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IntelliMark AI International Limited **中微智碼(國際)集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8041)

Website: <http://www.intellimarkai.com.hk>

PROPOSED BONUS ISSUE OF WARRANTS AND CHANGE IN BOARD LOT SIZE

9 March 2026

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE

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

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

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EXPECTED TIMETABLE

The expected timetable for implementing the Bonus Warrant Issue and Change in Board Lot Size is set forth below:

(Hong Kong time)

First day for free exchange of existing share certificates for new share certificates	Monday, 23 February 2026
Last day for trading of Shares with old board lot size (20,000 Shares) in the original counter	Friday, 6 March 2026
Despatch of circular relating to the Bonus Warrant Issue	On or before Monday, 9 March 2026
Effective date of Change in Board Lot Size from 20,000 Shares to 5,000 Shares.	9:00 a.m. Monday, 9 March 2026
Original counter for trading in Shares in board lots of 20,000 Shares becomes a counter for trading in board lots of 5,000 Shares.	9:00 a.m. Monday, 9 March 2026
Temporary counter for trading in Shares in board lots of 20,000 Shares (in the form of existing share certificates) opens	9:00 a.m. Monday, 9 March 2026
Parallel trading in Shares in the form of new share certificates and existing share certificates commences.	9:00 a.m. Monday, 9 March 2026
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	9:00 a.m. Monday, 9 March 2026
Last day of dealings in the Shares on cum-entitlement to the Bonus Warrant Issue	Thursday, 12 March 2026
Ex-date (the first day of dealings in the Shares on ex-entitlement to the Bonus Warrant Issue).	Friday, 13 March 2026

EXPECTED TIMETABLE

Latest time for lodging transfers of Shares in order to qualify for the Bonus Warrant Issue	4:30 p.m. on Monday, 16 March 2026
Register of members closes (both days inclusive)	From Tuesday, 17 March 2026 to Friday, 20 March 2026
Record Date for the Bonus Warrant Issue	Friday, 20 March 2026
Designated broker ceases to stand in the market to provide matching services for odd lots of Shares	4:00 p.m. Friday, 27 March 2026
Temporary counter for trading in Shares in board lots of 20,000 Shares (in the form of existing share certificates) closes.	4:10 p.m. Friday, 27 March 2026
Parallel trading in Shares in the form of new share certificates and existing share certificates closes.	4:10 p.m. Friday, 27 March 2026
Despatch of certificates for Bonus Warrants	Monday, 30 March 2026
Commencement of dealings in the Warrants	9:00 a.m. Tuesday, 31 March 2026
Last day for free exchange of existing share certificates for new share certificates.	Tuesday, 31 March 2026

All times and dates in this circular refer to Hong Kong local times and dates. The expected timetable for the Bonus Warrants Issue set out above has been prepared on the assumption that the condition of the Bonus Warrants Issue will be fulfilled. If there are any changes to the expected timetable, such changes will be announced in separate announcement(s) by the Company as and when appropriate.

DEFINITIONS

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

“Announcement”	the Company’s announcement dated 10 February 2026 relating to the Bonus Warrant Issue and Change in Board Lot Size
“Board”	the board of Directors
“Bonus Warrant Issue”	the proposed bonus issue of Warrants to the Qualifying Shareholder(s) on the basis of one (1) Warrant for every five (5) existing Shares held on the Record Date
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 20,000 Shares to 5,000 Shares
“Company”	IntelliMark AI International Limited, a company incorporated in the Cayman Islands with limited liability and the securities of which are listed on GEM
“CPS”	the non-voting convertible preference shares of par value HK\$0.15 each in the issued share capital of the Company
“Directors”	the directors of the Company and each a “Director”
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administration Region of the People’s Republic of China
“Latest Practicable Date”	2 March 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, after making enquiry, are of the view that it would be necessary or expedient to exclude them from the Bonus Warrant Issue on account either of legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company at the close of business on the Record Date is/are outside Hong Kong
“Qualifying Shareholder(s)”	the Shareholder(s), other than the Non-Qualifying Shareholder(s), whose names appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	20 March 2026, being the record date for ascertaining the entitlements of Shareholders to the Bonus Warrant Issue
“Registrar”	Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or such other person, firm or company as for the time being maintains in Hong Kong the register of Warrantholders
“Series B CPS”	the non-voting Series B convertible preference shares of par value HK\$0.16 each in the issued share capital of the Company
“Share(s)”	ordinary share(s) of par value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holders of Share(s)

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrant(s)”	warrant(s) proposed to be issued by the Company to subscribe for Warrant Shares at an initial subscription price of HK\$0.60 per Warrant Share, subject to adjustment, pursuant to the Bonus Warrant Issue
“Warrant Share(s)”	new Share(s) which may fall to be issued upon the exercise of the subscription rights attached to the Warrants
“Warrantholder(s)”	registered holder(s) of the Warrants
“%”	per cent

