subscribe for their assured entitlements under the Rights Issue for the purpose of maintaining their respective existing shareholding interests in the Company; and (ii) the Subscription Price represents a discount of approximately 40.00% and 32.74% to the closing price of the Shares on the Last Trading Day and the average of the closing prices of the Shares for the last three months up to and including the Last Trading Day respectively, and such discounts would encourage the Qualifying Shareholders to subscribe for their assured entitlements under the Rights Issue.

### **Qualifying Shareholders**

The Rights Issue is available to the Qualifying Shareholders only. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company on the Record Date and not being a Non-Qualifying Shareholder.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company and 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.

In order to be registered as members of the Company on the Record Date, all transfers of Shares (together with the relevant share certificate(s)) must be lodged with the Registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by not later than 4:30 p.m. on Monday, 4 May 2026. It is expected that the last day of dealing in the Shares on a cum-rights basis is Wednesday, 29 April 2026 and the Shares will be dealt with on an ex-rights basis from Thursday, 30 April 2026.

The Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date.

Application for all or any part of a Qualifying Shareholder's entitlement to the Rights Shares should be made by completing the PAL and lodging the same with a cheque drawn on an account with, or a bank cashier's order issued by, a licensed bank in Hong Kong for the Rights Shares being applied for with the Registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong on or before the Latest Time for Acceptance.

The Qualifying Shareholders who take up their pro-rata entitlements in full will not experience any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). **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.**

As at the date of this announcement, the Company has not received any information or irrevocable undertaking from any other Shareholders of their intention to take up the Rights Shares to be provisionally allotted and issued to them under the Rights Issue.

### **Non-Qualifying Shareholders**

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

The Board will make enquiries regarding the legal restrictions under the laws of the relevant overseas jurisdiction(s) and the requirements of the relevant regulatory body(ies) or stock exchange(s) pursuant to Rule 17.41(1) of the GEM Listing Rules. If, after making such enquiries and based on legal opinions provided by the legal advisers to the Company, 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 the relevant jurisdiction(s) or the requirements of the relevant regulatory body(ies) or stock exchange(s) in the relevant place(s), no offer of the Rights Shares will be made to such Overseas Shareholders. Accordingly, the Rights Issue will not be extended to such Overseas Shareholders. The basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus.

The Company will send copies of the Overseas Letter and the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send the PAL to them. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained above. As at the date of this announcement, the Company does not have any Overseas Shareholders.

The Non-Qualifying Shareholders (which are excluded from the Rights Issue) would not have any entitlement under the Rights Issue. However, arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in their nil-paid form, to be sold in the market as soon as practicable after dealings in the nil-paid Rights Shares commence, and in any event before the last day for dealings in nil-paid Rights Shares, if a premium (net of expenses) can be obtained. Proceeds from each sale, less expenses and stamp duty, of not less than HK\$100 will be paid pro-rata (rounded down to the nearest cent) to the relevant Non-Qualifying Shareholder(s) in Hong Kong dollars. The Company will retain individual amounts of less than HK\$100 for its own benefit to cover the administrative costs that it would have incurred.

For the nil-paid Rights Shares that were sold in the market by the Company and the buyer of such nil-paid Rights Shares who will not take up the entitlement, such Unsubscribed Rights Shares will be subject to the Compensatory Arrangements under the Placing Agreement.

For details of the Compensatory Arrangements, please refer to the section headed “No excess application and procedures in respect of the Unsubscribed Rights Shares” in this announcement.

**Overseas Shareholders 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. The Company reserves the right to treat as invalid any acceptance of 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, Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should exercise caution when dealing in the Shares. The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. Shareholders and beneficial owners of the Shares (including, without limitation, their respective agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.**

## **Basis of provisional allotments**

The basis of the provisional allotments shall be three (3) Rights Shares (in nil-paid form) for every two (2) Consolidated Shares held by the Qualifying Shareholders as at the close of business on the Record Date.

## **Conditions of the Rights Issue**

The Rights Issue is conditional upon the following conditions being fulfilled:

- (a) the passing of all the necessary resolution(s) at the EGM to be convened to consider and, approve, among others, the Rights Issue and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by the Independent Shareholders;
- (b) the Increase in Authorised Share Capital and the Share Consolidation having become effective;
- (c) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of the Prospectus Documents each duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolutions of the Directors (and all other documents required to be attached hereto) and otherwise in compliance with the GEM Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) not later than the Prospectus Posting Date;
- (d) the Prospectus Documents are made available to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders, if any, for information purpose explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date;
- (e) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares in their nil-paid and fully-paid forms;
- (f) the Placing Agreement not having been terminated in accordance with the provisions thereof, including force majeure events; and
- (g) compliance with the requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands.

None of the above conditions can be waived. If any of the conditions referred to above is not fulfilled by the Latest Time for Termination, the Rights Issue will not proceed.

