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PALINDA GROUP HOLDINGS LIMITED
百 利 達 集 團 控 股 有 限 公 司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8179)

(I) PROPOSED CAPITAL REORGANISATION; (II) PROPOSED CHANGE IN BOARD LOT SIZE; AND (III) PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES HELD ON RECORD DATE ON A NON-UNDERWRITTEN BASIS

Placing Agent to the Company

中毅資本有限公司
Grand Moore Capital Limited

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation which will involve the Share Consolidation, the Capital Reduction and the Share Sub-division in the following manner:

1. Share Consolidation

The Existing Shares will be consolidated on the basis that every fifty (50) issued and unissued Existing Shares of par value of HK$0.1 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK$5.0 each in the share capital of the Company.

2. Capital Reduction

Immediately upon the Share Consolidation becoming effective, to conduct the Capital Reduction pursuant to which (a) the par value of each issued Consolidated Share will be reduced from HK$5.0 to HK$0.001 by cancelling the paid-up capital of the Company to the extent of HK$4.999 on each of the then issued Consolidated Shares; and (b) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled. The credit arising from the Capital Reduction in the amount of approximately HK$190.7 million will be transferred to a distributable reserve account of the Company and the distributable reserve will be applied by the Directors for such purposes permitted under all applicable laws and the memorandum and articles of association of the Company.

3. Share Sub-division

Immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Shares with par value of HK$5.0 each will be sub-divided into five thousand (5,000) New Shares of par value of HK$0.001 each. The New Shares will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lot of 12,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 12,000 Existing Shares to 5,000 New Shares subject to and conditional upon the Share Consolidation becoming effective.

Upon the Capital Reduction and Share Sub-division becoming effective, the board lot size for trading on the Stock Exchange will remain at 5,000 New Shares.

PROPOSED RIGHTS ISSUE

The Company proposes, subject to the Capital Reorganisation becoming effective, to conduct the Rights Issue on the basis of one (1) Rights Share for every two (2) New Shares held on the Record Date at the Subscription Price of HK$0.25 per Rights Share, to raise up to approximately HK$4.77 million (before deducting professional fees and other related expenses) by issuing up to 19,077,982 Rights Shares (assuming no changes in the share capital of the Company on or before the Record Date).

As at the date of this announcement, the Company has not received any information or irrevocable undertaking from any shareholder of the Company of any intention to take up his/her/its entitlements under the Rights Issue (or otherwise). Assuming no change in the number of issued Shares on or before the Record Date, the Rights Shares proposed to be issued pursuant to the terms of the Rights Issue represent: (i) 50.0% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 33.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

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

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation and the transactions contemplated thereunder. A circular containing, among other things, details of the Capital Reorganisation and Change in Board Lot Size, together with a notice convening the EGM and related form of proxy, is expected to be despatched to the Shareholders on or before Wednesday, 2 September 2026.

Shareholders and potential investors of the Company should note that the Capital Reorganisation is subject to the fulfilment of the conditions set out in this announcement and the Change in Board Lot Size is conditional upon the Share Consolidation becoming effective. Accordingly, the Capital Reorganisation and the Change in Board Lot Size may or may not proceed. Shareholders and potential investors of the Company 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.

The Rights Issue is subject to the fulfilment and/or waiver (where applicable) of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed "Conditions of the Rights Issue" in this announcement. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. If there is an undersubscription of the Rights Issue, the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares.

Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation which will involve the Share Consolidation, the Capital Reduction and the Share Sub-division in the following manner:

1. Share Consolidation

The Existing Shares will be consolidated on the basis that every fifty (50) issued and unissued Existing Shares of par value of HK$0.1 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK$5.0 each in the share capital of the Company.

2. Capital Reduction

Immediately upon the Share Consolidation becoming effective, to conduct the Capital Reduction pursuant to which (a) the par value of each issued Consolidated Share will be reduced from HK$5.0 to HK$0.001 by cancelling the paid-up capital of the Company to the extent of HK$4.999 on each of the then issued Consolidated Shares; and (b) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled. The credit arising from the Capital Reduction in the amount of approximately HK$190.7 million will be transferred to a distributable reserve account of the Company and the distributable reserve will be applied by the Directors for such purposes permitted under all applicable laws and the memorandum and articles of association of the Company.

3. Share Sub-division

Immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Shares with par value of HK$5.0 each will be sub-divided into five thousand (5,000) New Shares of par value of HK$0.001 each. The New Shares will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

Effects of the Capital Reorganisation

As at the date of this announcement, the authorised share capital of the Company is HK$1,000,000,000 divided into 10,000,000,000 Existing Shares of par value HK$0.1 each, of which 1,907,798,274 Existing Shares have been issued and are fully paid or credited as fully paid.

Assuming there will be no change in the issued share capital of the Company from the date of this announcement until the completion of the Share Consolidation, after the Share Consolidation becoming effective, the authorised share capital of the Company will be HK$1,000,000,000 divided into 200,000,000 Consolidated Shares of par value HK$5.0 each, of which 38,155,965 Consolidated Shares (with a fraction of 0.5 Consolidated Share) will be in issue and are fully paid or credited as fully paid.

Assuming there will be no change in the issued share capital of the Company from the date of this announcement until the completion of the Capital Reorganisation and upon the Capital Reduction and the Share Sub-division becoming effective, the authorised share capital of the Company will be HK$1,000,000,000 divided into 1,000,000,000,000 New Shares of par value HK$0.001 each, of which 38,155,965 New Shares will be in issue and are fully paid or credited as fully paid.

