
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Capital Realm Financial Holdings Group Limited**, you should at once hand the Prospectus Documents, to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited, and the Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed “24. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG” in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of the Prospectus Documents or other documents referred to above.

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 their respective commencement dates of dealings in the Rights Shares 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.



CAPITAL REALM FINANCIAL HOLDINGS GROUP LIMITED

資本界金控集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 204)

RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD ON RECORD DATE ON A NON-UNDERWRITTEN BASIS

Financial Adviser



Placing Agents

Cheong Lee Securities Limited

ChaoShang Securities Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in this Prospectus, unless the context requires otherwise.

The latest time for acceptance and payment for the Rights Shares is 4:00 p.m. on Monday, 4 August 2025. The procedures for acceptance and transfer of the Rights Shares are set out in the section headed “Rights Issue — Procedures for acceptance, splitting of PAL and payment or transfer” in the “Letter from the Board” of this Prospectus.

It should be noted that the Shares have been dealt in on an ex-rights basis from Thursday, 10 July 2025. Dealings in the Rights Shares in their nil-paid form will take place from Wednesday, 23 July 2025 to Wednesday, 30 July 2025 (both days inclusive). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any persons contemplating dealings in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled, and/or dealings in the nil-paid Rights Shares, are accordingly subject to the risk that the Rights Issue may not become unconditional or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares and is subject to the fulfilment of conditions. Please refer to the section headed “Conditions of the Rights Issue” in this Prospectus. Shareholders and potential investors of the Company should note that: (a) if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed; and (b) 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 the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Places under the Compensatory Arrangements. Any Unsubscribed Rights Shares or ES Unsold Rights Shares remain not placed under the Compensatory 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 are no applicable statutory requirements under the laws of the Bermuda regarding minimum subscription levels in respect of the Rights Issue. Accordingly, the Rights Issue and the Placing may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares and/or the nil-paid Rights Shares, and if they are in any doubt about their position they should consult their professional advisers.

21 July 2025

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EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled.

Event	Time and Date
Despatch of Prospectus Documents (in the case of the Excluded Shareholders, the Prospectus only) for the Rights Issue	Monday, 21 July 2025
First day of dealings in nil-paid Rights Shares in board lots of 5,000 Rights Shares	9:00 a.m. on Wednesday, 23 July 2025
Designated broker starts to stand in the market to provide matching services for odd lots of the Shares	9:00 a.m. on Wednesday, 23 July 2025
Latest time for splitting of PAL	4:00 p.m. on Friday, 25 July 2025
Last day of dealings in nil-paid Rights Shares in board lots of 5,000 Rights Shares	4:00 p.m. on Wednesday, 30 July 2025
Latest Time for Acceptance and payment for the Rights Shares	4:00 p.m. on Monday, 4 August 2025
Announcement of the number of the Unsubscribed Rights Shares and ES Unsold Rights Shares subject to the Compensatory Arrangements	Wednesday, 6 August 2025
Commencement of the placing of Unsubscribed Rights Shares and ES Unsold Rights Shares by the Placing Agents	Thursday, 7 August 2025
Designated broker ceases to provide matching services for odd lot of the Shares.	4:00 p.m. on Tuesday, 12 August 2025
Latest time of placing of Unsubscribed Rights Shares and ES Unsold Rights Shares by the Placing Agents.	4:00 p.m. on Wednesday, 13 August 2025

EXPECTED TIMETABLE

Event	Time and Date
Latest time for termination of the Placing Agreement and for the Rights Issue to become unconditional	4:00 p.m. on Thursday, 14 August 2025
Announcement of the results of the Rights Issue (including the results of the Placing and the Net Gain)	Tuesday, 19 August 2025
Despatch of share certificates for the Rights Shares and/or refund cheques (if the Rights Issue is terminated)	Wednesday, 20 August 2025
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Thursday, 21 August 2025
Payment of Net Gain to relevant No Action Shareholders (if any) or Excluded Shareholders (if any)	Wednesday, 3 September 2025

All times and dates stated above refer to Hong Kong local times and dates. The expected timetable for the Rights Issue set out above and all dates and deadlines specified in this Prospectus are indicative only and may be varied. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The latest time for acceptance of and payment for the Rights Shares will not take place as scheduled if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning or “extreme conditions” caused by super typhoons issued by the Hong Kong Observatory:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Latest Time for Acceptance falls. Instead, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) 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 of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warning in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares does not take place on the currently scheduled date, the dates mentioned in the “Expected timetable” above may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the excepted timetable as soon as practicable.