LETTER FROM THE BOARD



IntelliMark AI International Limited **中微智碼(國際)集團有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8041)

Website: <http://www.intellimarkai.com.hk>

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Lau Chun Fat, George

Chan Hiu Kwan

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Hong Kong

9 March 2026

To Shareholders of the Company and for information only, holders of CPS and Series B CPS

Dear Sir or Madam,

PROPOSED BONUS ISSUE OF WARRANTS AND CHANGE IN BOARD LOT SIZE

INTRODUCTION

The Company announced on 10 February 2026 that the Board proposes the Bonus Warrant Issue on the basis of one (1) Warrant for every five (5) existing Shares held on the Record Date and the Change in Board Lot Size.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with further information of the proposed Bonus Warrant Issue and Change in Board Lot Size.

THE PROPOSED BONUS WARRANT ISSUE

The Bonus Warrant Issue was proposed to be made to the Qualifying Shareholders of the Company on the Record Date on the basis of one (1) Warrant for every five (5) existing Shares held on the Record Date. The entitlements to the Warrants are non-renounceable.

Conditions to the Bonus Warrant Issue

The Bonus Warrant Issue will be conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and the Warrant Shares.

The Warrants will be issued in registered form and each Warrant will entitle the holder thereof to subscribe in cash for one Warrant Share at an initial subscription price of HK\$0.60 per Warrant Share on the date falling 12 months from the date of issue of the Warrants, which is expected to be on 30 March 2027, and on which date the Warrant shall expire. The initial subscription price is subject to customary anti-dilutive adjustments in the events of share consolidations, share subdivisions and capitalisation issues as set out in paragraph 2 of Appendix 1 to this circular.

The initial subscription price of HK\$0.60 per Warrant Share represents:

- (i) a discount of approximately 15.49% to the closing price of HK\$0.71 per Share as quoted on the Stock Exchange on 10 February 2026, being the date of the Announcement;
- (ii) a discount of approximately 16.67% to the average closing price of approximately HK\$0.72 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Announcement; and
- (iii) a discount of approximately 16.67% to the closing price of HK\$0.72 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

LETTER FROM THE BOARD

Shares to be issued upon exercise of the Warrants

Assuming no further Shares will be issued or repurchased by the Company on or before the Record Date, on the basis of 819,535,615 Shares in issue as at the latest Practicable Date, 163,907,123 Warrants would be issued pursuant to the Bonus Warrants Issue. Full exercise of the subscription rights attaching to the 163,907,123 Warrants at the initial subscription price of HK\$0.60 per Warrant Share would result in the issue of 163,907,123 Warrant Shares, representing 20% of the existing total number of issued ordinary shares of the Company and approximately 16.67% of the aggregate number of issued ordinary shares of the Company as enlarged by the issue of Warrant Shares, and the receipt by the Company of subscription monies amounting to approximately HK\$98.34 million.

As at the Latest Practicable Date, save for (i) outstanding CPS in the principal amount of HK\$162,500,000 which are convertible into 144,959,857 Shares at the conversion price of HK\$1.121 per Share and (ii) outstanding Series B CPS in the principal amount of HK\$21,625,562.88 which are convertible into 77,151,490 Shares at the conversion price of HK\$0.2803 per Share, the Company does not have any other equity securities which remain to be issued on exercise of any other subscription rights as described in Rule 21.02(1) of the GEM Listing Rules. Therefore, if the Warrants are immediately exercised in full, such exercise will not exceed 20% of the issued Shares of the Company at the time such Warrants are issued.

The Warrant Shares will be issued pursuant to the general mandate to issue Shares granted to the Directors at the Company's annual general meeting held on 8 December 2025 up to a maximum of 163,907,123 Shares. No Share has been allotted or issued under the general mandate since it was approved.

Fractional entitlements

Fractional entitlements to the Warrants, if any, will not be issued to the Shareholders but will be aggregated and sold for the benefit of the Company. The net proceeds of sale will be retained for the benefit of the Company.

LETTER FROM THE BOARD

Overseas Shareholders

Enquiries will be made by the Board pursuant to Rule 17.41(1) of the GEM Listing Rules regarding the feasibility of extending the Bonus Warrant Issue to the Overseas Shareholders. Upon such enquiry, if the Directors consider that it is necessary or expedient to exclude the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place(s) or the requirements of the relevant regulatory body or stock exchange in that (those) place(s), the Warrants will not be granted to the Non-Qualifying Shareholders. In such circumstances, arrangements will be made for the Warrants which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealing in the Warrants commences if a premium, net of expenses, can be obtained. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the Non-Qualifying Shareholders, if any, pro rata to their respective shareholdings and remittances therefore will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

As at the Latest Practicable Date, based on the register of members of the Company, the Company has eleven Overseas Shareholders whose registered addresses are located in Mainland China and Switzerland. Having made enquiries regarding the legal restrictions under each of the laws of Mainland China and Switzerland and the requirements of the relevant regulatory bodies or stock exchanges, the Directors are of the view that there is no restriction on the Company to extend the Bonus Warrant Issue to such Overseas Shareholders. Accordingly, the Bonus Warrant Issue will include such Overseas Shareholders.