As at the date of this announcement, none of the conditions has been satisfied.

### **Application for listing**

The Company will apply to the GEM Listing Committee of the Stock Exchange 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. Other than on the Stock Exchange, 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.

### **Non-underwritten basis**

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully-subscribed, any Unsubscribed Rights Shares will be placed to independent placees on a best effort basis by the Placing Agent under the Compensatory Arrangements. Any Unsubscribed Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue. As the Rights Issue will proceed on a non-underwritten basis, any Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) 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 the part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 10.26(2) of the GEM Listing Rules . Such scale-down of applications of Rights Shares shall operate on a fair and equitable basis. Where the scale-down is necessitated by the exceeding of shareholding by a group rather than an individual Shareholder, the allocations of PAL(s) to members of the affected group should be made on a pro-rata basis by reference to the number of Shares held by the affected applicants on the Record Date, but for the avoidance of any doubt, any or any such onward allocation(s) shall be subject to the scaling-down as well. Any subscription monies not utilised due to the scaled-down application of entitled Rights Shares will be refunded to the affected applicants.

## **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 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 their nil-paid and fully-paid forms with their board lot size being the same (i.e. 4,000) as their underlying 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 settlement 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.

## **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 on the date of allotment and issue of the Rights Shares. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid with a record date falling on or after the date of allotment and issue of the Rights Shares in their fully-paid form.

## **Stamp duty and other applicable fees and charges**

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

## **Share certificates for the Rights Shares and refund cheques**

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be sent by ordinary post on Monday, 29 June 2026 to those persons who have validly accepted and, where applicable, applied for, and paid for the Rights Shares, at their own risk, to their registered addresses. Each allottee will receive one share certificate for all allotted Rights Shares.

If the Rights Issue does not proceed, the monies received by the Company in respect of the subscription for the Rights Shares will be refunded to the Qualifying Shareholders or such other person to whom the nil-paid rights have been validly renounced or transferred or, in the case of joint acceptances, to the first-named person, without interest and by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other person to their registered addresses by the Registrar on Monday, 29 June 2026.

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

No fractional entitlements to the Rights Shares shall be issued to the Shareholders and no entitlements of the Non-Qualifying Shareholders to the Rights Shares shall be issued to the Non-Qualifying Shareholders. All fractions of the Rights Shares shall be rounded down to the nearest whole number of Rights Shares and aggregated and, if a premium (net of expenses) can be achieved, sold in the market by the Company for its own benefit.

### **Odd lot arrangement**

In order to facilitate the trading of odd lots of the 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. Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers. Further details of the odd lot arrangement will be set out in the Prospectus.

### **No excess application and procedures in respect of the Unsubscribed Rights Shares**

There will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 10.31(1)(a) of the GEM Listing Rules. 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 to whom they were offered under the Rights Issue. 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 the 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 those No Action 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 Monday, 22 June 2026, the Placees for all (or as many as possible) of those Unsubscribed Rights Shares at a price not less than the Subscription Price. Any Unsubscribed Rights Shares and NQS Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

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

- (i) 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
- (ii) the relevant Non-Qualifying Shareholders 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) 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.

### **Placing Agreement for the Unsubscribed Rights Shares**

Details of the Placing Agreement are summarised as follows:

Date:	5 March 2026 (after trading hours of the Stock Exchange)
Issuer:	The Company
Placing agent:	Advent Securities (Hong Kong) Limited, an Independent Third Party

To the best knowledge, information and belief of the Directors, after making reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

- Placing period: The period commencing from Thursday, 4 June 2026 to Monday, 22 June 2026.
- Commission and expenses: Subject to completion of the Placing, the Company shall pay to the Placing Agent a placing commission in Hong Kong dollars, of 2.0% of the amount which is equal to the placing price multiplied by the number of Unsubscribed Rights Shares that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement.
- Placing price of the Unsubscribed Rights Shares: The placing price of the Unsubscribed Rights Shares shall be at least equal to the Subscription Price and the final price determination will depend on the demand for and the market conditions of the Unsubscribed Rights Shares during the process of placement.
- Placees: The Unsubscribed Rights Shares shall only be offered by the Placing Agent to Placee(s) who and whose ultimate beneficial owner(s) are Independent Third Party(ies) and not acting in concert with any of the Company's connected persons.
- Ranking of the Unsubscribed Rights Shares: The Unsubscribed Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue.
- Conditions precedent: The obligations of the Placing Agent under the Placing Agreement are conditional upon:
- i. the passing by the Shareholders (including independent Shareholders) at a general meeting of the Company of all necessary resolutions to be proposed to approve, among others, the Share Consolidation, the Rights Issue, the Placing Agreement and the respective transaction contemplated thereunder;
  - ii. the Share Consolidation having become effective;
  - iii. the GEM Listing Committee granting the approval for the listing of, and the permission to deal in, the Rights Shares (including the Shares for Placing) and such approval not having been withdrawn or revoked;

- iv. all necessary consents and approvals to be obtained on the part of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated hereunder having been obtained;
- v. 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 as if it was repeated as at the time of completion; and
- vi. the obligations of the Placing Agent under the Placing Agreement not being terminated in accordance with the terms thereof.

