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HONBRIDGE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8137)

(1) CHANGE IN USE OF THE 2024 NET PROCEEDS AND (2) UPDATE ON THE INTENDED USE OF PROCEEDS FROM THE SUBSCRIPTION

References are made to (i) the circular (the “**Circular**”) of Honbridge Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 22 November 2024 in relation to the subscription of new Shares under specific mandate (the “**2024 Subscription**”); (ii) the announcement of the Company dated 29 June 2026 in relation to the Acquisition (the “**Acquisition Announcement**”); (iii) the announcement of the Company dated 29 June 2026 in relation to the Subscription (the “**Subscription Announcement**”); and (iv) the announcement of the Company dated 2 September 2026 in relation to the supplemental agreement in respect of the Acquisition (the “**Supplemental Announcement**”). The Acquisition Announcement, the Subscription Announcement and the Supplemental Announcement are collectively referred to as the “**Announcements**”. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

The Board announces that it has resolved to (i) change the use of approximately HK\$317.5 million of the unutilised 2024 Net Proceeds (as defined below) by applying such amount towards payment of part of the consideration for the Acquisition (the “**Change**”); and (ii) update the intended use of the estimated net proceeds from the Subscription.

USE OF PROCEEDS FROM THE 2024 SUBSCRIPTION

As disclosed in the Circular, the net proceeds from the 2024 Subscription amounted to approximately HK\$375.0 million (the “**2024 Net Proceeds**”). The intended uses of the 2024 Net Proceeds immediately prior to the Change (the “**Original Intended Uses**”) and the status of their utilisation as at 30 June 2026 are set out below.

Original Intended Uses	Allocation	Utilised	Unutilised
	(HK\$ million)	as at 30 June 2026	as at 30 June 2026
		(HK\$ million)	(HK\$ million)
Development of and investment in mineral-related projects	306.4	33.2	273.2
— development of the iron ore project in Brazil	207.1	33.2	173.9
— investment in mineral-related projects	99.3	—	99.3
Working capital for Zhejiang Forever New Energy Company Limited	25.0	—	25.0
Working capital for the headquarters of the Group in Hong Kong	<u>43.6</u>	<u>24.3</u>	<u>19.3</u>
Total	<u>375.0</u>	<u>57.5</u>	<u>317.5</u>

CHANGE IN USE OF THE 2024 NET PROCEEDS

As disclosed in the Acquisition Announcement, the total consideration for the Acquisition is US\$91.8 million, equivalent to approximately HK\$720.6 million. Payment of the consideration is structured in three stages by reference to the relevant closing milestones under the Share Purchase Agreement.

Based on the current timetable of the Company, the Subscription is expected to be completed in or around December 2026, prior to which consideration payments aggregating approximately HK\$324.0 million have fallen or are expected to fall due (the “**Relevant Consideration Payments**”). Hence, there is a timing mismatch between the Relevant Consideration Payments and the availability of the net proceeds from the Subscription. In light of the above, the Company considers it necessary to arrange funding to satisfy the Relevant Consideration Payments as and when they fall due before the net proceeds from the Subscription become available.

To address the funding requirement arising from the timing mismatch in respect of the Relevant Consideration Payments, the Board has resolved to apply the entire amount of approximately HK\$317.5 million of the unutilised 2024 Net Proceeds towards part of the Relevant Consideration Payments.

The application of the unutilised 2024 Net Proceeds towards the Relevant Consideration Payments therefore constitutes a change in use of the 2024 Net Proceeds.

Upon completion of the Subscription, the Company intends to apply approximately HK\$317.5 million of the net proceeds from the Subscription towards the Original Intended Uses in their respective amounts as at 30 June 2026.

UPDATED INTENDED USE OF PROCEEDS FROM THE SUBSCRIPTION

As disclosed in the Subscription Announcement, the estimated net proceeds from the Subscription are approximately HK\$895.0 million. At the time of publication of the Subscription Announcement, the Company intended to apply approximately HK\$402.4 million towards the payment of the consideration for the Acquisition, approximately HK\$467.6 million towards the operation and development of, and investment in, mineral-related projects, and the remaining approximately HK\$25.0 million towards the general working capital of the Group.