All Overseas Shareholders should consult their professional advisers as to whether or not they are permitted to participate in the Bonus Warrants Issue or whether any government or other consents are required or other formalities need to be observed. No Shareholder receiving a copy of this circular in any territory outside Hong Kong may treat the same as an invitation to subscribe for Share(s) unless in the relevant territory such invitation could lawfully be made to them without the Company having to comply with any registration or other legal requirements, governmental or regulatory procedures or any other similar formalities. It is the responsibility of any Overseas Shareholder who wishes to receive Warrants and/or Warrant Shares under the Bonus Warrants Issue to comply with the laws of the relevant jurisdictions including procedures or any other similar formalities or any restrictions on the resale of the Warrants or Warrant Shares which may apply outside Hong Kong.

LETTER FROM THE BOARD

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the Bonus Warrants Issue assuming the subscription rights attaching to the Warrants are fully exercised; and (iii) immediately after the Bonus Warrants Issue assuming the subscription rights attaching to the Warrants are only exercised by the non-public Shareholders:

Shareholders	As at the Latest Practicable Date		Immediately after the Bonus Warrants Issue assuming the subscription rights attaching to the Warrants are fully exercised		Immediately after the Bonus Warrants Issue assuming the subscription rights attaching to the Warrants are only exercised by the non-public Shareholders	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Lau Chi Yuen Joseph <i>(Note 1)</i>	149,874,199	18.29	179,849,039	18.29	179,849,039	19.74
Big Good Management Limited	135,053,384	16.48	162,064,061	16.48	162,064,061	17.78
Wide Select Investments Limited	126,642,000	15.45	151,970,400	15.45	151,970,400	16.68
Zhang Weihong <i>(Note 2)</i>	47,080,000	5.74	56,496,000	5.74	56,496,000	6.20
Public Shareholders	360,886,032	44.04	433,063,238	44.04	360,886,032	39.60
Total	819,535,615	100.00	983,442,738	100.00	911,265,532	100.00

Notes:

- The Shares are held as to 8,200,000 Shares by Mr. Lau Chi Yuen Joseph personally and as to 141,674,199 Shares by JL Investments Capital Limited, which is wholly owned by him.
- These shares are held by Golden Harvest Trust Limited, a discretionary trust founded by CorePoint Labs International Group Limited, which is wholly owned by Mr. Zhang Weihong, a Director.

LETTER FROM THE BOARD

CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Shares are traded on the Stock Exchange in the board lot size of 20,000 Shares. The Board proposed to change the board lot size for trading in the Shares to 5,000 Shares.

Based on the closing price of HK\$0.71 per Share on the date of the Announcement, the market value of each board lot of 20,000 Shares is HK\$14,200 and the market value of each board lot of 5,000 Shares would be HK\$3,550 upon the Change in Board Lot Size becoming effective.

Based on the closing price of HK\$0.72 per Share on the Latest Practicable Date, the market value of each board lot of 20,000 Shares is HK\$14,400 and the market value of each board lot of 5,000 Shares would be HK\$3,600 upon the Change in Board Lot Size becoming effective.

ARRANGEMENT ON ODD LOT TRADING

In order to facilitate the trading of odd lots (if any) of the Shares, the Company has appointed Astrum Capital Management Limited to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Shares to make up a full board lot, or to dispose of their holding of odd lots of the Shares during the period from 9:00 a.m. on Monday, 9 March 2026 to market closing time on Friday, 27 March 2026 (both days inclusive). Shareholders who wish to use this matching services should contact Mr. Kelvin Tsung of Astrum Capital Management Limited at Room 2704, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong or at the telephone number (852) 3665 8188 during office hour (i.e. 9:00 a.m. to 5:00 p.m. from Monday to Friday) during such period.

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

LETTER FROM THE BOARD

EXCHANGE OF SHARE CERTIFICATES

Subject to the Change in Board Lot Size becoming effective, Shareholders may submit existing share certificates in board lot of 20,000 Shares to the Company's branch share registrar in Hong Kong, 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 certificates in board lot of 5,000 Shares each free of charge during business hours (i.e. 9:00 a.m. to 4:30 p.m.) from Monday, 23 February 2026 to Tuesday, 31 March 2026 (both days inclusive). Thereafter, existing certificates of Shares will remain effective as documents of title but will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) per certificate issued or cancelled, whichever is higher, payable by Shareholders. All existing certificates in board lots of 20,000 Shares each will continue to be evidence of legal title to such Shares and be valid for transfer, delivery, and settlement purposes. Save and except for the change in the number of Shares for each board lot, the new share certificates will have the same format and color as the existing share certificates.