Assuming no further changes in the issued share capital of the Company from the date of this announcement and based on the 38,155,965 Consolidated Shares in issue immediately after the Share Consolidation becoming effective, a credit of approximately HK$190.7 million will arise as a result of the Capital Reduction. Such credit will be transferred to a distributable reserve account of the Company. The distributable reserve will be applied by the Directors for such purposes permitted under all applicable laws and the memorandum and articles of association of the Company. Shareholders and potential investors of the Company should note that the credits arising in the books from the Capital Reduction will be subject to change depending on the number of the Existing Shares in issue immediately prior to the Capital Reorganisation becoming effective.

Assuming no further Existing Shares will be issued or repurchased from the date of this announcement up to the effective date of the Capital Reorganisation, the effect of the Capital Reorganisation and the share capital structure of the Company is summarised below:

	As at the date of this announcement	**Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-division becoming effective**	**Immediately upon the Capital Reorganisation becoming effective**
Par value	HK$0.1 per Existing Share	HK$5.0 per Consolidated Share	HK$0.001 per New Share
Authorised share capital	HK$1,000,000,000	HK$1,000,000,000	HK$1,000,000,000
Number of authorised shares	10,000,000,000 Existing Shares	200,000,000 Consolidated Shares	1,000,000,000,000 New Shares
Issued shares	1,907,798,274 Existing Shares	38,155,965 Consolidated Shares	38,155,965 New Shares
Issued share capital	HK$190,779,827.4	HK$190,779,825.0	HK$38,156.0

All New Shares in issue immediately following the Capital Reorganisation becoming effective will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

Other than the relevant expenses, including but not limited to professional fees and printing charges to be incurred, the implementation of the Capital Reorganisation will have no material effect on the consolidated net asset value of the Group, nor will they alter the underlying assets, business, operations, management or financial position of the Company or the proportionate interests of the Shareholders. The Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of the Group.

Conditions of the Capital Reorganisation

The Share Consolidation is conditional upon:

(i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation and transactions contemplated thereunder;

(ii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Share Consolidation; and

(iii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

The Capital Reduction and the Share Sub-division are conditional upon:

(i) the Share Consolidation becoming effective;

(ii) the passing of the special resolution(s) to approve the Capital Reduction and the Share Sub-division by the Shareholders at the EGM;

(iii) the Directors signing the solvency statement in accordance with the requirements of the Companies Act;

(iv) registration by the Registrar of Companies in the Cayman Islands with a copy of the solvency statement to be made by the directors of the Company in the prescribed form under the Companies Act, confirming that the Company will be able to pay its debts as they fall due in the ordinary course of business, and the minute containing the particulars required under the Companies Act with respect to the Capital Reduction;

(v) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Share Sub-division;

(vi) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Capital Reduction and Share Sub-division; and

(vii) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

The Capital Reduction and the Share Sub-division will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Capital Reorganisation at the EGM, the Company will file the requisite documents with the Registrar of Companies in the Cayman Islands. It is expected that the Capital Reduction and the Share Sub-division shall be completed and take effect at the same time when the Share Consolidation takes effect.

Listing and dealing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation.

Subject to the granting of the listing of, and permission to deal in, the New Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the New 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 New 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 HKSCC and HKSCC Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the share capital of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation becomes effective, the New 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.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lot of 12,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 12,000 Existing Shares to 5,000 New Shares subject to and conditional upon the Capital Reorganisation becoming effective. In the event that any conditions to the Capital Reorganisation (including the passing of the relevant special resolution(s) by the Shareholders at the EGM) are not fulfilled, the Capital Reorganisation will not proceed and the change in board lot size will not take effect. Under such circumstances, the board lot size for trading in the Shares will remain at 12,000 Existing Shares.

Based on the closing price of HK$0.01 per Existing Share as quoted on the Stock Exchange as at the date of this announcement, the current value of each board lot was HK$120 and the value of each board lot of 5,000 New Shares, assuming the Capital Reorganisation had already been effective, would be HK$2,500.

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Any fractional Consolidated Share arising from the Share Consolidation, if any, 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 Existing Shares regardless of the number of share certificates held by such holder.

Odd lots arrangements and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company will appoint a securities firm 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. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

Exchange of share certificates for Consolidated Shares and the New Shares

Subject to the Capital Reorganisation having become effective, Shareholders may, during the specified period from Friday, 2 October 2026 to Tuesday, 10 November 2026 (both days inclusive), submit the existing share certificates for the Existing Shares to the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong to exchange, at the expense of the Company, for new share certificates for the New Shares.

After the aforementioned free exchange period, existing share certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for New 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 New Shares (whichever is higher) but are not acceptable for trading, settlement and registration purposes.

After 4:10 p.m. on Friday, 6 November 2026, trading will only be in New Shares which share certificates will be issued in light green colour. Existing share certificates in purple colour for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

Adjustments in relation to other securities of the Company

As at the date of this announcement, the Company has no outstanding options, warrants or other securities convertible into Existing Shares, Consolidated Shares or New Shares, as the case may be, as at the date of this announcement.

REASONS FOR THE CAPITAL REORGANISATION AND THE CHANGE IN BOARD LOT SIZE

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the share approaches the extremities of HK$0.1 or HK$9,995.00, the Stock Exchange reserves the right to require the listed issuer to either change the trading method or to proceed with a consolidation or splitting of its securities. The "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited on 28 November 2008 (and last updated in June 2026) has further stated that (i) market price of the share 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 that the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK$1,000.