Termination:

The Placing Agent may terminate the Placing Agreement without any liability to the Company, by giving notice in writing to the Company at any time prior to the Latest Time for Termination upon the occurrence of the following events:

- i. the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of this Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's reasonable opinion would materially and adversely affect the success of the Placing; or

- ii. the imposition of any moratorium, suspension (for more than fourteen (14) trading days) or restriction on trading in the securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's reasonable opinion, would materially and adversely affect the success of the Placing, excluding any suspension in connection with the clearance of the announcement of the Company or the Prospectus Documents or other announcements and circulars of the Company in connection with the Rights Issue; or
- iii. any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's reasonable opinion any such new law or change may materially and adversely affect the business or financial prospects of the Group and/or the success of the Placing; or
- iv. any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
- v. any breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the date of despatch of share certificates for fully-paid Rights Shares and refund cheques (if any), which if had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect or there has been a breach by the Company of any other provision of the Placing Agreement; or

- vi. there is any material adverse change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

The terms of the Placing Agreement, including the placing commission, were determined after arm's length negotiation between the Placing Agent and the Company with reference to the prevailing market rate and the Company considers the Placing Agreement to be on normal commercial terms.

The Company considers that the Placing Agreement will provide a compensatory mechanism for the No Action Shareholders, protect the interest of the Shareholders, and is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

#### **POSSIBLE ADJUSTMENT TO THE OUTSTANDING SHARE OPTIONS UNDER THE SHARE OPTION SCHEME**

The Rights Issue may lead to adjustments to, among others, the exercise price and/or the number of Shares to be issued upon exercise of the unexercised share options under the Share Option Scheme. The Company will notify the holders of such unexercised share options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made, if any, pursuant to the terms of the Share Option Scheme and such adjustments will be certified by an independent financial adviser or auditors of the Company (as the case may be). As at the date of this announcement, there are 30,150,000 unexercised share options granted by the Company pursuant to the Share Option Scheme, all of which are exercisable on or before the Record Date (the “**Outstanding Share Options**”). The Outstanding Share Options are exercisable into 30,150,000 Shares.

## EFFECTS ON THE SHAREHOLDING STRUCTURE

The table below sets out the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately upon completion of the Share Consolidation; (iii) immediately after completion of the Rights Issue (assuming full acceptance of the Rights Shares by all Qualifying Shareholders); and (iv) immediately after completion of the Rights Issue (assuming no acceptance of the Rights Shares by the Qualifying Shareholders and 100% of the Unsubscribed Rights Shares are fully placed to the Placees under the Compensatory Arrangements), for illustrative purposes only:

	As at the date of this announcement		Immediately upon the Share Consolidation becoming effective		Immediately after completion of the Rights Issue (assuming full acceptance of the Rights Shares by all Qualifying Shareholders)		Immediately after completion of the Rights Issue (assuming no acceptance of the Rights Shares by the Qualifying Shareholders and all of the Unsubscribed Rights Shares are fully placed to the Placees under the Compensatory Arrangements)	
	Number of		Number of		Number of		Number of	
	Shares	Approximate %	Shares	Approximate %	Shares	Approximate %	Shares	Approximate %
Royal Spectrum Holding Company Limited ("Royal Spectrum") (Notes 1 and 2)	195,920,000	31.44%	19,592,000	31.44%	48,980,000	31.44%	19,592,000	12.58%
CVP Financial Group Limited ("CVP Financial") (Note 2)	50,487,272	8.10%	5,048,727	8.10%	12,621,816	8.10%	5,048,727	3.24%
Mr. Ting (Notes 1 and 2)	10,193,243	1.64%	1,019,324	1.64%	2,548,310	1.64%	1,019,324	0.65%
Highgrade Holding Limited ("Highgrade Holding") (Note 2)	3,527,200	0.57%	352,720	0.57%	881,800	0.57%	352,720	0.23%
Kaiser Capital Holdings Limited ("Kaiser Capital") (Note 2)	1,217,200	0.20%	121,720	0.20%	304,300	0.20%	121,720	0.08%
Plan Marvel Investment Limited ("Plan Marvel") (Note 2)	3,328,000	0.53%	332,800	0.53%	832,000	0.53%	332,800	0.21%
Ms. Liu Yang ("Ms. Liu") (Note 3)	11,000,200	1.77%	1,100,020	1.77%	2,750,050	1.77%	1,100,020	0.71%
Atlantis Investment Management Limited ("Atlantis Investment") (Note 3)	54,256,300	8.71%	5,425,630	8.71%	13,564,075	8.71%	5,425,630	3.48%
Placees	-	-	-	-	-	-	93,469,083	60.00%
Other public Shareholders	293,197,812	47.05%	29,319,781	47.05%	73,299,454	47.05%	29,319,781	18.82%
<b>Total</b>	<b>623,127,227</b>	<b>100.00</b>	<b>62,312,722</b>	<b>100.00%</b>	<b>155,781,805</b>	<b>100.00%</b>	<b>155,781,805</b>	<b>100.00%</b>

