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If you are in doubt as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in the Company, you should at once hand this circular and accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.



DIRECTEL HOLDINGS LIMITED

直通電訊控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8337)

PROPOSED CAPITAL REDUCTION OF ISSUED SHARES, SUB-DIVISION OF UNISSUED SHARES AND NOTICE OF EXTRAORDINARY GENERAL MEETING

This circular will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting. This circular will also be posted on the Company’s website at www.directel.hk.

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 4 to 11 of this circular. A notice convening the EGM to be held on Friday, 11 September 2026 at 10:00 a.m. (Hong Kong time) at Office Nos. 1, 2, 14 and 15, 37th Floor, Hong Kong Plaza, No. 188 Connaught Road West, Hong Kong or any adjourned thereof is set out on pages 12 to 15 of this circular. A form of proxy for the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the accompanying form of proxy to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours (i.e. 10:00 a.m. (Hong Kong time) on Wednesday, 9 September 2026) before the time appointed for holding the EGM or any adjournment thereof. The return of the form of proxy will not preclude you from attending and voting in person in the EGM or any adjourned meeting if you so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

21 August 2026

CHARACTERISTICS OF 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 that 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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITION

In this circular, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“associate(s)”	has the meaning ascribed to it/them under the GEM Listing Rules
“Board”	the board of Directors
“Capital Reduction”	the proposed reduction of the issued share capital of the Company by reducing the par value of each issued Ordinary Share from HK\$0.20 to HK\$0.01 by cancelling the paid up share capital to the extent of HK\$0.19 per issued Ordinary Share
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“Companies Act”	the Companies Act (As Revised) of the Cayman Islands as consolidated and revised
“Company”	Directel Holdings Limited, a company incorporated in the Cayman Islands, the securities of which are listed on the GEM
“Court”	the Grand Court of the Cayman Islands
“Director(s)”	the director(s) of the Company from time to time
“EGM”	the extraordinary general meeting of the Company to be held on Friday, 11 September 2026 at 10:00 a.m. (Hong Kong time) at Office Nos. 1, 2, 14 and 15, 37th Floor, Hong Kong Plaza, No. 188 Connaught Road West, Hong Kong or any adjournment thereof, the notice of which is set out on pages 12 to 15 of this circular
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITION

“Latest Practicable Date”	17 August 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules
“New Ordinary Share(s)”	ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company immediately following the Capital Reduction and the Sub-division becoming effective
“Ordinary Share(s)”	ordinary share(s) with par value of HK\$0.20 each in the share capital of the Company prior to the Capital Reduction and the Sub-division becoming effective
“Share(s)”	the ordinary share(s) in the share capital of the Company from time to time
“Shareholder(s)”	holder(s) of the Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-division”	the proposed sub-division of each authorised but unissued Ordinary Share into 20 authorised but unissued New Ordinary Shares
“%”	per cent.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Capital Reduction and the Sub-division which is indicative only and has been prepared on the assumption that all the conditions of the Capital Reduction and the Sub-division will be fulfilled:

Latest time for lodging share transfer in order to qualify for
attending and voting at the EGM 4:30 p.m. on
Monday, 7 September 2026

Closure of register of members for determining the entitlement
to attend and vote at the EGM Tuesday, 8 September 2026 to
Friday, 11 September 2026
(both dates inclusive)

Latest time for lodging forms of proxy for the EGM 10:00 a.m. on
Wednesday, 9 September 2026

Date and time of the EGM 10:00 a.m. on
Friday, 11 September 2026

Announcement of voting results of the EGM Friday, 11 September 2026

The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reduction and the Sub-division and therefore the dates are tentative:

Expected time of the Capital Reduction and the Sub-division before 9:00 a.m. on
Wednesday, 16 September 2026

Commencement of dealing in the New Ordinary Shares 9:00 a.m. on
Wednesday, 16 September 2026

Notes:

1. All times and dates in this circular refer to Hong Kong local times and dates.
2. In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.directel.hk as and when appropriate.