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following expressions shall have the following meanings:

“AFRC”	The Accounting and Financial Reporting Council in Hong Kong
“Announcement”	the announcement of the Company dated 13 May 2025 in relation to, among others, the Capital Reorganisation, the Change in Board Lot Size and the Rights Issue
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding a Saturday, a Sunday, a public holiday and any day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are open for general banking business in Hong Kong throughout their normal business hours
“Bye-Laws”	the bye-laws of the Company as amended from time to time
“Capital Reorganisation”	the capital reorganisation of the issued share capital of the Company which has become effective on 9 July 2025, details of which were set out in the Circular
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the change in board lot size of the Shares for trading on the Stock Exchange from 20,000 Shares to 5,000 Shares

DEFINITIONS

“ChaoShang Securities Limited”	ChaoShang Securities Limited, a licensed corporation to carry on business in type 1 (dealing in securities) and type 2 (dealing in futures contracts) regulated activities under the SFO, being the placing agent appointed by the Company to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares under the Compensatory Arrangements
“Cheong Lee Securities Limited”	Cheong Lee Securities Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities) and type 5 (advising on futures contracts) regulated activities under the SFO, being the placing agent appointed by the Company to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares under the Compensatory Arrangements
“Circular”	the circular of the Company dated 20 June 2025 in relation to, among other things, the Capital Reorganisation, the Change in Board Lot Size and the Rights Issue
“Companies Act”	the Companies Act 1981 of Bermuda, as amended, supplemented or otherwise modified from time to time
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	Capital Realm Financial Holdings Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the issued shares of which are listed on the Stock Exchange
“Compensatory Arrangements”	placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by the Placing Agents on a best effort basis pursuant to the Placing Agreement in accordance with Rule 7.21(1)(b) of the Listing Rules
“Director(s)”	the director(s) of the Company

DEFINITIONS

“ES Unsold Rights Share(s)”	the Rights Share(s) which would otherwise has/have been provisionally allotted to the Excluded Shareholder(s) in nil-paid form that has/have not been sold by the Company
“Excluded Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“General Rules of HKSCC”	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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC 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 from time to time
“Independent Shareholder(s)”	any Shareholder(s) who are not required to abstain from voting at the SGM under the Listing Rules
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and the connected persons of the Company in accordance with the Listing Rules

DEFINITIONS

“Investment Manager”	Sinolink Securities (Hong Kong) Company Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in future contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
“Last Trading Day”	13 May 2025, being the last full trading day of the Shares on the Stock Exchange prior to the release of the Announcement
“Latest Practicable Date”	14 July 2025, being the latest practicable date before the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“Latest Time for Acceptance”	4:00 p.m. on Monday, 4 August 2025 (or such other time and date as may be determined by the Company), being the latest time for the acceptance of, and payment for, the Rights Shares
“Latest Time for Termination”	4:00 p.m. on Thursday, 14 August 2025 or such later time as may be agreed between the Company and the Placing Agents in writing
“Listing Committee”	the listing committee of the Stock Exchange for considering application for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the placees) after deducting the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares and the ES Unsold Rights Shares placed by the Placing Agents under the Placing Agreement

DEFINITIONS

“No Action Shareholder(s)”	Qualifying Shareholder(s) or renouncee(s) or transferee(s) of nil-paid rights under PAL(s) during the Rights Issue who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s), or such persons who hold any nil-paid rights at the time such nil-paid rights lapse
“Old Share(s)”	the ordinary share(s) of par value of HK\$0.1 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“Overseas Shareholder(s)”	Shareholders with registered addresses (as shown in the register of members of the Company on the Record Date) which are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) in respect of the Rights Issue proposed to be issued to the Qualifying Shareholders
“Placee(s)”	individuals, corporate, institutional investors or other investor who are professional investors as defined under the SFO (Cap 571), procured by the Placing Agents and/or their sub-placing agents to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares pursuant to the Placing Agreement and the subscription amount of each Placee shall not be less than HK\$500,000
“Placing”	arrangements to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares on a best effort basis pursuant to the Placing Agreement
“Placing Agents”	Cheong Lee Securities Limited and ChaoShang Securities Limited
“Placing Agreement”	the placing agreement dated 13 May 2025 entered into between the Company and the Placing Agents in relation to the placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares

DEFINITIONS

“PRC”	the People’s Republic of China and for the purpose of this Prospectus, excluding Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
“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(s)
“Prospectus Posting Date”	Monday, 21 July 2025 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders and the Prospectus for information only to the Excluded Shareholders
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date, other than the Excluded Shareholder(s)
“Record Date”	Friday, 18 July 2025, 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”	the branch share registrar and transfer office of the Company in Hong Kong, being Union Registrars Limited, at Suites 3301–04, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Rights Issue”	the proposed issue by way of rights on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents
“Rights Share(s)”	up to 155,659,455 Shares to be allotted and issued pursuant to the Rights Issue

DEFINITIONS

“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“SGM”	a special general meeting of the Company held on Monday, 7 July 2025 to approve the Capital Reorganisation and the Rights Issue and the transactions contemplated thereunder
“Share(s)”	the ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$1.00 per Rights Share
“Takeovers Code”	The Code on Takeovers and Mergers issued by the SFC
“Unsubscribed Rights Shares”	the Rights Shares that are not subscribed by the Qualifying Shareholders
“%”	per cent.

LETTER FROM THE BOARD



CAPITAL REALM FINANCIAL HOLDINGS GROUP LIMITED 資本界金控集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 204)

Executive Directors:

Mr. Chan Cheong Yee
Mr. Chan Yiu Pun Clement

Non-executive Directors:

Mr. Deng Dongping (*Chairman*)
Mr. Zhu Zhikun (*Deputy Chairman*)
Mr. Ge Zhifu (*Deputy Chairman*)
Ms. Mo Xiuping

Independent non-executive Directors:

Mr. Shi Zhu
Ms. Chen Shunqing
Mr. Ding Jiasheng

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal place of business:

Unit 1701, 17/F.
Wai Fung Plaza
664 Nathan Road
Mongkok
Kowloon
Hong Kong

21 July 2025

*To the Qualifying Shareholders and,
for information purpose only, the Excluded Shareholders*

Dear Sir or Madam,

RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD ON RECORD DATE ON A NON-UNDERWRITTEN BASIS

INTRODUCTION

References are made to the Announcement and Circular in relation to, among other matters, the Rights Issue.