### Notes:

- The entire issued share capital in Royal Spectrum is legally and beneficially owned as to 96.63% by Devoss Global Holdings Limited (the "Devoss Global") and 3.37% by Mr. Zhu Qin respectively. Devoss Global is deemed to be interested in the Shares held by Royal Spectrum.

2. Each of Devoss Global, CVP Financial, Highgrade Holding, Kaiser Capital and Plan Marvel is wholly owned by Mr. Ting. CVP Financial is interested in 50,487,272 Existing Shares, Highgrade Holding is interested in 3,527,200 Existing Shares, Kaiser Capital is interested in 1,217,200 Existing Shares and Plan Marvel is interested in 3,328,000 Existing Shares. Mr. Ting is deemed to be interested in 254,479,672 Existing Shares, representing approximately 40.84% of the issued share capital of the Company held by Devoss Global, CVP Financial, Highgrade Holding, Kaiser Capital and Plan Marvel under Part XV of the SFO.
3. The entire issued share capital in Atlantis Investment is wholly-owned by Atlantis Capital Group Holdings Limited (“ACGHL”), which in turn is wholly-owned by Ms. Liu. As such, ACGHL and Ms. Liu are both deemed to be interested in 54,256,300 Existing Shares, representing approximately 8.71% of the issued share capital of the Company, held by Atlantis Investment under Part XV of the SFO.
4. The public float requirements under the GEM Listing Rules shall be fulfilled by the Company at all times. The Company will take all appropriate steps to ensure that sufficient public float be maintained at all times in compliance with Rule 11.23(7) of the GEM Listing Rules.
5. Certain percentage figures included in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

## **EXPECTED TIMETABLE**

The expected timetable for the Rights Issue and Share Consolidation is set out below and is subject to change. Any such change will be announced by the Company as and when appropriate.

<b>Events</b>	<b>Date (Hong Kong time)</b>
Publication of the announcement in relation to, among other matters, the proposed Rights Issue and Share Consolidation	Thursday, 5 March 2026
Despatch of the Circular together with notice of EGM and proxy form for EGM	Thursday, 2 April 2026
Latest time for lodging transfer documents of the Shares to qualify for attendance and voting at the EGM	4:30 p.m. on Monday, 20 April 2026
Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM (both dates inclusive)	Tuesday, 21 April 2026 to Monday, 27 April 2026

<b>Events</b>	<b>Date (Hong Kong time)</b>
Latest time for lodging proxy forms for the EGM	10:00 a.m. on Saturday, 25 April 2026
Record date for attendance and voting at the EGM	Monday, 27 April 2026
Expected date and time of the EGM	10:00 a.m. on Monday, 27 April 2026
Announcement of the poll results of the EGM	Monday, 27 April 2026
Register of members re-opens	Tuesday, 28 April 2026
<b>The following events are conditional upon the results of the EGM and therefore the dates are tentative only.</b>	
Effective date of the Share Consolidation	Wednesday, 29 April 2026
Commencement of dealings in the Consolidated Shares	9:00 a.m. on Wednesday, 29 April 2026
Original counter for trading in Existing Shares in board lots of 4,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Wednesday, 29 April 2026
Temporary counter for trading in Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Wednesday, 29 April 2026
First day for free exchange of existing share certificates into new share certificates for the Consolidated Shares	Wednesday, 29 April 2026
Last day of dealings in Consolidated Shares on cum-rights basis	Wednesday, 29 April 2026
First day of dealings in the Consolidated Shares on an ex-rights basis relating to the Rights Issue	Thursday, 30 April 2026

<b>Events</b>	<b>Date (Hong Kong time)</b>
Latest date and time for lodging transfer documents of the Consolidated Shares in order for the transferees to qualify for the Rights Issue	4:30 p.m. on Monday, 4 May 2026
Closure of register of members to determine the eligibility of the Rights Issue (both dates inclusive)	Tuesday, 5 May 2026 to Monday, 11 May 2026
Record date for the Rights Issue	Monday, 11 May 2026
Register of members re-opens	Tuesday, 12 May 2026
Despatch of the Prospectus Documents (including the PAL and the Prospectus) (in case of the Non-Qualifying Shareholders, the Prospectus only)	Tuesday, 12 May 2026
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	9:00 a.m. on Thursday, 14 May 2026
Original counter for trading in Consolidated Shares in board lots of 4,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Thursday, 14 May 2026
Parallel trading in the Consolidated Shares (in the form of both existing share certificates and new share certificates for the Consolidated Shares) commences	9:00 a.m. on Thursday, 14 May 2026
First day of dealings in nil-paid Rights Share	Thursday, 14 May 2026
Latest time for splitting the PAL	4:30 p.m. on Monday, 18 May 2026
Last day of dealing in nil-paid Rights Shares	Thursday, 21 May 2026

