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Yik Wo International Holdings Limited
易和國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8659)

COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE AND TERMINATION OF SUBSCRIPTION AGREEMENT

Reference is made to the announcements of Yik Wo International Holdings Limited (the "**Company**") dated 24 December 2025 and 31 December 2025 (the "**Announcements**") in relation to the Subscriptions and the Disposal and the announcement of the Company dated 27 February 2026 in relation to the delay in completion of the Subscriptions. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meaning as defined in the Announcements.

TERMINATION OF SUBSCRIPTION AGREEMENT B

The Board announces that on 31 March 2026, the Board was informed by B that he was unable to carry out his obligations under the Subscription Agreement B to subscribe the 74,848,276 Subscription Shares, taking into account (among other matters) his financial position and the current market condition.

Taking into consideration of the above, on 31 March 2026, the Company entered into the deed of termination with Subscriber B, pursuant to which Subscriber B and the Company agreed that the Subscription Agreement B shall be terminated and all the rights, interests, obligations and liabilities of the parties shall cease and terminate with effect from 31 March 2026 and no party shall have any claims and demands against the other party in respect of any matter arising out of or in connection with the Subscription Agreement B.

The Directors consider that the termination of the Subscription Agreement B will not have any material adverse impact on the business operation and financial position of the Group.

COMPLETION OF THE SHARE SUBSCRIPTION

The Board is pleased to announce that all the conditions precedent of the Subscription Agreement A have been fulfilled and Completion of the Subscription took place on 31 March 2026, whereby 74,848,276 Subscription Shares were allotted and issued to the Subscriber A by the Company, at the Subscription Price of HK$0.12 per Subscription Share.

The net proceeds from the Share Subscriptions are approximately HK$8.86 million. The proceeds will be utilised as to approximately (i) HK$8.0 million for the settlement of other payables (including payables for acquisition of investment in film production of HK$6.8 million and payables for general corporate expenses of HK$$1.2 million); and (ii) HK$0.86 million as general working capital, which is expected to be utilised by end of 2026. Currently, the Group generally requires working capital of approximately HK$3.2 million per year for funding the administrative expenses, including audit fee, professional fees, annual listing fees, headquarter expenses and Directors' remuneration, and such fees require to be paid offshore.

The Company would like to supplement on the use of the existing cash and cash equivalents of the Group of approximately RMB215.0 million as at 31 December 2025 which were denominated in RMB and were deposited in banks in the PRC. The Group intends to utilise the cash for the establishment of a factory for its business development. Since the Group commenced its business in the design and development, manufacturing and sales of disposable plastic food storage container, the Group has carried out this business in a factory that is leased from an independent third party. Following the enhancement of regulatory environment policies in the PRC on the disposable plastic products, in particular that various provinces and cities, including Hainan and Shanghai, has banned the use of non-degradable plastics, the Group is determined to upgrade and establish a self-owned factory with the equipment that is capable of producing bio-degradable plastic products that could be complied with the regulatory environment policies.

Based on the estimation of the Company, the Group would require a total of approximately RMB284 million for the establishment of the factory, which includes: (i) RMB72 million for the acquisition of a land in Jinjiang City, Fujian Province with gross area of 80 mu. With reference to the land price as directed by the Jinjiang City Government, it is estimated that each mu of land would cost RMB0.9 million; (ii) RMB60 million for the construction of the factory, which is estimated based on the gross floor area of 30,000 square metre with reference to the estimated area of the land and the construction cost of RMB2,000 per square meter; (iii) RMB76 million for the purchase of 80 sets of machine equipment with reference to quotations obtained by the Company; (iv) RMB24 million for the purchases of mold which is estimated based on the number of machine equipment; (v) RMB22 million for research and development expenses; and (vi) RMB30 million for general working capital of the new factory. It is estimated that it would take approximately one year for the acquisition of the land and obtaining approvals for construction. Following the approvals are obtained, it is estimated that approximately two years is required to complete the construction.

On 31 December 2025, the Company and the Purchaser entered into the Agreement regarding the sale of the Sale Shares to the Purchaser at the consideration of RMB15 million that will be settled in the PRC. The Company would like to supplement that in view of the short fall of the existing cash position and the estimated funding requirement for the establishment of the factory, the sales proceeds to be received from the Disposal is intended to be utilised as part of the working capital for the establishment of the new factory as detailed in the above.

Based on the above, the Directors consider it is not in the interests of the Company and the Shareholders as a whole to transfer the cash from the PRC to offshore, which does not only jeopardise the funding requirements for the establishment of the self-owned factory, and also require additional time and cost for transferring the cash. As such, the Directors consider there is an imminent funding needs to conduct the Subscriptions and raise funds for offshore working capital.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY FOLLOWING COMPLETION OF THE SUBSCRIPTIONS

The 74,848,276 Subscription Shares allotted and issued under the Subscription Agreement A represent (i) 10.0% of the issued share capital of the Company immediately before Completion; and (ii) approximately 9.1% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The shareholding structure of the Company immediately before and after Completion is set out below:

	Immediately before the Completion		**Immediately after the Completion**	
	Number of Shares	*Approximate shareholding percentage (%)*	*Number of Shares*	*Approximate shareholding percentage (%)*
Xu Youjiang *(Note 1)*	74,482,760	10.0	74,482,760	9.0
Hui Man Kit *(Note 2)*	67,500,000	9.0	67,500,000	8.2
Hu Kun *(Note 3)*	64,000,000	8.6	64,000,000	7.8
Subscriber A	–	–	74,848,276	9.1
Other Shareholders	542,500,000	72.4	542,500,000	65.9
Total	**748,482,760**	**100.0**	**823,331,036**	**100.0**

Notes:

(1) Mr. Xu Youjiang holds 74,482,760 Shares as beneficial owner. In addition, Ms. Xu Liping is the spouse of Mr. Xu Youjiang and is therefore deemed to be interested in the Shares in which Mr. Xu Youjiang is interested under the SFO.

(2) Merit Winner Limited holds 67,500,000 Shares. The entire issued share capital of Merit Winner Limited is held by Mr. Hui Man Kit. Accordingly, Mr. Hui is deemed to be interested in the Shares held by Merit Winner Limited.

(3) Youpinhui Investment Holdings Limited holds 64,000,000 Shares. The entire issued share capital of Youpinhui Investment Holdings Limited is held by Mr. Hu Kun. Accordingly, Mr. Hu Kun is deemed to be interested in the Shares held by Youpinhui Investment Holdings Limited.

By order of the Board
Yik Wo International Holdings Limited
Xu Youjiang
Chairman and Executive Director

Hong Kong, 31 March 2026

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Xu Youjiang, Ms. Xu Liping, Mr. Zhang Yuansheng and Mr. Cheng Congyu; and three independent non-executive Directors, namely Mr. Yang Jie, Mr. Zhang Hongbo and Mr. Chan Chun Hin.

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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) 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 Stock Exchange's website at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be published on the Company's website at www.yikwo.cn.