In view of the recent trading price of the Existing Shares at a level below HK$0.10 and the value per board lot being substantially less than HK$1,000, the Board considers that the Share Consolidation, upon becoming effective, will reduce the total number of Existing Shares currently in issue and is expected to bring about a corresponding upward adjustment to the trading price per Share on the Stock Exchange, and hence the transaction costs as a proportion of the market value of each board lot will be lower. The Change in Board Lot Size would help to maintain the value of each board lot at a reasonable level upon the Share Consolidation becoming effective in order to attract more investors and to broaden the shareholder base of the Company.

Further, under the Companies Act, the Company is restricted in its ability to issue Shares at a price lower than their par value. The Capital Reduction will reduce the par value of the Consolidated Shares, which will provide the Company with greater flexibility to accommodate the issue of new Shares in the future when necessary.

The Capital Reorganisation would help attract more investors and extend the shareholder base of the Company and provide flexibility for equity fund raising of the Company, hence, allowing greater flexibility for the Company to pay dividends in the future. Accordingly, the Directors are of the view that the implementation of the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation. As at the date of this announcement, the Company has no present intention to conduct any equity fundraising activities. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising and/or investment opportunities arise in order to meet its operational needs or support future development of the Group. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

The Capital Reorganisation will not have any material adverse effect on the financial position of the Company nor result in change in the relative rights of the Shareholders and are in the interests of the Company and the Shareholders as a whole.

Other corporate actions and fundraising activities in the next twelve months

As at the date of this announcement, save for the proposed Rights Issue, (i) the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation; and (ii) the Company currently does not have any plan to conduct any equity fundraising activities in the next 12 months after completion of the Rights Issue. However, if there shall arise any change of the Group's current circumstances and existing business plans and that the net proceeds from the Rights Issue may not satisfy such upcoming financing needs, the Board does not rule out the possibility that the Company may conduct further equity fund-raising exercises to support such future developments of the Group. The Company will make further announcements in this regard in accordance with the GEM Listing Rules as and when appropriate.

PROPOSED RIGHTS ISSUE

The Company proposes, subject to the Capital Reorganisation becoming effective, to implement the Rights Issue on the basis of one (1) Rights Share for every two (2) New Shares held on the Record Date at the Subscription Price of HK$0.25 per Rights Share, to raise up to approximately HK$4.77 million (before deducting professional fees and other related expenses) by issuing up to 19,077,982 Rights Shares (assuming no changes in the share capital of the Company on or before the Record Date). The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares and will not be extended to the Excluded Shareholders. There will be no excess application arrangement in relation to the Rights Issue.

The terms of the Rights Issue are set out below:

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) New Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK$0.25 per Rights Share
Number of Existing Shares in issue as at the date of this announcement	:	1,907,798,274 Existing Shares
Number of New Shares in issue upon the Capital Reorganisation becoming effective	:	38,155,965 New Shares
Maximum number of Rights Shares to be issued under the Rights Issue	:	Up to 19,077,982 Rights Shares (assuming no change in the number of New Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares	:	Up to HK$19,078 (assuming no change in the number of Shares in issue on or before the Record Date)
Total number of Shares in issue upon completion of the Rights Issue	:	Up to 57,233,947 Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Gross proceeds from the proposed Rights Issue	:	Up to approximately HK$4.77 million (assuming no changes in the share capital of the Company on or before the Record Date and all the Rights Shares are taken up)
Net price per Rights Share	:	Approximately HK$0.23 per Rights Share (assuming no changes in the share capital of the Company on or before the Record Date)

As at the date of this announcement, the Company (a) has no outstanding derivatives, options, warrants, conversion securities or other similar securities which are convertible or exchangeable into Shares; and (b) has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

Assuming no change in the number of issued Shares on or before the Record Date, the Rights Shares proposed to be issued pursuant to the terms of the Rights Issue represent: (i) 50.0% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 33.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

Subscription Price

The Subscription Price of HK$0.25 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents (assuming the Capital Reorganisation has become effective as at the date of this announcement and there is no change in the number of Shares in issue from the date of this announcement to the Record Date other than the Capital Reorganisation):

- a discount of approximately 50.00% to the theoretical closing price of HK$0.5 per Consolidated Share based on the closing price of HK$0.01 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;

- a discount of approximately 50.00% to the theoretical average closing price of HK$0.5 per Consolidated Share based on the average closing price of HK$0.01 per Existing Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;

- a discount of approximately 50.00% to the theoretical average closing price of HK$0.5 per Consolidated Share based on the average closing price of HK$0.01 per Existing Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day;

- a discount of approximately 16.67% to the theoretical ex-rights price of HK$0.4167 per Consolidated Share based on the closing price of HK$0.01 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;

- a discount of approximately 97.20% over the audited consolidated net asset value per Consolidated Share of HK$8.92 (based on the consolidated net asset value of the Group of approximately HK$340,506,000 as at 31 December 2025 and 38,155,965 Consolidated Shares in issue upon the Share Consolidation becoming effective);

- a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) of approximately 16.67%, represented by the theoretical diluted price of approximately HK$0.4167 per Share to the benchmarked price of approximately HK$0.01 per Share (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the higher of (i) the closing price of the Shares of HK$0.01 as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average of the closing prices of approximately HK$0.01 per Share as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of this announcement).