<b>Events</b>	<b>Date (Hong Kong time)</b>
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Wednesday, 27 May 2026
Announcement of the number of Unsubscribed Rights Shares subject to the Placing	Wednesday, 3 June 2026
Commencement of placing of Unsubscribed Rights Shares by the Placing Agent	Thursday, 4 June 2026
Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of the Consolidated Shares	4:00 p.m. on Thursday, 4 June 2026
Temporary counter for trading Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Thursday, 4 June 2026
Parallel trading in Consolidated Shares (in the form of both existing share certificates and new share certificates for the Consolidated Shares) ends	4:10 p.m. on Thursday, 4 June 2026
Latest date and time for free exchange of existing share certificates for the new shares certificate of the Consolidated Shares	4:30 p.m. on Monday, 8 June 2026
Latest time of placing of the Unsubscribed Rights Shares by the Placing Agent	4:00 p.m. on Monday, 22 June 2026
Announcement of results of the Rights Issue (including results of the placing of Unsubscribed Rights Shares and the amount of the Net Gain per Unsubscribed Rights Share under the Compensatory Arrangements)	Friday, 26 June 2026
Despatch of share certificates for fully-paid Rights Shares	Monday, 29 June 2026

<b>Events</b>	<b>Date (Hong Kong time)</b>
Refund cheques, if any, to be despatched (if the Rights Issue is terminated)	Monday, 29 June 2026
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Tuesday, 30 June 2026
Payment of the Net Gain to relevant No Action Shareholders (if any) or Non-Qualifying Shareholders (if any)	Monday, 6 July 2026

**This timetable is indicative only and may be extended or varied. Any change to the expected timetable above will be announced by the Company as and when appropriate.**

#### **EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES**

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

- (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Latest Acceptance Date. Instead the deadline for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; and
- (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Latest Acceptance Date. Instead the deadline 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 at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares does not take place on the Latest Acceptance Date, the dates mentioned in the section headed “Expected Timetable” in this announcement may be affected. The Company will notify the Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Tuesday, 21 April 2026 to Monday, 27 April 2026 (both days inclusive) for determining the identity of the Shareholders entitled to attend and vote at the EGM and from Tuesday, 5 May 2026 to Monday, 11 May 2026 (both days inclusive) for determining the entitlement to the Rights Shares. No transfer of Shares will be registered during the above book closure periods.

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

The Group is principally engaged in (i) retail sales and wholesales of wine products and other alcoholic beverages; (ii) provision of financial consultancy services; and (iii) provision of loan financing and loan referral services.

As disclosed in the interim report of the Company for the six months ended 30 September 2025, as at 30 September 2025, the Shareholder's Loan, the SRA Loan and other borrowings (collectively, the "**Outstanding Loans**") of the Group amount to approximately HK\$82.1 million, HK\$71.9 million and HK\$17.0 million, respectively. The Shareholder's Loan is non-interest bearing, while the effective interest rates on the SRA Loan and the other borrowings of the Group are 4% and 12% per annum, respectively. For the year ended 31 March 2025, the Group incurred finance costs of approximately HK\$6.5 million.

Pursuant to the terms of the Shareholder's Loan, the Shareholder's Loan is repayable on demand and the Group is required to repay an amount of not less than HK\$24.80 million by August 2026. As disclosed in the announcement of the Company dated 28 November 2025, the SRA Loan had already become due. On the other hand, the other borrowings together with the interests accrued thereon in the amount of approximately HK\$2.82 million will be due within the next 6 months from the date of this announcement. As disclosed in the announcement of the Company dated 28 November 2025, the Company had entered into a conditional loan extension agreement with SRA in relation to the extension of the maturity date of the SRA Loan to 30 September 2031.

As such, the Company intends to apply the net proceeds of approximately HK\$42.79 million from the Rights Issue (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date and full subscription under the Rights Issue) as follows:

- (i) approximately HK\$39.79 million for repayment of part of the Outstanding Loans (including approximately HK\$24.80 million for the settlement of the Shareholder's Loan and approximately HK\$14.99 million for the settlement of other borrowings). It is estimated that the finance costs of the Group will be reduced by approximately HK\$1.50 million per annum after repayment of such principal amount of the Outstanding Loans and the financial results of the Group are expected to improve as a result; and
- (ii) approximately HK\$3.00 million for the general working capital of the Group.