LETTER FROM THE BOARD



DIRECTEL HOLDINGS LIMITED

直通電訊控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8337)

Non-Executive Directors:

Mr. Li Kin Shing (*Chairman*)

Mr. Wong Kin Wa

Executive Director:

Mr. Pang Kwok Chau (*Chief Executive Officer*)

Independent Non-Executive Directors:

Ms. Lee Man Yee, Maggie

Mr. Liu Kejun

Mr. Fung Wai Hang

Registered Office:

Windward 3

Regatta Office Park

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

***Head office and principal place of
Business:***

Office Nos. 1, 2, 14 and 15

37th Floor, Hong Kong Plaza

No. 188 Connaught Road West

Hong Kong

21 August 2026

To the Shareholders

Dear Sir or Madam,

**PROPOSED CAPITAL REDUCTION OF ISSUED SHARES,
SUB-DIVISION OF UNISSUED SHARES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 31 July 2026 in respect of the proposed capital reduction of issued shares and sub-division of unissued shares. The purpose of this circular is to provide you among other things, details of (i) the Capital Reduction and the Sub-division and (ii) the notice of the EGM and related form of proxy to be convened.

LETTER FROM THE BOARD

PROPOSED CAPITAL REDUCTION OF ISSUED SHARES AND SUB-DIVISION OF UNISSUED SHARES

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$100,000,000 divided into 500,000,000 Ordinary Shares, of which 244,875,000 Ordinary Shares have been issued and are fully paid or credited as fully paid. As at the Latest Practicable Date, the Company does not have any outstanding options, warrants or other securities which are convertible into the Company's issued Ordinary Shares.

The Board proposes the Capital Reduction and the Sub-division to be implemented in the following manner:

- (a) the par value of each of the issued Ordinary Shares be reduced from HK\$0.20 to HK\$0.01 per issued Ordinary Share by cancelling the paid up share capital to the extent of HK\$0.19 per issued Ordinary Share by way of a reduction of capital, so as to form issued New Ordinary Shares with par value of HK\$0.01 each;
- (b) the credit arising from the Capital Reduction be credited to a capital reduction reserve account of the Company. The utilisation of such reserve, including any application towards the Company's accumulated losses, will be determined by the Board from time to time having regard to the Company's financial position and in compliance with the Companies Act and the Company's memorandum and articles of association;
- (c) immediately following the Capital Reduction becoming effective, each of the authorised but unissued Ordinary Shares with par value of HK\$0.20 each be subdivided into 20 authorised but unissued New Ordinary Shares with par value of HK\$0.01 each; and
- (d) each of the New Ordinary Shares arising from the Capital Reduction and the Sub-division shall rank pari passu in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company.

LETTER FROM THE BOARD

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the date on which the Capital Reduction and the Sub-division become effective, the share capital structure of the Company will be as follows:

		As at the Latest Practicable Date	Immediately after the Capital Reduction and the Sub-division becoming effective
Par value	:	HK\$0.20 per Ordinary Share	HK\$0.01 per New Ordinary Share
Amount of the authorised share capital	:	HK\$100,000,000	HK\$100,000,000
Number of authorised shares	:	500,000,000 Ordinary Shares	10,000,000,000 New Ordinary Shares
Amount of the issued share capital	:	HK\$48,975,000	HK\$2,448,750
Number of issued shares	:	244,875,000 Ordinary Shares	244,875,000 New Ordinary Shares

The size of each board lot of the New Ordinary Shares will remain the same as that of the Ordinary Shares, being 10,000 New Ordinary Shares per board lot. The New Ordinary Shares will rank pari passu in all respects with each other.

As at the Latest Practicable Date, 244,875,000 Ordinary Shares have been issued and are fully paid or credited as fully paid. Assuming that the par value of each of the 244,875,000 issued Ordinary Shares will be reduced from HK\$0.20 to HK\$0.01 per issued Ordinary Share by cancelling the paid up share capital to the extent of HK\$0.19 per issued Ordinary Share by way of a reduction of capital, so as to form issued New Ordinary Shares with par value of HK\$0.01 each, the Company's existing issued share capital of HK\$48,975,000 will be reduced by HK\$46,526,250 to HK\$2,448,750.