The Subscription Price was determined with reference to, among other things, the recent market prices of the Shares, the current market conditions, the financial position of the Group and the reasons and benefits of the Rights Issue as discussed in the section headed "Reasons for the Rights Issue and Use of Proceeds" in this announcement. The Directors consider that the Subscription Price at a discount to the current market price of the Existing Shares would enhance the attractiveness of the Rights Issue, and in turn encourage the Shareholders to participate in the Rights Issue, and accordingly allow them to maintain their shareholdings in the Company and participate in the future growth and development of the Company. The Subscription Price also represents a discount over the audited consolidated net asset value per Share attributable to the Shareholders as at 31 December 2025. The Directors consider that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) New Shares held by a Qualifying Shareholder as at the close of business on the Record Date.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before 4:00 p.m. on the Latest Time for Acceptance.

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be an Excluded Shareholder on the Record Date.

In order to be registered as a member of the Company on the Record Date, a Shareholder must lodge the relevant transfer(s) of Share(s) (with the relevant share certificates) with the Registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration by no later than 4:00 p.m. on Tuesday, 6 October 2026.

The last day of dealings in the Shares on a cum-rights basis is Friday, 2 October 2026. The Shares will be dealt with on an ex-rights basis from Monday, 5 October 2026.

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

Excluded Shareholder(s)

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

Pursuant to Rule 17.41(1) of the GEM Listing Rules, the Company will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If it is in the opinion of the Board that it would be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place to exclude such Overseas Shareholders from the Rights Issue, no Rights Share will be offered to such Overseas Shareholders. The basis for excluding the Excluded Shareholders from the Rights Issue will be set out in the Prospectus. The Company will send the Prospectus to the Excluded Shareholders for their information only.

The Company reserves the right to treat as invalid any acceptance of or application for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Excluded Shareholders should exercise caution when dealing in the Shares.

According to the register of members of the Company as of the date of this announcement, there is one Overseas Shareholder with registered address situated in the PRC.

Status of the Rights Shares

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

Fractional entitlements to the Rights Shares

The Company will not provisionally allot and will not accept application for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number of a Share) and sold by the Company in the open market if a premium (net of expenses) can be obtained. Any of the Rights Shares that remain unsold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Unsubscribed Arrangements

Pursuant to Rule 10.31(1)(b) of the GEM Listing Rules, the Company must make arrangements to dispose of the Rights Shares not validly applied for by means of excess application forms or by offering the same to independent placees for the benefit of those Shareholders.

No excess application will be made in relation to the Rights Issue. However, the Company will make arrangements to dispose of the Unsubscribed Shares by offering the Unsubscribed Shares to independent placees for the benefit of the No Action Shareholders and the Excluded Shareholders.

The Company therefore appointed the Placing Agent by means of the Placing Agreement to place the Unsubscribed Shares after the Latest Time for Acceptance to independent placees on a best effort basis.

Any Unsubscribed Shares (which comprise (i) the Rights Shares that are not subscribed by the Qualifying Shareholders; (ii) (if applicable) the aggregated fractional Rights Shares; and/or (iii) the Rights Shares which would otherwise have been issued to the Excluded Shareholders) will then be placed by the Placing Agent under the Unsubscribed Arrangements to investors who (or as the case may be, their ultimate beneficial owner(s)) are Independent Third Parties. The Placing Agent will on a best effort basis, procure, by not later than 6:00 p.m., on Monday, 9 November 2026, acquirers for all (or as many as possible) of those Unsubscribed Shares at a premium over the Subscription Price (if possible). The Placing Price shall be at least equal to the Subscription Price. Any Unsubscribed Shares remain not placed after completion of the Unsubscribed Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain, being the premium paid by the placees over the Subscription Price for the Unsubscribed Shares (if any) will be paid (without interest) on a pro-rata basis (on the basis of all Unsubscribed Shares) to the No Action Shareholders and the Excluded Shareholders (but rounded down to the nearest cent after deduction of a proportionate share of the placing commission payable). It is proposed that only Net Gain to any of the No Action Shareholder(s) and the Excluded Shareholder(s) of HK$100 or more will be paid to them in Hong Kong Dollars and the Company will retain individual amounts of less than HK$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders and the Excluded Shareholders may or may not receive any Net Gain.

PLACING AGREEMENT

On 14 August 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by itself or through its sub-placing agents) to procure independent Placees, on a best effort basis, to subscribe for the Placing Shares. Details of the Placing are as follows:

Date	:	14 August 2026
Parties	:	(i) the Company, as issuer; and (ii) the Placing Agent
Placing Agent	:	Grand Moore Capital Limited, appointed as the Placing Agent to place the Placing Shares on a best effort basis. The Placing Agent has confirmed that it is an Independent Third Party.
Fees and expenses	:	The Company shall pay to the Placing Agent a fee of HK$15,000 within three Business Days upon execution of the Placing Agreement. Subject to the satisfaction of the conditions of the Placing, the Company shall pay to the Placing Agent a placing commission of 1.5% of the amount which is equal to the placing price multiplied by the Placing Shares that are successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement and reimbursed for the expenses in relation to the Placing, which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion.
Placing price of the Placing Shares	:	The placing price of the Placing Shares shall be at least equal to the Subscription Price. The final price is dependent on the demand and market conditions of the Placing Shares during the process of placement.