In the event that there is an undersubscription of the Rights Issue, the use of proceeds raised from the Rights Issue will be allocated on a pro-rata basis for the purposes disclosed above.

The Company has considered alternative fundraising methods which include debt financing or placing of new Shares. For debt financing, in light of the loss-making position of the Group for the year ended 31 March 2025 and for the six months ended 30 September 2025 and the relatively high gearing ratio of the Group, it is difficult for the Group to obtain loans with favourable interest rate. For placing of new Shares, it would dilute the shareholding of the existing Shareholders while the Rights Issue will allow the Qualifying Shareholders to maintain their respective shareholdings in the Company on a pro rata basis. The Directors are of the view that the proposed Rights Issue could enhance the Group's capital base and generate net proceeds for (i) repayment of existing borrowings and related interest and (ii) general working capital, thereby improving the Group's overall financial position.

In view of the above and the reasons described in the sub-section headed "Subscription Price" under the section headed "Proposed Rights Issue", the Directors consider that the Rights Issue is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

#### **FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS**

The Company has not conducted any fundraising activity involving issue of equity securities in the past twelve months immediately preceding the date of this announcement.

#### **GEM LISTING RULES IMPLICATIONS**

In accordance with Rule 10.29 of the GEM Listing Rules, as the Rights Issue will increase the issued shares of the Company by more than 50%, the Rights Issue is conditional on approval by the Independent Shareholders at the EGM by an ordinary resolution on which any controlling shareholders and their associates shall abstain from voting in favour under Rule 10.29(1) of the GEM Listing Rules.

As at the date of this announcement, Mr. Ting beneficially owns as to 10,193,243 Existing Shares and is interested in 254,479,672 Existing Shares, representing in aggregate approximately 42.47% of the issued share capital of the Company, through Royal Spectrum, Devoss, CVP Financial, Plan Marvel, Kaiser Capital and Highgrade Holding. As at the date of this announcement, none of the Directors or their associates hold any Shares.

In addition, as at the date of this announcement, the Company is indebted to Mr. Ting the Shareholder's Loan. The Company intends to apply part of the net proceeds from the Rights Issue to repay part of the Shareholder's Loan. As such, Mr. Ting is considered to have a material interest in the Rights Issue and thus, Mr. Ting and his associates shall abstain from voting in favour of the resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder.

## **EGM**

The register of members of the Company will be closed from Tuesday, 21 April 2026 to Monday, 27 April 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 Non-Qualifying Shareholders are entitled to attend and vote at the EGM.

In accordance with Rule 10.29 of the GEM Listing Rules, as the Rights Issue will increase the issued shares of the Company by more than 50%, the Rights Issue is conditional on approval by the Independent Shareholders at the EGM by an ordinary resolution on which any controlling shareholders and their associates shall abstain from voting in favour under Rule 10.29(1) of the GEM Listing Rules. As at the date of this announcement, Mr. Ting is interested in 264,672,915 Existing Shares, representing approximately 42.47% of the issued share capital of the Company. In accordance with the GEM Listing Rules, Mr. Ting and his associates and Shareholders who are involved in, or interested in (other than by being a Shareholder), or have a material interest in the Rights Issue and the Placing Agreement will be required to abstain from voting on the resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM. Save as disclosed in this announcement, no other Shareholder is involved or interested in or has a material interest in the Rights Issue, the Placing Agreement and the transactions contemplated thereunder and, hence, is required to abstain from voting on the resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM.

## **THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, comprising Mr. Chu Kin Wang Peleus, Dr. Lau Reimer, Mary Jean and Mr. Zhou Li, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the Rights Issue and the transactions contemplated thereunder respectively, and as to the voting action therefor.

With the approval of the Independent Board Committee, Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in these regards.

**PROPOSED AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY**

The Board proposes to amend the Existing M&A and to adopt the New M&A in substitution for, and to the exclusion of, the Existing M&A in order to, among other things, update the authorised share capital of the Company and the nominal value of Shares pursuant to the Increase in Authorised Share Capital and the Share Consolidation.

Details of the Proposed Amendments are set out below:

<b>Memorandum of Association</b>		
<b>No.</b>	<b>Current Clause</b>	<b>Clause after the Proposed Amendments</b>
8.	The share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 shares of a nominal or par value of HK\$0.01 each, with the power for the Company, insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said share capital subject to the provisions of the Companies Act (As Revised) and the Articles of Association of the Company and to issue any part of its capital, whether original, redeemed or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.	The share capital of the Company is <del>HK\$10,000,000</del> HK\$20,000,000 divided into <del>1,000,000,000</del> <u>2,000,000,000</u> shares of a nominal or par value of <del>HK\$0.01</del> HK\$0.10 each, with the power for the Company, insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said share capital subject to the provisions of the Companies Act (As Revised) and the Articles of Association of the Company and to issue any part of its capital, whether original, redeemed or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions; and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.
<b>Articles of Association</b>		
<b>No.</b>	<b>Current Article</b>	<b>Article after the Proposed Amendments</b>
3(1)	The share capital of the Company at the date on which these Articles come into effect shall be divided into shares of a par value of \$0.01 each.	The share capital of the Company at the date on which these Articles come into effect shall be divided into shares of a par value of <del>\$0.01</del> \$0.10 each.