LETTER FROM THE BOARD

At the SGM, the relevant resolution approving the Rights Issue was duly passed by the Independent Shareholders by way of poll. Mr. Zhu Zhikun abstained from voting in favour of the proposed resolution approving the Rights Issue. The purpose of this Prospectus is to provide you with the information of the Rights Issue and certain financial information and other general information of the Group.

RIGHTS ISSUE

The Board proposes to conduct the Rights Issue on the basis of three (3) Rights Shares for every one (1) Share held as at the Record Date. Details of the Rights Issue are set out below:

Rights Issue statistics

Basis of the Rights Issue:	Three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price:	HK\$1.00 per Rights Share
Net price per Rights Shares (i.e. Subscription Price less cost and expenses incurred in the Rights Issue):	Approximately HK\$0.99 per Rights Share (on the basis that all the Rights Shares will be taken up)
Number of Shares in issue as at the Latest Practicable Date:	51,886,485 Shares
Number of Rights Shares (Shares to be issued pursuant to the Rights Issue):	Up to 155,659,455 Rights Shares with an aggregate nominal value of HK\$1,556,594.55
Total number of Shares in issue upon completion of the Rights Issue:	Up to 207,545,940 Shares
Gross proceeds from the Rights Issue:	Up to approximately HK\$155.7 million before expenses

LETTER FROM THE BOARD

As at the Latest Practicable Date, Company has no outstanding derivatives, convertible securities, options, warrants or other similar securities in issue which would otherwise confer any right to subscribe for, convert or exchange into Shares. The Company has no intention to issue or grant any Shares, convertible securities and/or options on or before the Record Date.

The aggregate 155,659,455 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 300.0% of the total number of issued Shares and approximately 75.0% of the total number of issued Shares as enlarged by the issue of the Rights Shares (assuming full acceptance by the Qualifying Shareholders).

Subscription Price

The Subscription Price is HK\$1.00 per Rights Share, which shall be payable in full by Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares. According to the relevant Bermuda laws, the Company shall not issue Shares at a price below its par value.

The Subscription Price represents:

- (i) a premium of approximately 16.28% to the closing price of HK\$0.86 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 4.17% to the closing price of HK\$0.96 per Share based on the closing price of HK\$0.048 per Old Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a premium of approximately 21.36% to the average closing price of HK\$0.824 per Share based on the average closing price of HK\$0.0412 per Old Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 29.53% to the average closing price of HK\$0.772 per Share based on the average closing price of approximately HK\$0.0386 per Old Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (v) no theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) given the Subscription Price is at the premium to the benchmarked price of approximately HK\$0.96 per Share (as defined under Rule 7.27B of the Listing Rules, taking into

LETTER FROM THE BOARD

account the higher of (i) the closing price of the Old Shares as quoted on the Stock Exchange on the Last Trading Day and (ii) the average closing price of the last five (5) previous consecutive trading days prior to the Last Trading Day); and

- (vi) a discount of approximately 80.24% to the net asset value of the Company of approximately HK\$5.06 per Share based on the net asset value attributable to owners of the Company of approximately HK\$262,348,000 as at 31 March 2025 and 51,886,485 Shares.

The Subscription Price was determined with reference to, among other things, (i) the market price of the Shares under the prevailing market conditions; (ii) the current business performance and financial position of the Group; and (iii) the reasons for and benefits of proposed Rights Issue as discussed in the section head “Reasons for the Rights Issue and Use of Proceeds”, and the amount of funds the Company intends to raise under the Rights Issue.

In determining the Subscription Price, the Directors have considered, among other thing as mentioned above, the closing price in the past three months prior to and including the Last Trading Day (the “**Relevant Period**”), as a benchmark to reflect the prevailing market conditions and recent market sentiment. During the Relevant Period, the Shares were traded on the Stock Exchange with an average closing price of approximately HK\$0.0553 per Old Share. The Subscription Price represents a discount of approximately 9.58% to the closing price of HK\$1.106 per Share based on the average closing price of HK\$0.0553 per Old Share under the Relevant Period. In addition, the average daily trading volume was approximately 8,595,875 Old Shares, representing approximately 0.83% of the total number of issued Old Shares as at the Last Trading Day. Such relatively low average daily trading volume indicating a lack of liquidity and demand for the Shares. Taking into account the prevailing closing prices of the Old Shares, thin trading volume of the Old Shares and market conditions of the capital market in Hong Kong during the Relevant Period, the Subscription Price was determined at a discount to the recent closing prices of the Old Shares with an aim to lowering the further investment cost of the Qualifying Shareholders so as to encourage them to take up their entitlements to maintain their shareholdings in the Company, thereby minimising any dilution impact.