Placees	:	The individuals, corporate, institutional investors or other investors procured by the Placing Agent and/or its sub-placing agents to subscribe for the Placing Shares.
Ranking of the Placing Shares	:	The Placing Shares (when placed, allotted, issued and fully paid) shall rank *pari passu in* all respects among themselves and with the Shares then in issue.
Termination	:	The Placing shall end on Monday, 9 November 2026 or any other date by mutual written agreement between the Placing Agent and the Company. The engagement of the Placing Agent may be terminated by the Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill their respective duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.
Conditions precedent	:	The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled (or being waived by the Placing Agent in writing, if applicable): (i) the passing by the Shareholders (including the Independent Shareholders) at the EGM of the necessary resolutions to approve the Capital Reorganisation; (ii) the Listing Committee granting the approval for the listing of, and the permission to deal in, the Rights Shares (including the Placing Shares); (iii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and

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

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

Completion	:	Placing completion shall take place on Friday, 13 November 2026 or such other date as the Company and the Placing Agent may agree in writing.

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

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

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

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

The board lot size of the nil-paid Rights Shares shall be the same as that of the fully-paid Rights Shares, i.e. 5,000 Shares in one board lot.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders whose shares are held through CCASS 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.

Stamp duty and other applicable fees

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

Share certificates and refund cheques for Rights Issue

Subject to the fulfilment and/or waiver (where applicable) of the conditions of the Rights Issue as set out below, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Wednesday, 18 November 2026.

If the Rights Issue is terminated, refund cheques in respect of the applications for Rights Shares (if any) are expected to be posted on or before Wednesday, 18 November 2026 by ordinary post to the applicants' registered address, at their own risk.

The Rights Issue on a non-underwritten basis

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

As the Rights Issue will proceed on a non-underwritten basis, Shareholder(s) who apply to take up all or part of its entitlement under PAL may unwittingly incur an obligation to make a general offer under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will, pursuant to Rule 10.26(2) of the Listing Rules, provide for Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the applications of any Shareholder (except for HKSCC Nominees Limited) for his/her/its entitlement under the PAL will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code.

As at the date of this announcement, the Company has not received any information or irrevocable undertaking from any shareholder of the Company of any intention to take up his/her/its entitlements under the Rights Issue (or otherwise).

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfilment, non-occurrence or waiver (as appropriate) of each of the following conditions:

(a) the meeting(s) of the Board properly and validly convened to approve and implement the Rights Issue;

(b) the delivery of the Prospectus Documents to the Stock Exchange for authorisation and registration with the Registrar of Companies in Hong Kong in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;

(c) to the extent permitted under all applicable laws and regulations and the Company's constitutional documents, the Prospectus being made available on the Company's website and the Stock Exchange's website and the sending of PAL to the Qualifying Shareholders on the Prospectus Posting Date;

(d) the Listing Committee granting and not having revoked, listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) by no later than the Prospectus Posting Date and such listings and permission to deal not having been withdrawn or revoked; and

(e) all other necessary waivers, consents and approvals (if required) from the relevant governmental or regulatory authority for the Rights Issue and the transactions contemplated thereunder having been obtained and fulfilled.

All conditions set out above cannot be waived by any party. If any of the above conditions are not satisfied at or prior to the respective time stipulated therein, the Rights Issue will not proceed.

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES

The Latest Time for Acceptance will not take place if there is a tropical cyclone warning signal no. 8 or above, Extreme Condition, or a "black" rainstorm warning signal:

(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 date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or

(b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. in Hong Kong.

If the Latest Time for Acceptance of and payment for the Rights Shares and application and payment for excess Rights Shares does not take place on the currently scheduled 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) on any change to the expected timetable as soon as practicable.

Electronic payment is not accepted for the Rights Shares.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 10 September 2026 to Thursday, 17 September 2026 (both days inclusive) for the purpose of determining entitlements to attend and vote at the EGM.

The register of members of the Company will be closed from Wednesday, 7 October 2026 to Tuesday, 13 October 2026 (both days inclusive) for the purpose of determining entitlements to the Rights Issue.

No transfer of Shares will be registered during the above book closure periods.

SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately upon completion of the Rights Issue (assuming all Shareholders have taken up their entitled Rights Shares); and (iii) Immediately after completion of the Rights Issue (assuming none of the Shareholders have taken up any entitled Rights Share), for illustration purposes only:

Assuming there are no changes in the share capital of the Company on or before the Record Date:

Shareholders	As at the date of this announcement		Immediately after completion of the Rights Issue (assuming all Shareholders take up their respective entitlements to the Rights Shares in full)		Immediately after completion of the Rights Issue (assuming nil acceptance by the Shareholders of their entitlements to the Rights Shares)		Immediately after the Capital Reorganisation becoming effective and upon completion of Rights Issue assuming nil acceptance of Rights Shares by Qualifying Shareholders and none of the Placing Shares having been placed by Placing Agent	
	Number of Shares held	*%* *(Note 2)*	*Number of Shares held*	*%* *(Note 2)*	*Number of Shares held*	*%* *(Note 2)*	*Number of Shares held*	*%* *(Note 2)*
Ms. Huang Wei *(note 1)*	499,012,800	26.16	14,970,384	26.16	9,980,256	26.16	9,980,256	26.16
Public Shareholders	1,408,785,474	73.84	42,263,563	73.84	28,175,709	73.84	28,175,709	73.84
Total	1,907,798,274	100.00	57,233,947	100.00	38,155,965	100.00	38,155,965	100.00

Notes:

1. Ms. Huang Wei is the chairlady and an executive Director of the Company.

2. The above percentage figures are subject to rounding adjustments.

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in (i) wine trading; and (ii) production and sales of food products in Hong Kong.