The Proposed Amendments are subject to the approval of the Shareholders by way of a special resolution at the EGM.

## **DESPATCH OF CIRCULAR AND PROSPECTUS DOCUMENTS**

The Circular containing, among other things, (i) further details of the Rights Issue, the Placing Agreement, the proposed Increase in Authorised Share capital, the proposed Share Consolidation and the Proposed Amendments and the proposed adoption of the New M&A; (ii) a letter of recommendations from the Independent Board Committee in respect of the Rights Issue and the Placing Agreement; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in regards of the above; (iv) other information required under the GEM Listing Rules; and (v) a notice convening the EGM is expected to be despatched to the Shareholders (including the Non-Qualifying Shareholders) on or before Thursday, 2 April 2026.

Subject to, among other things, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder, the proposed Increase in Authorised Share capital, the proposed Share Consolidation and the Proposed Amendments and the proposed adoption of the New M&A having been approved by the Independent Shareholders at the EGM, the Prospectus Documents or the Prospectus, whichever appropriate, will be despatched to the Qualifying Shareholders and, for information only, the Non-Qualifying Shareholders in due course. For the avoidance of doubt, the Non-Qualifying Shareholders are entitled to attend and vote at the EGM.

## **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE RIGHTS SHARES**

**The Shares are expected to be dealt in on an ex-rights basis from Thursday, 30 April 2026. Dealings in the Rights Shares in nil-paid form are expected to take place from Thursday, 14 May 2026 to Thursday, 21 May 2026. Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is 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). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject 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 the nil-paid Right Shares.**

## DEFINITIONS

In this announcement, the following expressions have the meaning set out below unless the context requires otherwise:

“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“associate(s)”	has the meaning ascribed to such term in the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (excluding Saturday, Sunday or public or statutory holiday in Hong Kong and any day on which a tropical cyclone warning No. 8 or above is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal 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 generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular to be despatched by the Company to the Shareholders relating to, among other things, the proposed Increase in Authorised Share Capital, the proposed Share Consolidation, the Rights Issue, the Placing Agreement and the Proposed Amendments and proposed adoption of the New M&A
“Company”	Madison Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued ordinary shares of which are listed on GEM of the Stock Exchange (stock code: 8057)
“Compensatory Arrangements”	placing of the Unsubscribed Rights Shares, if any, by the Placing Agent on a best effort basis pursuant to the Placing Agreement

“connected person(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Consolidated Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“controlling shareholder(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the Rights Issue, the Placing Agreement, the proposed Increase in Authorised Share Capital, the proposed Share Consolidation and the Proposed Amendments and proposed adoption of the New M&A
“Executive”	the Executive Director of the Corporate Finance Division of SFC or any delegate of the Executive Director
“Existing M&A”	the amended and restated memorandum of association and articles of association of the Company dated 9 August 2022
“Existing Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company prior to the Share Consolidation becoming effective
“GEM Listing Committee”	has the same meaning ascribed thereto under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures

“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC 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 in effect
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Increase in Authorised Share Capital”	the proposed increase of the authorised share capital of the Company from HK\$10,000,000 divided into 1,000,000,000 Existing Shares to HK\$20,000,000 divided into 2,000,000,000 Existing Shares by the creation of an additional 1,000,000,000 new Existing Shares
“Independent Board Committee”	the independent committee of the Board, comprising Mr. Chu Kin Wang Peleus, Dr. Lau Reimer, Mary Jean and Mr. Zhou Li, being all the independent non-executive Directors, which has been established to give recommendation to the Independent Shareholders in respect of the Rights Issue, the Placing Agreement, and as to the voting action therefor
“Independent Financial Adviser”	Red Sun Capital Limited, a licensed corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, appointed by the Company with the approval of the Independent Board Committee for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue and the Placing Agreement, and as to the voting action therefor
“Independent Shareholder(s)”	the Shareholders other than Mr. Ting and his associates and any Shareholders who are involved in, or interested in (other than by being a Shareholder), or have a material interest in the Rights Issue, the Placing Agreement and the transactions contemplated thereunder