Reasons for and Effects of the Capital Reduction and the Sub-division

The Capital Reduction and the Sub-division will enable the par value of the Shares to be reduced from HK\$0.20 to HK\$0.01 each. The credit arising from the Capital Reduction will be credited to a capital reduction reserve account of the Company, the utilisation of which, including any application towards the Company's accumulated losses, will be determined by the Board from time to time having regard to the Company's financial position and in compliance with the Companies Act and the Company's memorandum and articles of association.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company has no current intention to apply the credit arising from the Capital Reduction to set off its accumulated losses. For illustrative purposes only, if the Company were to apply the credit standing in the capital reduction reserve account to set off its accumulated losses, such losses would be reduced by HK\$46,526,250, from approximately HK\$94,259,000 to approximately HK\$47,733,000.

The Board is of the opinion that the proposed Capital Reduction will give greater flexibility to the Company to declare dividends (if and when the Company's accumulated losses have been eliminated) and/or to undertake any corporate exercise which requires the use of distributable reserves in the future, subject to the Company's performance and when the Board considers that it is appropriate to do so in the future.

The Board considers that the Capital Reduction and the Sub-division will enable the nominal or par value of the Shares to be reduced from HK\$0.20 to HK\$0.01 each, thus giving greater flexibility to the Company to issue new Shares in the future given that the Company is not permitted, without approval by the Shareholders and order of the Court, to issue new Shares below their nominal or par value. It is important for Shareholders to note that, at this stage, there can be no assurance that any dividends will be declared or paid in the future, or that the Company will issue New Ordinary Shares, even if the Capital Reduction and the Sub-division take effect.

As at the Latest Practicable Date, the Company has no current intention or plan to carry out other corporate actions in the next twelve months which may have the effect of undermining the intended purpose of the Capital Reduction and the Sub-division. As at the Latest Practicable Date, the Company does not have any concrete plan 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 fundraising opportunities arise in order to support future development of the Group.

As such, the Directors are of the view that the Capital Reduction and the Sub-division can serve their intended purpose and are in the best interests of the Company and the Shareholders as a whole.

The Company estimates that the aggregate professional fees and other expenses incurred and to be incurred in connection with the Capital Reduction and the Sub-division will amount to approximately HK\$350,000. Save for the transfer of the credit arising from the Capital Reduction to a capital reduction reserve account of the Company and the expenses to be incurred in relation to the Capital Reduction and the Sub-division, the Directors consider that the Capital Reduction and the Sub-division will have no effect on the underlying assets, business operations, management or financial position of the Company or the proportional interests of the Shareholders in the Company.

LETTER FROM THE BOARD

Conditions of the Capital Reduction and the Sub-division

The Capital Reduction and the Sub-division are conditional on the following conditions being fulfilled:

- (a) the Shareholders' approval by way of special resolution at the EGM to be convened and held to consider and, if thought fit, approve, among other things, the Capital Reduction and the Sub-division;
- (b) the Directors signing the solvency statement in accordance with the requirements of the Companies Act;
- (c) registration by the Registrar of Companies of the Cayman Islands with a copy of the solvency statement and the minutes of the EGM approving the Capital Reduction and the Sub-division;
- (d) the Listing Committee granting the listing of, and permission to deal in, the New Ordinary Shares arising from the Capital Reduction and the Sub-division; and
- (e) 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 the Sub-division.

The Capital Reduction and the Sub-division will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Capital Reduction and the Sub-division at the EGM, the Company will file the requisite documents with the Registrar of Companies in the Cayman Islands.

As at the Latest Practicable Date, none of the conditions set out above has been fulfilled.

Listing and dealings

Application will be made to the Listing Committee for the listing of, and permission to deal in, the New Ordinary Shares arising from the Capital Reduction and the Sub-division.