The Directors have noted the relatively large discount mentioned in (vi) above and are of the view that the prevailing market price of the Old Shares is the fundamental reference for the Qualifying Shareholders to consider whether to subscribe Rights Shares. During the Relevant Period, Shares traded at the closing prices between HK\$0.66 and HK\$1.48 per Share based on the closing prices of Old Shares which ranged from HK\$0.033 to HK\$0.074. Such theoretical closing prices are much lower than its net asset value attributable to the owners of the Company of approximately HK\$5.06 per Share as at 31 March 2025. If the subscription price is set at a level close to the Company’s audited net asset value per Share as at 31 March 2025 (i.e. approximately

LETTER FROM THE BOARD

HK\$5.06), it will represent a very large premium of approximately 5.27 times as compared to the closing price of HK\$0.96 per Share based on the closing prices of HK\$0.048 per Old Share on the Last Trading Day. The Directors consider that, if the subscription price was made with reference to the net asset value per Share, the willingness of the Shareholders to participate in the Rights Issue would be significantly reduced, which would not be favourable to the Company and the Shareholders as a whole. As such, the Directors are of the view that the net asset value per Share may not be a meaningful reference to determine the Subscription Price.

In view the above and having considered (i) all Qualifying Shareholders are provided with an equal opportunity to subscribe for their assured entitlements under the Rights Issue at a relatively low price as compared to the historical market price of the Shares and at a discount to the recent closing prices of the Shares; and (ii) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue are able to sell the nil-paid Rights Shares in the market. As such, despite any potential dilution impact of the Rights Issue on the shareholding interests of the Shareholders, 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.

Non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, 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 of an undersubscription of the Rights Issue, any Unsubscribed Rights Shares together with the ES Unsold Rights Shares will be placed on a best effort basis by the Placing Agents to independent placees under the Placing. Any Unsubscribed Rights Shares or ES Unsold Rights Shares remain not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There are no applicable statutory requirements under the laws of the Bermuda regarding minimum subscription levels in respect of the Rights Issue.

The Board understands that in the event the Unsubscribed Rights Shares and the ES Unsold Rights Shares are fully-underwritten, the underwriting commission charged by independent underwriters is generally much higher than the commission charged for placing on a best effort basis. Despite the fact that there is no guarantee for the minimum amount to be raised by the Rights Issue under the non-underwritten basis, the Placing Agents will place any Unsubscribed Rights Shares together with the ES Unsold Rights Shares on a best effort basis to independent placees. In view of the above and having considered (i) the cost-effectiveness of the Rights Issue; and (ii) the Placing arrangement in place, the Board considers that the Rights Issue on a non-underwritten basis is in the interest of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

As the Rights Issue will proceed on a non-underwritten basis, Shareholder who applies to take up all or part of his/her/its entitlement under the PAL may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders (other than HKSCC Nominees Limited) to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder for his/her/its assured entitlement under the Rights Issue 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 in accordance to the note to Rule 7.19(5)(b) of the Listing Rules.

Undertakings

The Company has not received, as at the Latest Practicable Date, any irrevocable undertaking from any substantial Shareholder of the Company of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue.

Conditions of the Rights Issue

The Rights Issue is conditional upon each of the following conditions being fulfilled:

- (i) the Capital Reorganisation having become effective;
- (ii) the passing by more than 50% of the votes cast by the Independent Shareholders by way of poll of all necessary resolutions to be proposed at the SGM for the transactions contemplated under the Rights Issue to be effective in compliance with the Listing Rules, including but not limited to approving, confirming and/or ratifying the Rights Issue, including the allotment and issue of the Rights Shares in their nil-paid and fully-paid forms;
- (iii) the electronic delivery of the Prospectus Documents to the Stock Exchange and the issue by the Stock Exchange on or before the Posting Date of a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong and the filing and registration with the Registrar in Hong Kong of the Prospectus Documents in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (iv) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders and the publication of the Prospectus on the website of the Stock Exchange on or before the Prospectus Posting Date;

LETTER FROM THE BOARD

- (v) the grant of listing of the Rights Shares (in both nil-paid and fully paid forms) by the Stock Exchange (either unconditionally or subject only to the allotment and despatch of the share certificates in respect thereof) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange (and such permission and listing not subsequently having been withdrawn or revoked); and
- (vi) all other necessary waivers, consent and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transaction contemplated thereunder having been obtained and fulfilled.

None of the above conditions precedent can be waived. If any of the above conditions are not satisfied at or before 4:00 p.m. on Thursday, 14 August 2025 (or such later date as the Company may determine), the Rights Issue will not proceed. As at the Latest Practicable Date, conditions (i) and (ii) have been fulfilled. The completion date of the Rights Issue is expected to be Thursday, 14 August 2025.

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

Status of the Rights Shares

The Rights Shares (when allotted, fully-paid or credited as fully paid and issued) will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully paid Rights Shares. Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy or any other applicable fees and charges in Hong Kong.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, Shareholder must be registered as a member of the Company on the Record Date and not be an Excluded Shareholder.

In order to be registered as members of the Company prior to the closing of business on the Record Date, all transfers of Shares (together with the relevant share certificates and instruments of transfer) must be lodged with the Registrar, by 4:00 p.m. on Friday, 11 July 2025.