The Company is seeking to conduct the Rights Issue to raise funds to (i) repay some of its outstanding borrowings and (ii) replenish the future working capital of the Group so as to reduce finance costs and improve the Group's profitability and cash flow.

The net proceeds from the Rights Issue are up to approximately HK$4.32 million. Assuming full subscription under the Rights Issue, the Company intends to use the net proceeds as follows:

- Approximately HK$2.5 million of the net proceeds will be utilised for the repayment of the reduced outstanding principal amount under a loan from an independent non-financial institution (the "**Loan**").

  On 22 October 2024, Palinda Wines (HK) Enterprises Limited ("**Palinda HK**"), a wholly-owned subsidiary of the Company, entered into a loan agreement (as supplemented on 20 January 2025) (the "**Loan Agreement**") as the borrower with an independent third-party non-financial institution as the lender (the "**Lender**"). Pursuant to the Loan Agreement, the Lender granted a loan of HK$3,453,347 to Palinda HK at an interest rate of 6.0% per annum, with the maturity date subsequently extended to 31 December 2025.

  On 22 June 2026, Palinda HK and the Lender entered into a supplement agreement (the "**Supplement Agreement**"). As at the date of the Supplement Agreement, the outstanding principal amount under the Loan Agreement was HK$3,453,347, and the accrued and unpaid interest up to the date of the Supplement Agreement was HK$162,922.

  Pursuant to the Supplement Agreement, the Lender agreed (i) to waive and release HK$953,347 of the outstanding principal amount (the "**Waived Amount**"), reducing the remaining outstanding principal amount to HK$2,500,000, subject to, inter alia, Palinda HK having paid all accrued and unpaid interest under the Loan Agreement up to 30 June 2026; (ii) that no further interest shall continue to accrue on the Loan from 1 July 2026 onwards; and (iii) that Palinda HK shall repay the reduced outstanding principal amount of HK$2,500,000 in full within 30 business days after the completion of the Rights Issue.

  As at the date of this announcement, all accrued and unpaid interest under the Loan Agreement up to 30 June 2026 has been fully settled by Palinda HK using its own working capital. Accordingly, the waiver of the Waived Amount has taken effect, and the Company intends to apply approximately HK$2.5 million from the net proceeds of the Rights Issue to satisfy the remaining principal repayment obligation under the Loan Agreement (as supplemented by the Supplement Agreement); and

- The remaining approximately HK$1.82 million will be applied as general working capital of the Group.

In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be utilised in proportion to the above uses.

Apart from the Rights Issue, the Directors have considered other debt or equity fundraising alternatives such as bank borrowings, placing or an open offer. The Directors note that bank borrowings, if available, carry additional interest costs and create pressure to the liquidity of the Company, and placing of new shares dilutes the interests of existing Shareholders without giving them the opportunity to take part in the exercise. As opposed to an open offer, the Rights Issue enables the Shareholders to sell the nil-paid Rights Shares in the market. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Group. Having considered the above alternatives, the Directors are of the view that the Rights Issue is in the best interests of the Company and the Shareholders as a whole and that the Rights Issue is an appropriate fundraising method to strengthen the capital base of the Company, which in turn will support the Company's continuing development and business growth, while allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company.

FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not conducted any other fundraising exercise in the past twelve months immediately preceding the date of this announcement.

LISTING RULES IMPLICATIONS

Capital Reorganisation

The Capital Reorganisation is conditional upon, among other things, the approval by the Shareholders at the EGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as none of the Shareholders or their associates would have any interest in the Capital Reorganisation, no Shareholder would be required to abstain from voting in favour of the resolution(s) relating to the Capital Reorganisation at the EGM.

Rights Issue

As the Company has not conducted any rights issues or open offer within the 12-month period immediately preceding this announcement, the Rights Issue will not increase the number of issued shares of the Company or the market capitalisation of the Company by more than 50% and the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to approval by the Shareholders under the GEM Listing Rules.

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

EXPECTED TIMETABLE

Set out below is the expected timetable for the Capital Reorganisation and the Change in Board Lot Size. This expected timetable is indicative only and any subsequent changes to it will be announced in a separate announcement by the Company as and when appropriate.

Events	**Hong Kong Date and Time**
Expected despatch date of the Circular, proxy form and notice of the EGM	Wednesday, 2 September 2026
Latest time for lodging transfer documents of the Shares in order to be qualified for attendance and voting at the EGM	4:00 p.m. on Wednesday, 9 September 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 days inclusive)	Thursday, 10 September 2026 to Thursday, 17 September 2026
Latest time for lodging proxy forms for the EGM	11:00 a.m. on Tuesday, 15 September 2026
Record date for determining attendance and voting at the EGM	Thursday, 17 September 2026
Expected date and time of EGM to approve, among other things, the Share Consolidation, and the Capital Reduction	11:00 a.m. on Thursday, 17 September 2026
Announcement of the poll result of the EGM	Thursday, 17 September 2026
Register of members of the Company re-opens	Friday, 18 September 2026

The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reorganisation (comprising the Share Consolidation, the Capital Reduction and the Share Sub-division).