REASONS FOR THE BONUS WARRANT ISSUE AND CHANGE IN BOARD LOT SIZE

In recognition of the continued support of the Shareholders, the Board proposes the Bonus Warrant Issue so as to allow the Shareholders to participate in the growth of the Company. The Bonus Warrant Issue will strengthen the capital base of the Company when the subscription rights attaching to the Warrants are exercised. Those Shareholders who do not wish to participate in such fund raising can dispose of their Warrants in the market.

Although the amount of capital to be raised through the Bonus Warrants Issue is uncertain, the Directors consider that it is preferred to finance the Group's long-term growth by long-term financing in the form of equity which will not incur finance costs and enable the Group to maintain a strong cash position for the business of the Group.

The Directors have considered other equity fund raising methods such as placing of new Shares and rights issue. Placing of new Shares would result in immediate dilution to the existing Shareholders who cannot participate in the placing. While rights issue will allow Shareholders to maintain their pro-rata shareholding if they participate in the rights issue or to sell their nil-paid rights in the market if they do not participate, the Bonus Warrant Issue provides more flexibility to the Shareholders as they may trade in the Warrants any time during the 12 months prior to its expiry date.

LETTER FROM THE BOARD

Therefore the Board considered that the Bonus Warrants Issue is in the interests of the Company and the Shareholders as a whole.

The Company intends to use the subscription monies received from the Bonus Warrant Issue as follows:

- (i) Approximately HK\$45 million, representing approximately 46% of the subscription monies, for expanding its business operations in manufacturing and trading of swimwear and garment products, including expanding its production plant and workforce in Dongguan, Mainland China; expanding its product range by developing high-end and functional sports and yoga wear products; upgrading production lines, machineries and IT systems and hiring research and design personnel for developing new products; strengthening marketing efforts to promote the Group's manufacturing capabilities and own-brand products, focusing on the Group's existing major customer base in Europe and to develop the markets in Hong Kong and the Mainland; such marketing efforts include advertising on social media and online platforms, attending exhibitions and events, cooperating with hotels, clubs and fitness rooms, arranging pop-up stores and consignment sales; and as working capital for raw materials and inventories; which is expected to be fully utilized within 18 months;
- (ii) Approximately HK\$30 million, representing approximately 30% of the subscription monies, for expanding its business operations in e-commerce and online shopping, principally as working capital for purchasing inventories in cash which would enable higher turnover rate and higher discounts in purchase costs, leading to higher profit margin; which is expected to be fully utilized within 9 months;
- (iii) Approximately HK\$17 million, representing approximately 17% of the subscription monies, for expanding its money lending business; which is expected to be fully utilized within 12 months; and
- (iv) Approximately HK\$6 million, representing approximately 6% of the subscription monies, for general working capital such as rent, salary, professional fees and other corporate expenses, which is expected to be fully utilized within 12 months.

In the event that the Warrants are not fully exercised, the Group will utilize the proceeds for the above purpose on a pro-rata basis. In any event, it is expected that the Group's long-term business plans will be carried out in a flexible manner based on the available resources at the relevant time.

LETTER FROM THE BOARD

The Change in Board Lot Size will lower the value of each board lot and attract more investors and broaden the Shareholders base, thus enhancing the liquidity in trading of the Shares.

EQUITY FUND RAISING ACTIVITY OF THE GROUP IN THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activities for the 12 months immediately before the date of the Announcement.

LISTING

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and the Warrant Shares. The Warrant Shares will rank pari passu in all respects with the then existing issued Shares.

No part of the securities of the Company is listed or dealt in on any other stock exchange and no such listing or permission to deal is being or proposed to be sought.

Application has been made to HKSCC for the admission of the Warrants into CCASS operated by HKSCC. All necessary arrangement have been made by the Company to enable the Warrants to be admitted into CCASS.

Subject to the granting of listing of, and permission to deal in, the Warrants and the Warrant Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Warrants and Warrant 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 Warrants and Warrant 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 trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

It is envisaged that, at the time of the listing of the Warrants, the expected market value of the Warrants shall be at least HK6,000,000 and there will be at least 100 Warrantholders, in compliance with Rule 11.23(3)(b) of the GEM Listing Rules.

LETTER FROM THE BOARD

CERTIFICATES FOR THE BONUS WARRANTS AND THE BOARD LOT

Subject to the satisfaction of the conditions to the Bonus Warrants Issue, it is expected that certificates for the Warrants will be posted on or before Monday, 30 March 2026 at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company.

Dealings in the Warrants are expected to commence on the Stock Exchange on Tuesday, 31 March 2026.

The Warrants are expected to be traded on the Stock Exchange in board lots of 5,000 Warrants carrying rights to subscribe for 5,000 Shares at the initial subscription price of HK\$0.60 per Warrant Share, subject to adjustment.