The New Ordinary Shares will be identical in all respects and rank *pari passu* in all respects with each other as to all future dividends and distributions which are declared, made or paid. Subject to the granting of the listing of, and permission to deal in, the New Ordinary Shares on the Stock Exchange as well as compliance with the stock admission requirements of the HKSCC, the New Ordinary 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 Ordinary 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

LETTER FROM THE BOARD

under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Ordinary Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

Exchange of share certificates

The Capital Reduction and the Sub-division will not affect any of the rights of the existing Shareholders. All existing share certificates of the Company will continue to be evidence of title to the Shares and continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates (in yellow colour) of the Ordinary Shares for new share certificates (in green colour) for the New Ordinary Shares after the Capital Reduction and the Sub-division taking effect. Immediately following the Capital Reduction and the Sub-division becoming effective, new share certificates will be issued bearing the par value of HK\$0.01 per New Ordinary Share.

THE EGM

A notice convening the EGM to be held on Friday, 11 September 2026 at 10:00 a.m. (Hong Kong time) at Office Nos. 1, 2, 14 and 15, 37th Floor, Hong Kong Plaza, No. 188 Connaught Road West, Hong Kong is set out on pages 12 to 15 of this circular. The EGM will be held for the Shareholders to consider and, if thought fit, pass a special resolution for approving the proposed Capital Reduction and the Sub-division. All resolutions will be conducted by way of poll at the EGM and an announcement on the results of the EGM will be made by the Company after the EGM.

To the best knowledge, information and belief of the Directors, no Shareholder has a material interest in the Capital Reduction and the Sub-division, and is required to abstain from voting on the resolutions for approving the proposed Capital Reduction and the Sub-division at the EGM.

A form of proxy for use at the EGM is enclosed herewith. Whether or not you intend to attend the EGM in person, you are requested to complete and return the accompanying form of proxy to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours (i.e. 10:00 a.m. (Hong Kong time) on Wednesday, 9 September 2026) before the time appointed for holding the EGM or any adjournment thereof. Completion and delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed revoked.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

In order to determine the eligibility of the Shareholders to attend and vote at the EGM, which is to be held on Friday, 11 September 2026, the register of members of the Company will be closed from Tuesday, 8 September 2026 to Friday, 11 September 2026 (both days inclusive) during which period no transfer of the Shares will be registered. In order to be qualified for the entitlement to attend and vote at the EGM, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Monday, 7 September 2026. The record date for the purpose of determining eligibility to attend and vote at the EGM is Friday, 11 September 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, save as disclosed below, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

Directel Limited, a company incorporated in the Cayman Islands, is held as to 50% and 50% by Mr. Li Kin Shing ("**Mr. Li**"), a non-executive Director, the chairman of the Company, a controlling shareholder and a substantial shareholder of the Company, and Ms. Kwok King Wa, a controlling shareholder and a substantial shareholder of the Company and the spouse of Mr. Li, respectively. According to the GEM Listing Rules, Directel Limited is an associate of Mr. Li and Ms. Kwok King Wa.

Directel Limited is the licensee of the operation rights of RF-SIM in markets other than the PRC (including Hong Kong and Macau) and it has the right to grant licences of the operation rights of RF-SIM intellectual property rights to others in markets other than the PRC. There is a risk that such services provided by Directel Limited may compete with the services provided by the Group as Directel Limited is expected to grant licences of the operation rights of RF-SIM intellectual property rights in other regions in the future.

Sunward Telecom Limited and its wholly-owned subsidiaries (collectively, the "**Sunward Group**") were directly wholly-owned by Mr. Li. Therefore, the Sunward Group are the

LETTER FROM THE BOARD

associates of Mr. Li under the GEM Listing Rules. The Sunward Group, as a whole, is principally engaged in (i) the research and development, production and sales of RF-SIM products; (ii) licensing of the RF-SIM operations rights in markets other than Hong Kong and Macau, and (iii) research and development and technology transfer of CA-SIM application rights to customers.