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Basis of provisional allotment

The basis of the provisional allotment shall be three (3) Rights Shares (in nil-paid form) for every one (1) Share held by the Qualifying Shareholders as at close of business on the Record Date. Prior to determining the entitlement ratio of the Rights Issue, the Board valued various options. Given the Company's fundraising needs due to its bond repayment obligation, recent financial performance and expansion of investment portfolio, the Company aims to raise necessary funds to support operation needs and strengthen capital structure. Additionally, the Directors considered an entitlement ratio to reduce the potential dilution impact of the Rights Issue in the shareholding interests of the Shareholders.

There will be no excess application arrangements in relation to the Rights Issue.

Acceptance for all or any part of a Qualifying Shareholder's provisional allotment should be made only by lodging a duly completed PAL with a remittance for the Rights Shares being accepted with the Registrar by the Latest Time for Acceptance.

Arrangement on odd lot trading

To alleviate the difficulties in trading odd lots of the Shares arising from the Rights Issue, the Company has appointed Cheong Lee Securities Limited as an agent to provide matching services to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares on a best effort basis. Shareholders who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full new board lot should directly or through their brokers contact Ms. Linda Yu of Cheong Lee Securities Limited at Unit B, 16/F, Bank of East Asia Harbour View Center, 56 Gloucester Road, Wanchai, Hong Kong or at telephone number (852) 3426 6338 from 9:00 a.m. on Wednesday, 23 July 2025 to 4:00 p.m. on Tuesday, 12 August 2025 (both days inclusive). The Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility.

Taxation

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Excluded Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

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Rights of the Overseas Shareholders

The Prospectus Documents are not intended to 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 as explained below.

As at the Latest Practicable Date, there are a total of five Overseas Shareholders with registered addresses situated in the PRC, which are interested in aggregate of 3,816,210 Shares, representing approximately 7.35% of the total number of the issued Shares.

The Company has complied with Rule 13.36(2)(a) of the Listing Rules and made enquiries regarding the feasibility of extending the offer of the Rights Issue to Overseas Shareholders. Based on the legal advice provided by the legal advisor as to the PRC law engaged by the Company, having considered circumstances, the Directors are of the opinion that there is no legal restriction or requirement of any relevant regulatory body in the PRC with respect to extending the Rights Issue to the Overseas Shareholders with registered address in the PRC. Accordingly, the Rights Issue will be offered to the Overseas Shareholders with registered addresses situated in the PRC and they are considered as Qualifying Shareholders.

In light of the above, as at the Latest Practicable Date, there were no Excluded Shareholders. Since the register of members has been closed from Monday, 14 July 2025 to Friday, 18 July 2025 (both dates inclusive), there were no Excluded Shareholders as at the Record Date.

Nevertheless, it is the responsibility of the Qualifying Shareholders outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself/itself before acquiring any rights to subscribe for the Rights Shares as to the observance of the laws and regulations of all relevant territories, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in such territory in connected therewith. Any acceptance of or application for Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been fully complied with. If you are in doubt as to your position, you should consult your own professional advisers.

The Company reserves the right to treat as invalid any acceptance of Rights Shares where it believes that such acceptance or application would violate the applicable securities laws or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should exercise caution when dealing in the Shares.

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Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the Rights Shares in their nil-paid form commence and before dealings in the Rights Shares in their nil-paid form end, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK\$100 will be paid to the Excluded Shareholders pro rata to their shareholdings held on the Record Date. In light of administrative costs, the Company will retain individual amounts of HK\$100 or less for its own benefit.

Procedures in respect of the Unsubscribed Rights Shares and the ES Unsold Rights Shares and the Compensatory Arrangements

The Company will make arrangements described in Rule 7.21(1)(b) of the Listing Rule to dispose of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by offering the Unsubscribed Rights Shares and the ES Unsold Rights Shares to independent placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue. On 13 May 2025 (after trading hours), the Company entered into the Placing Agreement with the Placing Agents in relation to the placing of Unsubscribed Rights Shares and the ES Unsold Rights Shares to independent placees on a best effort basis.

Pursuant to the Placing Agreement, the Company appointed the Placing Agents to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares during the placing period to independent placees on a best effort basis, any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders and Excluded Shareholders on a pro-rata basis. The Placing Agents will on a best effort basis, procure, by not later than 4:00 p.m. on Wednesday, 13 August 2025, placees to subscribe for all (or as many as possible) of those Unsubscribed Rights Shares and the ES Unsold Rights Shares. Any Unsubscribed Rights Shares and the ES Unsold Rights Shares remain not placed after completion of the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

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Net Gain (if any) will be paid (without interest) to the No Action Shareholders as set out below on a pro rata basis (but rounded down to the nearest cent):

- (i) the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- (ii) the relevant Excluded Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders or Excluded Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholders and Excluded Shareholders in Hong Kong dollars only 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 realized, and accordingly the No Action Shareholders may or may not receive any Net Gain.