To reflect the Change, and having further considered the total consideration for the Acquisition and the funding requirements of the copper mining project, the Board has resolved to update the intended use of the estimated net proceeds from the Subscription as follows:

Intended use	Allocation disclosed in the Subscription Announcement (HK\$ million)	Updated allocation (HK\$ million)
Payment of part of the consideration for the Acquisition	402.4	403.1
Original Intended Uses in their respective amounts	—	317.5
— Development of and investment in mineral-related projects		273.2
— development of the iron ore project in Brazil		173.9
— investment in mineral-related projects		99.3
— Working capital for Zhejiang Forever New Energy Company Limited		25.0
— Working capital for the headquarters of the Group in Hong Kong		19.3
Operation and development of, and investment in, the South African copper mining project following completion of the Acquisition	467.6	149.4
General working capital of the Group	<u>25.0</u>	<u>25.0</u>
Total	<u>895.0</u>	<u>895.0</u>

The updated allocation of (i) approximately HK\$149.4 million will be specifically applied towards the operation and development of, and investment in, the South African copper mining project following completion of the Acquisition and (ii) approximately HK\$25.0 million will be specifically towards general working capital of the Group. Of the approximately HK\$720.6 million allocated for payment of the consideration for the Acquisition, (i) approximately HK\$403.1 million will be applied towards the payment of part of the consideration for the Acquisition, and (ii) approximately HK\$317.5 million will be used toward the Original Intended Uses in their respective amounts as at 30 June 2026.

REASONS FOR AND BENEFITS OF THE CHANGE IN USE

The Company entered into the Share Purchase Agreement before completion of the Subscription primarily because of the time-sensitive nature of the Acquisition. High-quality overseas mining projects are relatively scarce and market competition is intense, while the South African copper mining project possesses attractive resource potential and further development value. Any delay in entering into the Share Purchase Agreement could have resulted in the Company losing the acquisition opportunity or being exposed to changes in the transaction terms, competition from other potential purchasers or delays in the project development schedule.

The utilisation of the 2024 Net Proceeds has progressed more slowly than originally expected, primarily because the iron ore project in Brazil remains at the licence application stage. As the relevant local approval procedures are relatively complex and time-consuming, the approval of the relevant licences has progressed more slowly than originally anticipated. The project has therefore not yet reached the stage at which substantial capital investment is required, and the relevant unutilised 2024 Net Proceeds are currently placed in bank deposits pending application towards their intended purpose.

Having considered the near-term funding requirements of the iron ore project in Brazil, Zhejiang Forever New Energy Company Limited and the headquarters of the Group in Hong Kong, the Board expects that the relevant unutilised 2024 Net Proceeds will not be required for the Original Intended Uses before the expected completion of the Subscription. Given that such proceeds are not immediately required for the Original Intended Uses, the Board considers that the Change will enable the Group to deploy its financial resources more efficiently and avoid the interest and financing costs that would otherwise be incurred if the Company were to obtain bank borrowings to satisfy its short-term payment obligations under the Share Purchase Agreement.

The Board considers that the Change will not have any material adverse effect on the existing business and operations of the Group or the implementation of the Original Intended Uses. Upon completion of the Subscription, the Company intends to apply approximately HK\$317.5 million of the net proceeds from the Subscription towards the Original Intended Uses in the respective amounts as at 30 June 2026, so that funding will remain available for those purposes when required.

Accordingly, the Board considers that the change in use is fair and reasonable, best fits the current funding needs of the Group and is in the interests of the Company and the Shareholders as a whole.

The Board will continue to monitor the utilisation of the 2024 Net Proceeds and the progress of the Subscription and will make further announcement(s) as and when appropriate in accordance with the GEM Listing Rules.

Completion of the Subscription is subject to the fulfilment or waiver of the conditions precedent under the Subscription Agreement and may or may not take place. If the Subscription is not completed, the Company will make appropriate financing arrangements to fund the Original Intended Uses as and when required. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

This announcement is supplemental to and should be read in conjunction with the Circular and the Announcements. Save as disclosed above, all the information disclosed in the Circular and the Announcements remains unchanged.

On behalf of the Board
Honbridge Holdings Limited
Xu Zhihao
Chairman

Hong Kong, 3 September 2026

As at the date of this announcement, the Board comprises Mr. Xu Zhihao, Mr. Xu Bing, Mr. Chen Shengjie and Ms. Gu Wenting as executive Directors; and Dr. Wang Jiwei, Mr. Wang Baogang and Mr. Huang Yongzhong 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.

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