Effective date and time of the Capital Reorganisation *(comprising the Share Consolidation, the Capital Reduction and the Share Sub-division)*	9:00 a.m. on Friday, 2 October 2026
First day for free exchange of existing share certificates for new share certificates for the New Shares	Friday, 2 October 2026
Dealings in the New Shares commence	9:00 a.m. on Friday, 2 October 2026

Events	Hong Kong Date and Time
Original counter for trading in the Existing Shares in board lots of 12,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Friday, 2 October 2026
Temporary counter for trading in New Shares in board lots of 240 New Shares (in the form of existing share certificates) opens	9:00 a.m. on Friday, 2 October 2026
Original counter for trading in New Shares in board lots of 5,000 New Shares (in the form of new share certificates for New Shares) re-opens	Friday, 16 October 2026
Parallel trading in the New Shares (in the form of new share certificates for the New Shares and existing share certificates) commences	9:00 a.m. on Friday, 16 October 2026
Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of New Shares	9:00 a.m. on Friday, 16 October 2026
Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of New Shares	4:00 p.m. on Friday, 6 November 2026
Temporary counter for trading in New Shares in board lots of 240 New Shares (in the form of existing share certificates) closes	4:10 p.m. on Friday, 6 November 2026
Parallel trading in the New Shares (in the form of new share certificates for the New Shares and existing share certificates) ends	4:10 p.m. on Friday, 6 November 2026
Last day and time for free exchange of existing share certificates for new share certificates of the New Shares	4:00 p.m. on Tuesday, 10 November 2026

The following events are conditional on the fulfilment of the conditions relating to the Rights Issue and therefore the dates are tentative only:

Events	**Hong Kong Date and Time**
Last day of dealings in the New Shares on a cum-rights basis of the Rights Issue	Friday, 2 October 2026
First day of dealings in the New Shares on an ex-rights basis of the Rights Issue	Monday, 5 October 2026
Latest time for lodging transfer of New Shares in order to qualify for the Rights Issue	4:00 p.m. on Tuesday, 6 October 2026
Register of members of the Company closes for determining entitlements to the Rights Issue (both days inclusive)	Wednesday, 7 October 2026 to Tuesday, 13 October 2026
Record Date for determining entitlements to the Rights Issue	Tuesday, 13 October 2026
Register of members of the Company re-opens	Wednesday, 14 October 2026
Despatch of the Prospectus Documents	Wednesday, 14 October 2026
First day of dealings in nil-paid Rights Shares (in the new board lot of 5,000 Rights Shares)	Friday, 16 October 2026
Latest time for splitting of PALs	4:00 p.m. on Wednesday, 21 October 2026
Last day of dealings in nil-paid Rights Shares	Monday, 26 October 2026
Latest Time for Acceptance of and payment for the Rights Shares	4:00 p.m. on Thursday, 29 October 2026
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the payment of Net Gain	4:00 p.m. on Thursday, 29 October 2026
Announcement of the number of the Placing Shares subject to the Unsubscribed Arrangements	Thursday, 5 November 2026
Commencement of placing of the Placing Shares by the Placing Agent	Monday, 9 November 2026
Latest time of placing of the Placing Shares by the Placing Agent	6:00 p.m. on Monday, 9 November 2026

Events	Hong Kong Date and Time
Latest time for the Rights Issue to become unconditional (if applicable)	4:00 p.m. on Friday, 13 November 2026
Announcement of results of the Rights Issue (including results of the placing of the Placing Shares and the amount of the Net Gain per Placing Share under the Unsubscribed Arrangements)	Tuesday, 17 November 2026
Despatch of refund cheques, if any	Wednesday, 18 November 2026
Despatch of share certificates for fully-paid Rights Shares	Wednesday, 18 November 2026
Commencement of dealings in the fully-paid Rights Shares	9:00 a.m. on Thursday, 19 November 2026
Payment of Net Gain to relevant No Action Shareholders or Excluded Shareholders	Monday, 30 November 2026

All times and dates specified in this announcement refer to Hong Kong times and dates, unless otherwise stated.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Capital Reorganisation. A circular containing, among other things, details of the Capital Reorganisation and Change in Board Lot Size, together with a notice convening the EGM and related form of proxy, is expected to be despatched to the Shareholders on or before Wednesday, 2 September 2026.

Shareholders and potential investors of the Company should note that the Capital Reorganisation is subject to the fulfilment of the conditions set out in this announcement and the Change in Board Lot Size is conditional upon the Share Consolidation becoming effective. Accordingly, the Capital Reorganisation and the Change in Board Lot Size may or may not proceed. Shareholders and potential investors of the Company 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.

The Rights Issue is subject to the fulfilment and/or waiver (where applicable) of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed "Conditions of the Rights Issue" in this announcement. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. If there is an undersubscription of the Rights Issue, the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares.

Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

DEFINITIONS

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

"AFRC"	the Accounting and Financial Reporting Council in Hong Kong
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	any day (other than a Saturday, Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted or the Extreme Conditions is announced in Hong Kong between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
"Capital Reduction"	the proposed reduction of the issued share capital of the Company whereby the par value of each of the issued Consolidated Shares will be reduced from HK$5.0 to HK$0.001 by cancelling the paid-up capital to the extent of HK$4.999 on each of the then issued Consolidated Shares
"Capital Reorganisation"	collectively, the Share Consolidation, the Capital Reduction and the Share Sub-division
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCASS Operational Procedures"	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time