The Directors confirm that as China-Hongkong Telecom Limited, a wholly-owned subsidiary of the Company, has obtained the exclusive licence of the operation rights of RF-SIM intellectual property rights in Hong Kong and Macau. The Directors further confirm that the services provided by Directel Limited are in territories other than the PRC, Hong Kong and Macau, the services provided by the Sunward Group concentrate on the application of the RF-SIM intellectual property rights in the PRC, and the services provided by the Group regarding the operation rights of RF-SIM intellectual property rights are solely in Hong Kong and Macau. Nevertheless, Mr. Li, Ms. Kwok King Wa and Directel Limited (as Covenantors) executed a deed of non-competition undertaking in favour of the Company on 24 May 2010 pursuant to which the Covenantors have undertaken to the Company inter alia, that (i) the Covenantors shall not, directly or indirectly, engage in, invest in, participate in, or attempt to participate in, whether on his/her/its own account or with each other or in conjunction with or on behalf of any person or company, any business which will or may compete with the RF-SIM business of the Group in Hong Kong and Macau; and (ii) in the event the Covenantors or their associates were given any business opportunities that is or may involve in direct or indirect competition with the business of the Group, the Covenantors shall assist the Company in obtaining such business opportunities in the terms being offered to the Covenantors, or more favourable terms being acceptable to the Company.

RECOMMENDATIONS

The Directors consider that the proposed special resolution in relation to the proposed Capital Reduction and the Sub-division to be put forward at the EGM is in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the special resolution to be proposed at the EGM.

GENERAL

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

Yours faithfully,
By Order of the Board
Directel Holdings Limited
Li Kin Shing
Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING



DIRECTEL HOLDINGS LIMITED

直通電訊控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8337)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “**EGM**”) of Directel Holdings Limited (the “**Company**”) will be held at 10:00 a.m. (Hong Kong time) on Friday, 11 September 2026 at Office Nos. 1, 2, 14 and 15, 37th Floor, Hong Kong Plaza, No. 188 Connaught Road West, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution as a special resolution of the Company:

SPECIAL RESOLUTION

“**THAT** subject to and conditional upon (i) all the directors of the Company (“**Directors**”) signing the solvency statement in accordance with the requirements of the Companies Act (As Revised) of the Cayman Islands (the “**Companies Act**”); (ii) registration by the Registrar of Companies of the Cayman Islands with a copy of the solvency statement and the minute containing the particulars required under the Companies Act with respect to the Capital Reduction (as defined below) and the Sub-division (as defined below); (iii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) to effect the Capital Reduction and the Sub-division; and (iv) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Ordinary Shares (as defined below) arising from the Capital Reduction and the Sub-division, with effect from the date on which the aforesaid conditions are fulfilled (the “**Effective Date**”):

- (a) the issued and paid-up share capital of the Company be reduced (the “**Capital Reduction**”) by reducing the par value of each existing ordinary share with a par value of HK\$0.20 of the Company (the “**Ordinary Share**”) in issue on the Effective Date from HK\$0.20 each to HK\$0.01 each by cancelling the paid-up capital to the extent of HK\$0.19 on each issued Ordinary Share in issue on the Effective Date so that following the Capital Reduction each such issued Ordinary Share with a par value of HK\$0.20 shall be treated as one fully paid-up share with a par value of HK\$0.01 (the “**New Ordinary Shares**”) in the share capital of the Company and any liability of the holders of such shares to make any further contribution to the capital of the Company on each such share shall be treated as satisfied;