Taxation

Dealings in the Warrants and the Warrant Shares which may fall to be issued upon exercise of the subscription rights attaching to the Warrants may be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, or any other applicable fees and charges in Hong Kong. The Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holdings or disposal of, dealing in or exercising, the Warrants and the subscription rights attaching thereto, and as regards the Non Qualifying Shareholders, their receipt of the net proceeds of sale of the Warrants otherwise falling to be issued to them under the Bonus Warrants Issue. It is emphasised that none of the Company, its Directors or any other parties involved in the Bonus Warrants Issue accepts responsibility for any tax implication or liabilities of the Shareholders or the holders of the Warrants resulting from the purchase, holding or disposal of, or dealing in, the Warrant Shares or the Warrants or exercise of the subscription rights attaching to the Warrants.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 17 March 2026 to Friday, 20 March 2026 (both days inclusive) in order to establish entitlements of the Shareholders to the Bonus Warrant Issue.

LETTER FROM THE BOARD

The last day for dealing in Shares cum-entitlements to the Bonus Warrant Issue will be Thursday, 12 March 2026. In order to qualify for the Bonus Warrant Issue, all outstanding transfer of Shares should be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Monday, 16 March 2026.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or their respective close associates had any business or interest which competes or may compete with the business of the Group, or has or may have any other conflicts of interest with the Group.

COMPLIANCE

The Directors confirm that the Company has received a legal opinion from its Cayman and Hong Kong legal advisers that the Bonus Warrant Issue do not violate the relevant provisions of the Company's constitutive documents and the terms of the instrument constituting the Warrants respectively.

Yours faithfully,
On behalf of the Board
Zhang Weihong
Chairman

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

The Warrants will be issued subject to and with the benefit of a separate instrument by way of deed poll (the “**Instrument**”) and they will be issued in registered form and will form one class and rank pari passu in all respects with each other.

The Warrants will confer rights to subscribe in cash for one Warrant Share in respect of each Warrant at an initial subscription price of HK\$0.60 per Warrant Share (subject to adjustment).

The Warrants will represent direct obligations of the Company to Warrantholders as described in the Instrument. The following is a summary of the major provisions of the Instrument and the principal terms and conditions of the Warrants set out on the Warrant certificates. Warrantholders will be entitled to the benefit of, be bound by, and be deemed to have notice of all such terms and conditions and of the provisions of the Instrument, copies of which will be available at the principal place of business for the time being of the Company in Hong Kong.

1. EXERCISE OF SUBSCRIPTION RIGHTS

- (a) Each Warrantholder shall have, in respect of the Warrants of which he is the registered holder for the time being, rights (the “**Subscription Rights**”) which may be exercised in whole or in part, but not in respect of a fraction of a Warrant Share, on 30 March 2027 (the “**Expiry Date**”) to subscribe in cash for one fully paid Warrant Share in respect of each Warrant at a price of HK\$0.60 per Warrant Share subject to adjustment as referred to below (the “**Subscription Price**”). Any Subscription Rights which have not been exercised on the Expiry Date will lapse and thereupon the Warrants and the Warrant certificates shall cease to be valid for any purpose whatsoever.
- (b) Each Warrant certificate will contain a subscription form (the “**Subscription Form**”). In order to exercise his Subscription Rights, a Warrantholder must complete and sign the Subscription Form and deliver the same and the Warrant certificate to the Registrar (as defined in the Instrument) and such delivery shall constitute an irrevocable commitment by such Warrantholder to exercise such Subscription Rights, together with a remittance for the amount of the Subscription Price for the Warrant Shares in respect of which the Warrantholder is exercising his Subscription Rights. In each case compliance must also be made with any exchange control, fiscal or other laws or regulations for the time being applicable.
- (c) No fraction of a Warrant Share will be allotted.

- (d) The Company has undertaken in the Instrument that any Warrant Shares falling to be issued upon the exercise of any of the Subscription Rights represented by the relevant Warrant certificates will be allotted and issued not later than 28 days after the Expiry Date and, taking account of any adjustment of the Subscription Price which may have been made pursuant to the provisions of the Instrument, will rank pari passu with the fully paid Shares in issue on the date that the name of the Warrantholder who has exercised the Subscription Right is entered on the register of members of the Company (the “**Registration Date**”) and will accordingly entitle the holders to participate in all dividends or other distributions declared, paid or made on the Registration Date and other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Expiry Date and notice of the amount and record date for which shall have been given to the Stock Exchange (as defined in the Instrument) prior to the Expiry Date.
- (e) As soon as practicable after the relevant allotment and issue of Warrant Shares (and in any event not later than 28 days after the Expiry Date) there will be issued free of charge to the Warrantholder to whom such allotment has been made upon his exercise of any Subscription Rights a certificate for the relevant Warrant Shares in the name(s) of such Warrantholder(s).