“Independent Third Party(ies)”	third party(ies) independent of the Company and any connected person(s) of the Company and not a connected person of the Company
“Last Trading Day”	5 March 2026, being the last trading day of the Shares before the release of this announcement
“Latest Acceptance Date”	Wednesday, 27 May 2026
“Latest Time for Acceptance”	4:00 p.m. on Wednesday, 27 May 2026
“Latest Time for Termination”	4:00 p.m. on Tuesday, 23 June 2026
“Mr. Ting”	Mr. Ting Pang Wan, Raymond, a controlling shareholder of the Company interested in a total of 264,672,915 Existing Shares, representing approximately 42.47% of the issued share capital of the Company
“New M&A”	the second amended and restated memorandum of association and articles of association of the Company proposed to be approved by the Shareholders at the EGM
“No Action Shareholder(s)”	Qualifying Shareholders who do not subscribe for the Rights 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, or Non-Qualifying Shareholders (as the case may be)
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) whom the Directors, after making enquiries regarding the legal restrictions under the laws of the relevant jurisdictions or the requirements of the relevant overseas regulatory bodies or stock exchanges, consider it necessary or expedient to exclude them from the Rights Issue
“NQS Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form

“Overseas Letter”	a letter from the Company to the Non-Qualifying Shareholder(s) (if any) explaining the circumstances in which the Non-Qualifying Shareholder(s) (if any) is/are not permitted to participate in the Rights Issue
“Overseas Shareholder(s)”	the Shareholder(s) (whose names appear on the register of members of the Company at the close of business on the Record Date) with registered address(es) 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 or other investor(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies) and not parties acting in concert with it and/or the connected persons of the Company, 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 93,469,083 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”	Advent Securities (Hong Kong) Limited, a licensed corporation to carry out type 1 (dealing in securities) regulated activity under the SFO
“Placing Agreement”	the placing agreement dated 5 March 2026, entered into between the Company and the Placing Agent in relation to the Compensatory Arrangements
“Placing Completion Date”	the third Business Day following the satisfaction of the placing conditions set out in the Placing Agreement or such other date as the Company and the Placing Agent may agree

“PRC”	the People’s Republic of China which, for the purpose of this announcement, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Proposed Amendments”	the proposed amendments to the Existing M&A in respect of the proposed Increase in Authorised Share Capital and the Share Consolidation
“Prospectus”	the prospectus to be issued to the Qualifying Shareholders (and the Non-Qualifying Shareholder(s) for information only) containing, among other things, details of the Rights Issue
“Prospectus Documents”	the Prospectus and the PAL
“Prospectus Posting Date”	Tuesday, 12 May 2026 or such other date as may be determined by the Company, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders and the Prospectus is posted for information only to the Non-Qualifying Shareholders
“Qualifying Shareholder(s)”	Shareholders, other than the Non-Qualifying Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date
“Record Date”	Monday, 11 May 2026, or on such other date as may be agreed determined by the Company, being the date by reference to which the Shareholders’ entitlements to the Rights Issue are to be determined
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company
“Rights Issue”	the proposed issue by way of rights of three (3) Rights Shares for every two (2) Consolidated Shares in issue on the Record Date at the Subscription Price pursuant to the Prospectus Documents

“Rights Shares”	93,469,083 new Consolidated Shares proposed to be allotted and issued under the Rights Issue (assuming no change in the number of Shares in issue on or before the Record Date)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of the Share(s)
“Shareholder’s Loan”	the loan in the amount of approximately HK\$90.3 million owing by the Company to Mr. Ting as at the date of this announcement
“Shares”	the Existing Share(s) and/or the Consolidated Share(s), as the case may be
“Share Consolidation”	the proposed share consolidation of every ten (10) issued and unissued Existing Shares of par value of HK\$0.01 each into one (1) Consolidated Share of par value of HK\$0.10 each
“Share Option Scheme”	the share option scheme adopted by the Company on 21 September 2015
“SRA”	SRA Holdings, Inc., being a company incorporated in Japan and a shareholder of the Company which is interested in approximately 6.49% equity interests of the Company as at the date of this announcement
“SRA Loan”	a loan in the outstanding principal amount of JPY1,352,000,000 owed by Wine Financier Limited, a non wholly-owned subsidiary of the Company, to SRA Holdings, Inc. as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.486 per Rights Share

“substantial shareholder(s)”	has the meaning as ascribed thereto under the GEM Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“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 sub-section headed “Non-Qualifying Shareholders” in this announcement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Madison Holdings Group Limited**  
**Ji Zuguang**  
*Chairman and non-executive Director*

Hong Kong, 5 March 2026

*As at the date of this announcement, the executive Directors are Mr. Jiang Tian, Dr. Cheung Yuk Shan Shirley and Mr. Su Lei; the non-executive Directors are Mr. Ji Zuguang and Mr. Ip Cho Yin J.P.; and the independent non-executive Directors are Mr. Chu Kin Wang Peleus, Dr. Lau Reimer, Mary Jean and Mr. Zhou Li.*

*This announcement, 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 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 at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its publication and on the website of the Company at [www.madison-group.com.hk](http://www.madison-group.com.hk).*