Procedures for acceptance, splitting of PAL and payment or transfer

A PAL will be sent to the Qualifying Shareholder(s) in printed form which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, by not later than 4:00 p.m. on Monday, 4 August 2025 (or, under bad weather conditions, such later time and/or date as mentioned in the section headed "Effect of bad weather or extreme conditions on the Latest Time for Acceptance of and payment for the Rights Shares" in "Expected Timetable" in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker's cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to "**CAPITAL REALM FINANCIAL HOLDINGS GROUP LIMITED**" and crossed "**ACCOUNT PAYEE ONLY**". It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Monday, 4 August 2025, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in

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accordance with the relevant instructions. The Company may require the relevant person(s) to complete the incomplete PAL at a later stage. Qualifying Shareholder(s) must pay the exact amount payable upon application for Rights Shares, and any underpaid application will be rejected.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer part or all of their rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:00 p.m. on Friday, 25 July 2025 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, after 9:00 a.m. on the second Business Day following the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques and cashier's orders accompanying completed PALs will be presented for payment immediately upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order in payment for the Rights Shares, whether by a Qualifying Shareholder or any nominated transferee, will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque or cashier's order is dishonoured on first presentation, and in that event the relevant provisional allotment of Rights Shares and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled.

Share certificates and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be posted on or before Wednesday, 20 August 2025 to those entitled thereto at their registered addresses by ordinary post at their own risk. Each Shareholder will receive one share certificate for all allotted Shares. If the Rights Issue does not become unconditional, refund cheques without interest are expected to be posted on or before Wednesday, 20 August 2025 by ordinary post to the respective applicants, at their own risk, to their registered addresses.

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No Fractional Entitlement

On the basis of provisional allotment of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

Application for listing of the Rights Shares

The Company has made an application to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

The nil-paid and fully-paid Rights Shares will be traded in board lots of 5,000 Shares.

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 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.

THE PLACING AGREEMENT

On 13 May 2025 (after trading hours), the Company and the Placing Agents entered into the Placing Agreement, pursuant to which the Placing Agents have conditionally agreed as agents of the Company (either by itself or through its sub-placing agents) to procure independent Placees, on

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a best effort basis, to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares. Details of the Placing Agreement are as follows:

Date:	13 May 2025 (after trading hours)
Issuer:	The Company
Placing Agents:	Cheong Lee Securities Limited and ChaoShang Securities Limited. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agents and their ultimate beneficial owners are Independent Third Parties.
Fee and expenses:	3.0% of the amount which is equal to the placing price multiplied by the Unsubscribed Rights Shares and the ES Unsold Rights Shares that are successfully placed by the Placing Agents pursuant to the terms of the Placing Agreement and reimbursed for the expenses in relation to the Placing, which the Placing Agents are authorised to deduct from the payment to be made by the Placing Agents to the Company at completion.
Placing price of the Unsubscribed Rights Shares and the ES Unsold Rights Shares:	The placing price of the Unsubscribed Rights Shares and the ES Unsold Rights Shares shall be at least equal to the Subscription Price. The final price is dependent on the demand and market conditions of the Unsubscribed Rights Shares and the ES Unsold Rights Shares during the process of placement.
Placees:	The individuals, corporate, institutional investors or other investors who are professional investors as defined under the SFO procured by the Placing Agents and/or their sub-placing agents to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares.
Ranking of the Unsubscribed Rights Shares and ES Unsold Rights Shares:	The Unsubscribed Rights Shares and ES Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank <i>pari passu</i> in all respects among themselves and with the Shares then in issue.

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Termination:

The Placing shall end on Wednesday, 13 August 2025 or any other date by mutual written agreement between the Placing Agents and the Company.

The Placing Agents shall be entitled by notice in writing to the Company given prior to 4:00 p.m. on Thursday, 14 August 2025 to terminate the Placing Agreement if any of the following events occur:

- (i) any material breach of any of the representations and warranties by the Company under the Placing Agreement or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the date of the placing completion if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement;
- (ii) any moratorium, suspension or restriction in the trading of the Shares on the Stock Exchange due to exceptional financial circumstances;
- (iii) any force majeure occurrence which would be likely to result in the Company and the Placing Agents being unable to fulfill their respective duties and responsibilities under the Placing Agreement; and
- (iv) any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agents, may make them inadvisable to continue the engagement.

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Conditions Precedent:

The obligations of the Placing Agents and the Company under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled (or being waived by the Placing Agents in writing, if applicable):

- (i) the Listing Committee granting the approval for the listing of, and the permission to deal in, the Rights Shares (including the Unsubscribed Rights Shares and ES Unsold Rights Shares);
- (ii) 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
- (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof.

The Placing Agents may, in their absolute discretion, waive the fulfilment of all or any part of the conditions precedent to the Placing Agreement (other than those set out in paragraph (i) above) by notice in writing to the Company.

Completion:

Placing completion shall take place on Wednesday, 20 August 2025 or such other date as the Company and the Placing Agents may agree in writing.

The Placing Agents shall ensure that the Unsubscribed Rights Shares and ES Unsold Rights Shares are placed (i) only to institutional, corporate or individual investors who are professional investors as defined under the SFO (Cap 571) and who and whose ultimate beneficial owners shall be Independent Third Parties; and (ii) 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.

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The engagement between the Company and the Placing Agents in respect of the Unsubscribed Rights Shares and the ES Unsold Rights Shares (including the commission and expenses payable) was determined after arm's length negotiation between the Placing Agents 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 current and expected market conditions. The Board considers that the terms of Placing Agreement in respect of the Unsubscribed Rights Shares and the ES Unsold Rights Shares (including the commission and expenses payable) are on normal commercial terms.