The certificate for Warrant Shares, arising on the exercise of Subscription Rights will be sent by post at the risk of the said Warrantholder to the address of such Warrantholder (or, in the case of a joint holding, to that one of the joint Warrantholders whose name stands first in the register of Warrantholders). If the Company agrees, such certificates may by prior arrangement be retained by the Registrar to await collection by the relevant Warrantholder.

2. ADJUSTMENTS OF SUBSCRIPTION PRICE

The Instrument contains detailed provisions relating to the adjustment of the Subscription Price. The following is a summary of, and is subject to, the adjustment provisions of the Instrument:

- (a) The Subscription Price shall (except as mentioned in sub-paragraphs (b) and (c) below) be adjusted as provided in the Instrument in each of the following cases (but shall however not be adjusted below the nominal value of Shares until the Subscription Right Reserve (as defined in the Instrument which means a reserve the amount of which for the time being would be capitalised and applied in paying up in full the nominal amount of the additional Shares required to be issued, allotted and credited as fully paid upon the exercise of all or any of the Subscription Rights) is maintained pursuant to provisions of the Instrument):

- (i) If and whenever there shall be an alteration to the nominal amount of each of the Shares by reason of any consolidation or subdivision, the Subscription Price in force immediately prior thereto shall be adjusted by multiplying it by the following fraction:

$$\frac{A}{B}$$

where:

A = the nominal amount of one Share immediately after such alteration; and

B = the nominal amount of one Share immediately before such alteration; and

- (ii) If and whenever the Company shall issue (other than pursuant to a scrip dividend scheme in lieu of a cash dividend) any Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund), the Subscription Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$\frac{C}{C+D}$$

where:

C = the aggregate nominal amount of the Shares in issue immediately before such issue; and

D = the aggregate nominal amount of the Shares issued in connection with and as a result of such capitalisation

- (b) Except as mentioned in paragraph (c) below, no such adjustment as is referred to in sub-paragraph (ii) of paragraph (a) above shall be made in respect of:
- (i) an issue of fully-paid Shares by way of capitalisation of all or part of the Subscription Right Reserve to be established in certain circumstances pursuant to the terms and conditions contained in the Instrument (or other profits or reserves or any similar reserve which has been or may be established pursuant to the terms of any other securities wholly or partly convertible into or exchangeable for or carrying rights to acquire Shares);

- (ii) an issue of Shares pursuant to a scrip dividend scheme in lieu of a cash dividend where an amount not less than the nominal amount of the Shares so issued is capitalised and the market value (calculated as provided in the Instrument) of such Shares is not more than 120% of the amount of dividend which holders of Shares could elect to or would otherwise receive in cash; or
 - (iii) an issue by the Company of Shares or by the Company or any of its subsidiaries of securities convertible into or exchangeable for or carrying rights of subscription for Shares pursuant to a scheme or arrangement of the Company under which Shares or other securities or rights to acquire any Shares or any such securities may be granted by the Company or its subsidiary to directors or employees or other eligible participants.
- (c) Notwithstanding the provisions referred to in paragraphs (a) and (b) above, in any circumstances where the Directors shall consider that an adjustment to the Subscription Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Subscription Price should be made notwithstanding that no such adjustment is required under the said provisions or that an adjustment should take effect on a different date or with a different time from that provided for under the said provisions, the Company may appoint either an approved financial adviser or the auditors of the Company (the “**Auditors**”) to consider whether for any reason whatever the adjustment to be made (or the absence of adjustment) would not or might not fairly and appropriately reflect the relative interests of the persons affected thereby and, if such approved financial adviser or the Auditors (as the case may be) shall consider this to be the case, the adjustment shall be modified or nullified, or an adjustment made instead of no adjustment, in such manner (including, without limitation, making an adjustment calculated on a different basis) and/or such adjustment shall take effect from such other date and/or time as shall be certified by such approved financial adviser or the Auditors (as the case may be) to be in its opinion appropriate.
- (d) Any adjustment to the Subscription Price shall be made to the nearest one tenth cent (HK\$0.0005 being rounded up) and in no event shall any adjustment be made to the Subscription Price in any case in which the amount by which the same would be reduced would be less than the nominal amount of a Share and any adjustment which would otherwise then be required shall not be carried forward. In no event shall an adjustment be made (otherwise than upon the consolidation of Shares into shares of a larger nominal amount each or upon a repurchase of Shares) which would increase the Subscription Price.

- (e) Every adjustment to the Subscription Price shall be certified by the Auditors or an approved financial adviser and notice of each such adjustment (giving the relevant particulars) shall be given to the Warrantholders. In giving any certificate or making any adjustment hereunder, the Auditors or the approved financial adviser shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on the Company and the Warrantholders and all persons claiming through or under them respectively. Any such certificates of the Auditors or the approved financial adviser will be available for inspection by Warrantholder, at the principal place of business of the Company in Hong Kong, where copies may be obtained.