"Change in Board Lot Size"	the proposed change in board lot size for trading in the Shares on the Stock Exchange from 12,000 Existing Shares to 5,000 New Shares conditional upon the Share Consolidation becoming effective
"Circular"	the circular to be despatched to the Shareholders containing, among other things, details of the Capital Reorganisation, Change in Board Lot Size and the notice of the EGM
"Companies Act"	the Companies Act (as revised and amended from time to time) of the Cayman Islands
"Company"	Palinda Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM of the Stock Exchange (Stock Code: 8179)
"Consolidated Share(s)"	ordinary share(s) of HK$5.0 each in the share capital of the Company immediately following the Share Consolidation becoming effective
"controlling shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	an extraordinary general meeting of the Company to be convened for the purpose of considering, and, if thought fit, approving the Capital Reorganisation
"Excluded Shareholder(s)"	Overseas Shareholder(s) whom the Directors, after making enquiries regarding the legal restrictions under the laws of the relevant places or the requirements of the relevant overseas regulatory bodies or stock exchanges, consider it necessary or expedient to exclude them from the Rights Issue
"Existing Share(s)"	ordinary share(s) of HK$0.1 each in the share capital of the Company prior to the Share Consolidation having become effective
"Extreme Conditions"	extreme conditions including but not limited to serious disruption of public transport services, extensive flooding, major landslides or large-scale power outage after super typhoons as announced by the government of Hong Kong
"GEM"	the Growth Enterprise Market of the Stock Exchange
"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"	the Hong Kong Securities Clearing Company Limited
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Independent Shareholders"	Shareholders who are not required to abstain from voting at the EGM
"Independent Third Parties"	third parties independent of and not connected with the Company and its connected persons
"Last Trading Day"	Friday, 14 August 2026, being the last trading day of the Shares on the Stock Exchange before the release of this announcement
"Latest Time for Acceptance"	4:00 p.m. on Thursday, 29 October 2026, being the latest time for acceptance of the offer of and payment for the Rights Shares
"Listing Committee"	has the meaning ascribed to it under the GEM Listing Rules
"Net Gain"	any premiums paid by the Placees over the Subscription Price for the Placing Shares placed by the Placing Agent
"New Share(s)"	ordinary share(s) of par value HK$0.001 each in the issued and unissued share capital of the Company upon the Capital Reorganisation becoming effective
"No Action Shareholders"	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) in their assured entitlements
"Overseas Shareholder(s)"	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
"Placees"	individuals, corporate, institutional investors or other investors who is not a connected person of the Company and whose ultimate beneficial owner are third party independent of the Company, procured by the Placing Agent and/or its sub-placing agents to subscribe for the Placing Shares pursuant to the Placing Agreement

"Placing"	the placing of the Placing Shares
"Placing Agent"	Grand Moore Capital Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
"Placing Price"	the placing price of each of the Placing Shares shall be not less than the Subscription Price. The final price will be dependent on the demand and market conditions of the Placing Shares during the process of Placing
"Placing Shares"	the placing of the Unsubscribed Shares
"Prospectus"	the prospectus (including any supplementary prospectus, if any) to be despatched to the Qualifying Shareholders (and the Excluded Shareholder(s) for information only) in connection with the Rights Issue
"Prospectus Documents"	the Prospectus and the PAL
"Prospectus Posting Date"	Wednesday, 14 October 2026 or such other date as may be determined by the Company, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders (or in case of Excluded Shareholder(s), the Prospectus only)
"Qualifying Shareholder(s)"	Shareholder(s), whose names appear on the register of members of the Company as at the Record Date, other than the Excluded Shareholder(s)
"Record Date"	Tuesday, 13 October 2026 (or on such other date as the Company may determine), being the date by reference to which entitlements to the Rights Issue will be determined
"Registrar"	Union Registrars Limited, the Hong Kong branch share registrar and transfer office of the Company
"Rights Issue"	the proposed issue of one (1) Rights Share for every two (2) New Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price
"Rights Shares"	the New Share(s) proposed to be allotted and issued by the Company pursuant to the Rights Issue
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

"Share(s)"	the Existing Share(s) and/or the Consolidated Share(s), as the case may be
"Share Consolidation"	the consolidation of every fifty (50) issued and unissued Existing Shares of HK$0.1 each into one (1) Consolidated Share of HK$5.0
"Share Sub-division"	the sub-division of each authorised but unissued Consolidated Share of par value HK$5.0 each into five thousand (5,000) authorised and unissued New Shares of par value of HK$0.001 each
"Shareholder(s)"	the holder(s) of the issued Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	HK$0.25 per Rights Share
"substantial shareholder(s)"	has the same meaning ascribed thereto under the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Unsubscribed Arrangements"	arrangements to place the Unsubscribed Shares by the Placing Agent on a best effort basis to investors who (or as the case maybe, their ultimate beneficial owner(s)) are Independent Third Parties pursuant to Rule 10.31(1)(b) of the GEM Listing Rules
"Unsubscribed Shares"	those (if any) of the Rights Shares in respect of which by remittances for the relevant amounts payable on acceptance or application have not been received on or before the Latest Time for Acceptance
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong

By Order of the Board
Palinda Group Holdings Limited
Huang Wei
Chairlady and Executive Director

Hong Kong, 14 August 2026

As at the date of this announcement, the Board comprises Ms. Huang Wei and Mr. Dou Sheng as executive Directors, and Mr. Wu Chi King, Mr. So Yat Chuen and Ms. Cheng Wai Iris, as independent non-executive Directors.

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 Company Announcements" page of the HKEx website at www.hkexnews.hk for at least seven days from the date of its posting and on the Company's website at www.palinda.com.