As explained above, the Unsubscribed Rights Shares and ES Unsold Rights Shares will be placed by the Placing Agents to Independent Third Parties on a best effort basis for the benefits of the No Action Shareholders. If all or any of the Unsubscribed Rights Shares and ES Unsold Rights Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders.

The Board considered that the Compensatory Arrangements are fair and reasonable and provide adequate safeguard to protect the interests of the Company's minority Shareholders since the Compensatory Arrangements would provide (i) a distribution channel of the Unsubscribed Rights Shares and the ES Unsold Rights Shares to the Company; (ii) an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Excluded Shareholders; and (iii) a compensatory mechanism for the No Action Shareholders and the Excluded Shareholders.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment company listed under Chapter 21 of the Listing Rules and its purpose is to achieve short to long-term capital appreciation as well as income from interest and dividend by investing principally in listed and unlisted securities.

Since the second half of 2024, capital market sentiment in Hong Kong and the PRC has shown signs of recovery despite the continuing geopolitical tension and other macroeconomic uncertainties. Hang Seng Stock Index has steadily increased and exceeded 24,000 level in February 2025 for the first time in three years while Chinese assets outperformed the other markets in the first quarter of this year. Furthermore, the National Bureau of Statistics of China recently released data on retail sales and industrial production, reflecting modest economic growth in China at the beginning of 2025. Meanwhile, the Chinese government unveiled a wide-ranging plan to stimulate domestic consumption which further bolstered market confidence. To deliver better returns to its Shareholders and expand its investment portfolio, the Group has adopted cautious yet proactive approach, actively identifying and pursuing potential business opportunities.

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According to the annual results announcement of the Company for the year ended 31 March 2025, as at 31 March 2025, the Group's total bonds and bonds interest payables amounted to approximately HK\$71.2 million which will be due on or before 31 December 2025 while the cash and cash equivalents was only HK\$1.7 million. The table below sets forth details of the Group's bonds payables as at 31 March 2025:

Maturity date	Principal amount (HK\$'000)	Accrued interest (HK\$'000)
July 2025	16,639	851
October 2025	40,000	918
November 2025	9,600	164
December 2025	3,000	45
	<hr/>	<hr/>
Total	<u>69,239</u>	<u>1,978</u>

The bonds originally scheduled to mature in April 2025 and May 2025 have been extended to October 2025 and November 2025, respectively. As at the Latest Practicable Date, the Group has fully settled one of the three bonds due in July 2025, with principal amount of HK\$5.0 million along with the associated bond interest, and a bond due in December 2025, with principal amount of HK\$3.0 million along with the associated bond interest by using internal resources. The Group plans to settle the remaining two bonds due in July 2025 (i.e. an aggregate of approximately HK\$11.6 million along with associated interest) by using internal resources while the remaining principal balance of approximately HK\$49.6 million, along with corresponding interest, is expected to be settled by using the net proceeds from the Rights Issue.

In view of the above, the Directors consider that it is commercially reasonable and justifiable to obtain external financing to strengthen its capital structure and expand its investment portfolio with a view to achieving improvement of the Group's future business prospect.

Besides the Rights Issue, the Directors have considered other fundraising methods available to the Group, including debt financing such as bank borrowings, and other equity financing such as placing or subscription of new Shares or open offer. In respect of debt financing, the Directors are of the view that it is unfavorable for the Company to borrow funding as the Company do not have assets to be pledged and have net loss financial position in the past few years. In respect of equity financing, the Directors are of the view that placing or subscription of new Shares would dilute the shareholding of the existing Shareholders without giving the chance to the existing Shareholders to participate. In addition, the Company conducted placing of new Shares under

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general mandate on 23 October 2024 and such placing was completed on 14 November 2024, hence, the Company has utilised the entire general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 30 September 2024 to allot and issue new Shares. As for open offer, although it is similar to a rights issue in offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market unlike a rights issue, which would allow Shareholders to have more flexibility in dealing with the Shares and the nil-paid rights attaching thereto. On the other hand, the Rights Issue is an offer to existing Shareholders to participate in the enlargement of the capital base of the Company and enables the Shareholders to maintain their proportionate interests in the Company and continue to participate in development of the Company in the future should they wish to do so. However, those Shareholders who do not participate in the Rights Issue to which they are entitled should note that their shareholding interest in the Company will be diluted.

The Directors consider that, despite any potential dilution impact of the Rights Issue on the shareholding interests of the Shareholders, the Rights Issue to be fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account the following factors: (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the proposed Rights Issue are able to sell the nil-paid rights in the market; (ii) the proposed Rights Issue allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a relatively low price as compared to the historical market price of the Shares; and (iii) Rights Issue will allow the Group to strengthen its financial position and liquidity to support its business operation and development, without incurring additional debt financing cost.

Assuming full subscription under the Rights Issue, the gross proceeds from the Rights Issue will be approximately HK\$155.7 million and the estimated net proceeds of the Rights Issue will be approximately HK\$154.5 million. The estimated expenses of the Rights Issue are approximately HK\$1.2 million, which include professional fees payable to the independent financial advisers, financial advisers, legal counsels, financial printer and other parties involved in the Rights Issue and will be borne by the Company.