3. REGISTERED WARRANTS

The Warrants are issued in registered form. The Company shall be entitled to treat the registered holder of any Warrant as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as required by law, be bound to recognise any equitable or other claim to or interest in such Warrant on the part of any other person, whether or not it shall have express or other notice thereof.

4. TRANSFER, TRANSMISSION AND REGISTRATION

The Warrants shall be transferable in whole numbers by instrument of transfer in any usual or common form or such other form as may be approved by the Directors or, where the transferor and/or the transferee is HKSCC Nominees Limited or its successor thereto (or such other company, as may be approved by the Board for this purpose), by an instrument of transfer executed under hand by authorized person(s) or by machine imprinted signature(s). The Company shall maintain a register of Warrantholders in the territory where the Stock Exchange for the time being is situate (or in such other place as the Directors consider appropriate, having regard to applicable rules governing the listing of Warrants). The Instrument contains provisions relating to the transfer, transmission and registration of the Warrants. Transfer of Warrants must be executed by both the transferor and the transferee.

Warrantholders should note that additional costs and expenses may be incurred in connection with any expedited re-registration of the Warrants prior to the transfer or exercise of the Warrants, in particular during the period commencing 10 business days prior to and including the Expiry Date.

Since the Warrants will be admitted to CCASS, so far as applicable laws or regulations of relevant government authorities, terms of the Instrument and circumstances permit, the Company may determine the last trading day of the Warrants to be a date at least three trading days before the Expiry Date.

5. CLOSURE OF REGISTER OF WARRANTHOLDERS

The registration of transfers of Warrants may be suspended and the register of Warrantholders may be closed for such period as the Directors may from time to time direct, provided that the same shall not be closed, or registration may not be suspended, for a period, or for periods together, of more than 30 days in any one year. Any transfer, or exercise of the Subscription Rights attached to the Warrants made while the register of Warrantholders is so closed shall, as between the Company and the person claiming under the relevant transfer of Warrants or, as the case may be, as between the Company and the Warrantholder who has so exercised the Subscription Rights attached to his Warrants (but not otherwise), be considered as made immediately after the reopening of the register of Warrantholders.

6. PURCHASE AND CANCELLATION

The Company or any of its subsidiaries may at any time purchase the Warrants:

(a) in the open market or by tender (available to all Warrantholders alike) at any price;

or

(b) by private treaty at a to be agreed between the relevant parties,

but not otherwise. All Warrants purchased as aforesaid shall be cancelled forthwith and may not be reissued or re-sold.

7. MEETINGS OF WARRANTHOLDERS AND MODIFICATION OF RIGHTS

(a) The Instrument contains provisions for convening meetings of Warrantholders to consider any matter affecting the interests of Warrantholders, including the modification by Special Resolution (as defined in the Instrument which means a resolution passed at a meeting of the Warrantholder by a majority consisting of not less than three-fourths of the votes) of the provisions of the Instrument and/or of the terms and conditions endorsed on the Warrant certificates. A Special Resolution duly passed at any such meeting shall be binding on the Warrantholders, whether present or not.

- (b) All or any of the rights for the time being attached to the Warrants (including any of the provisions of the Instrument) may from time to time (whether or not the Company is being wound up) be altered or abrogated (including, but without prejudice to that generality, by waiving compliance with, or by waiving or authorising any past or proposed breach of, any of the terms and conditions endorsed on the Warrant certificates and/or the Instrument) with the prior sanction of a Special Resolution and may be effected only by deed poll executed by the Company and expressed to be supplemental to the Instrument.
- (c) Where the Warrantholder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative (or representatives) or proxy (or proxies) at any Warrantholders' meeting provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of warrants in respect of which such person is so authorised. The person so authorised will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise as if such person were an individual Warrantholder of the Company.

8. REPLACEMENT OF WARRANT CERTIFICATES

If a Warrant certificate is mutilated, defaced, lost or destroyed, it may, at the discretion of the Company, be replaced at the office of the Registrar (unless the Directors otherwise determine) on payment of such costs as may be incurred in connection therewith and on such terms as to evidence, indemnity and/or security as the Company may require and on payment of such fee not exceeding HK\$2.50 (or such other amount as may from time to time be permitted under the rules prescribed by the Stock Exchange) as the Company may determine. Mutilated or defaced Warrant certificates must be surrendered before replacements will be issued. In the case of lost Warrant certificates, sections 162 to 169 of the Companies Ordinance (Cap 622 of the Laws of Hong Kong) shall apply as if "Shares" referred therein included Warrants.

9. PROTECTION OF SUBSCRIPTION RIGHTS

The Instrument contains certain undertakings by and restrictions on the Company designed to protect the Subscription Rights.

10. ISSUE OF FURTHER WARRANTS

The Company shall be at liberty to issue further warrants to subscribe for Shares in such manner and on such terms as it sees fit.