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) immediately following the Capital Reduction becoming effective, each of the then authorised but unissued existing Ordinary Shares with a par value of HK\$0.20 be subdivided into twenty (20) unissued New Ordinary Shares with a par value of HK\$0.01 each in the share capital of the Company (the “**Sub-division**”);
- (c) immediately following the Capital Reduction and the Sub-division, the authorised share capital of the Company will be changed from HK\$100,000,000 divided into 500,000,000 Ordinary Shares to HK\$100,000,000 divided into 10,000,000,000 New Ordinary Shares of which 244,875,000 New Ordinary Share with a par value of HK\$0.01 each will be in issue and the amount deemed to be paid up on each issued New Ordinary Share will be HK\$0.01 each and the issued share capital of the Company will be reduced from an amount of HK\$48,975,000 by an amount of HK\$46,526,250 to an amount of HK\$2,448,750;
- (d) the credit arising from the Capital Reduction shall be transferred to a capital reduction reserve account of the Company which will be a distributable reserve account of the Company and may be utilised by the Directors as a distributable reserve in accordance with the articles of association of the Company and all applicable laws and rules (including the GEM Listing Rules) including, without limitation, eliminating or setting off the accumulated losses of the Company which may arise from time to time and/or paying dividends and/or making any other distribution out of such account from time to time and/or to use the credit in such other manner as may be permitted under the articles of association of the Company in effect from time to time and all applicable laws without further authorisation from the shareholders of the Company and all actions in relation thereto be approved, ratified and confirmed;
- (e) each of the New Ordinary Shares arising from the Capital Reduction and the Sub-division shall rank pari passu in all respects with each other and have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company; and
- (f) the Directors be and are hereby authorised to do all such acts and things and execute all such documents, which are ancillary to the Capital Reduction and the Sub-division and of administrative nature, on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to the Capital Reduction and the Sub-division.”

On behalf of the Board
Directel Holdings Limited
Li Kin Shing
Chairman

Hong Kong, 21 August 2026

NOTICE OF EXTRAORDINARY GENERAL MEETING

Registered office:

Windward 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

Head office and Principal Place of Business in Hong Kong:

Office Nos. 1, 2, 14 and 15
37th Floor
Hong Kong Plaza
No. 188 Connaught Road West
Hong Kong

Notes:

- (1) A shareholder of the Company (the “**Shareholder**”) entitled to attend and vote at the EGM is entitled to appoint one proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his/her/its stead. A Shareholder who is the holder of two or more shares of the Company (the “**Shares**”) may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the EGM. A proxy need not be a Shareholder. In addition, a proxy shall be entitled to exercise the same powers on behalf of a Shareholder which is a corporation and for which he/she acts as proxy as such Shareholder could exercise if it were an individual Shareholder.
- (2) The instrument appointing a proxy shall be in writing signed by the appointer or his/her attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or signed by any officer, attorney or other person duly authorised to sign the same.
- (3) In order to be valid, the form of proxy must be deposited with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, together with any power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, not less than 48 hours (i.e. 10:00 a.m. (Hong Kong time) on Wednesday, 9 September 2026) before the time appointed for holding the EGM or any adjournment thereof.
- (4) In the case of joint holders of any Shares, any one of such joint holders may vote at the EGM, either in person or by proxy, in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM, either personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such Shares shall be accepted to the exclusion of the votes of the other joint registered holders.
- (5) Completion and return of the form of proxy will not preclude a Shareholder from attending and voting in person at the EGM or at any adjourned meeting (as the case may be) should they so wish, and in such event, the form of proxy previously submitted shall be deemed to be revoked.
- (6) For determining the entitlement of the Shareholders to attend and vote at the EGM, the Company’s register of members will be closed from Tuesday, 8 September 2026 to Friday, 11 September 2026 (both days inclusive) during which no transfer of the Shares will be effected. In order to be entitled to attend and vote at the EGM, all share transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Monday, 7 September 2026. The record date for the purpose of determining eligibility to attend and vote at the EGM is Friday, 11 September 2026.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (7) If tropical cyclone warning signal no. 8 or above, “extreme conditions” caused by super typhoons or a black rainstorm warning is in effect at any time after 7:00 a.m. (Hong Kong time) on Friday, 11 September 2026, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.
- (8) In compliance with the GEM Listing Rules, all resolutions to be proposed at the EGM will be voted by way of poll.
- (9) References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this circular, the non-executive Directors are Mr. Li Kin Shing and Mr. Wong Kin Wa, the executive Director is Mr. Pang Kwok Chau and the independent non-executive Directors are Ms. Lee Man Yee, Maggie, Mr. Liu Kejun and Mr. Fung Wai Hang.

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange 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.

This circular will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting. This circular will also be posted on the Company’s website at www.directel.hk.