11. UNDERTAKINGS BY THE COMPANY

The Company has undertaken in the Instrument, inter alia, that:

- (a) it will send to each Warrantholder (or in the case of joint Warrantholders, to the Warrantholder whose name stands first in the register of Warrantholders in respect of the Warrant held by such joint Warrantholders), at the same time as the same are sent to the holders of Shares, its audited accounts and all other notices, reports and communications despatched by it to the holders of the Shares generally;
- (b) it will pay all Hong Kong stamp duties, registration fees or similar charges (if any) payable in respect of the execution of the Instrument, the creation and initial issue of the Warrants in registered form, the exercise of the Subscription Rights and the issue of Warrant Shares upon exercise of the Subscription Rights. If any Warrantholder shall take any action or proceedings in any jurisdiction to enforce the obligations of the Company in respect of the Warrants or the Instrument, and for the purposes of such action or proceedings the Instrument or any Warrant is taken into such jurisdiction and any stamp duties or similar duties or taxes become payable thereon or in respect thereof in connection with or as a result of such action or proceedings, the Company shall not be under any obligation to pay (or reimburse any person making payment of) any such duties or taxes (including, if applicable, any penalties); and
- (c) it will keep available for issue sufficient share capital to satisfy in full all rights for the time being outstanding of subscription for and conversion into Warrant Shares.

12. LISTING

The Company shall use its best endeavours to procure that:

- (a) at all times after issue of the Warrants and up to and including the Expiry Date, the Warrants may be dealt in on the Stock Exchange (save that such obligation will lapse in the event that the listing of the Warrants on the Stock Exchange is withdrawn following an offer for all or any of the Warrants); and
- (b) all Warrant Shares allotted upon exercise of the Subscription Rights may, upon allotment or as soon as reasonably practicable thereafter, be dealt in on the Stock Exchange (save that such obligation will lapse in the event that the listing of the Shares on the Stock Exchange is withdrawn following an offer for all or any of the Shares where a like offer is extended to holders of the Warrants).

13. OVERSEAS WARRANTHOLDERS

If a Warrantholder has a registered address in any territory (other than Hong Kong) where, in the opinion of the Directors, the allotment of Warrant Shares to such Warrantholder upon exercise of any Subscription Rights would or might, in the absence of compliance with registration or any other special formalities in such territory, be unlawful or impracticable under the laws of such territory, then the Company shall as soon as practicable after exercise by such Warrantholder of any Subscription Rights either:-

- (a) allot the Warrant Shares which would otherwise have been allotted to such Warrantholder to one or more third parties selected by the Company; or
- (b) allot such Warrant Shares to such Warrantholder and then, on his behalf, sell them to one or more third parties selected by the Company,

in each case for the best consideration then reasonably obtainable by the Company. As soon as reasonably practicable following any such allotment or (as the case may be) allotment and sale, the Company shall pay to the relative Warrantholder an amount equal to the consideration received by the Company therefor.

14. RIGHTS OF WARRANTHOLDERS ON WINDING-UP

The Instrument contains provisions relating to the winding-up of the Company.

If an effective resolution is passed prior to the Expiry Date for the voluntary winding-up of the Company, then

- (a) if such winding-up be for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantholder, or some person designated by them for such purpose by Special Resolution, shall be a party or in conjunction with which a proposal is made to the Warrantholder and is approved by Special Resolution, the terms of such scheme of arrangement or (as the case may be) proposal shall be binding on the Warrantholder; and

- (b) in the event a notice is given by the Company to its shareholders to convene a shareholders' meeting for the purpose of considering, and if thought fit approving, a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to each Warrantholder and thereupon, every Warrantholder shall be entitled by irrevocable surrender of his Warrant certificate(s) to the Company (such surrender to occur not later than two (2) business days prior to the proposed shareholders' meeting referred to above) with the Subscription Form(s) duly completed, together with payment of the Subscription Price or the relative portion thereof, to exercise the Subscription Rights represented by such Warrant and the Company shall as soon as possible and in any event no later than the day immediately prior to the date of the proposed shareholders' meeting allot such number of Shares to the Warrantholder which fall to be issued pursuant to the exercise of the Subscription Rights represented by such Warrant. The Company shall give notice to the Warrantholders of the passing of such resolution within seven (7) days after the passing thereof.

Subject to the foregoing, if the Company is wound up, all Subscription Rights which have not been exercised at the date of the passing of such resolution shall lapse and Warrant certificate shall cease to be valid for any purpose.

15. NOTICES

The Instrument contains provisions relating to notices to be given to Warrantholders.

Every Warrantholder shall register with the Company an address either in Hong Kong or elsewhere to which notices to be given to such Warrantholder are to be sent.

16. GOVERNING LAW

The Instrument and the Warrants are governed by and construed in accordance with the laws of Hong Kong.