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The Company intends to use the net proceeds from the Rights Issue for the following purposes:

- (i) approximately HK\$72.0 million, representing approximately 46.6% of net proceeds, will be utilised by August 2026 for repayment of the Group's bonds principal amount and accrued interests. Nevertheless, in the event there is any shortfall in the net proceeds from the Rights Issue, the Group will evaluate the options available and may consider to realise investments on hands, which amounted to HK\$375.9 million as at 31 March 2025, to fulfill the bond repayment obligation;
- (ii) approximately HK\$68.1 million, representing approximately 44.1% of net proceeds, will be utilised by August 2026 for future investments pursuant to the investment objectives of the Company for the upcoming twelve (12) months. The Group plans to invest in, including but not limited to, (i) trust products that, in turn, invest in unlisted companies across various industries, (ii) unlisted companies operating in industries primarily related to digital technology and information technology and/or (iii) equity securities of listed companies across various industries. Such investments are in line with the Group's investment policies. The Group will seek to identify companies established in, or with their operations principally located within, Greater China or the Asia-Pacific region, with a record of profits growth, strong management, high levels of technical expertise and research and development capabilities as well as management commitment to the long term growth. As at the Latest Practicable Date, no target companies have been identified; and
- (iii) approximately HK\$14.4 million, representing approximately 9.3% of net proceeds, will be utilised by August 2026 as general working capital of the Group which mainly includes directors' emoluments, salaries, legal and professional fees and rental expenses.

The Rights Issue will proceed irrespective of the level of acceptance of provisionally allotted Rights Shares. In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be allocated and utilised in accordance with the same proportion to the above uses. Nevertheless, in the event that there is any shortfall in net proceeds from the Rights Issue, the Company will further evaluate the available options according to the operating conditions and may consider to realise investments on hands and debt financing, as and when appropriate. Taking into account (i) the proceeds from the Rights Issue and (ii) investments on hands, the Group will have sufficient working capital for the next twelve months to finance its operations and meet its financial obligations after the completion of the Rights Issue.

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EFFECTS ON SHAREHOLDING STRUCTURE

To the best knowledge of the Directors, set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the completion of the Rights Issue, assuming full acceptance by all Qualifying Shareholders under the Rights Issue; and (iii) immediately after the completion of the Rights Issue, assuming (a) no subscription by the Qualifying Shareholders; and (b) all the Unsubscribed Rights Shares and the ES Unsold Rights Shares are placed to Independent Third Parties under the Placing:

	As at the Latest Practicable Date		Immediately after the completion of the Rights Issue			
			assuming full acceptance by the		assuming (a) nil subscription by the Qualifying Shareholders; and (b) all the Unsubscribed Rights Shares and the ES Unsold Rights Shares are placed to Independent Third Parties under the Placing	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Zhang Hai (Note 1)	1,280,700	2.47	5,122,800	2.47	1,280,700	0.62
Infinite Apex International Corporation (Note 1)	3,942,997	7.60	15,771,988	7.60	3,942,997	1.90
Yitong Enterprise Group Holdings Limited (Note 2)	3,621,200	6.98	14,484,800	6.98	3,621,200	1.74
Shuo Kang International Limited (Note 3)	2,907,200	5.60	11,628,800	5.60	2,907,200	1.40
China Hui Shang Enterpriser Association International Group Limited (Note 4)	2,800,000	5.40	11,200,000	5.40	2,800,000	1.35
Yang Weixu	2,661,100	5.13	10,644,400	5.13	2,661,100	1.28
Ng Yu	2,628,000	5.06	10,512,000	5.06	2,628,000	1.27
Zhu Zhikun (Note 5)	244,500	0.47	978,000	0.47	244,500	0.12
Placees (Note 6)	—	—	—	—	155,659,455	75.00
Other public Shareholders	31,800,788	61.29	127,203,152	61.29	31,800,788	15.32
Total	51,886,485	100.00	207,545,940	100.00	207,545,940	100.00

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Notes:

1. Infinite Apex International Corporation is majority owned by Mr. Zhang Hai.
2. Yitong Enterprise Group Holdings Limited is wholly owned by Ms. Yao Aiyun.
3. Shuo Kang International Limited is wholly owned by Ms. Yang Dandan.
4. China Hui Shang Enterpriser Association International Group Limited is wholly owned by Zhang Qiaoyun.
5. Mr. Zhu Zhikun is the non-executive Director.
6. Pursuant to the Placing Agreement, the Placing Agents shall ensure that the Unsubscribed Rights Shares and ES Unsold Rights Shares are placed (i) only to institutional, corporate or individual investors who and whose ultimate beneficial owners shall be Independent Third Parties; and (ii) 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.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising activities in the past twelve months immediately prior to the Latest Practicable Date:

Date of announcement	Completion date	Fund raising	Net proceeds raised	Intended use of proceeds	Actual use of proceeds
23 October 2024	14 November 2024	Placing of new Shares under general mandate	HK\$39.8 million	(i) approximately HK\$5.0 million for repayment of borrowings; (ii) approximately HK\$4.8 million for general working capital; and (iii) approximately HK\$30.0 million for future investment opportunities as identified by the Group from time to time	Fully utilised as intended

LETTER FROM THE BOARD

Save as disclosed above, the Company did not conduct any equity fund raising activities in the past twelve months immediately prior to the Latest Practicable Date. As at the Latest Practicable Date, save for the Rights Issue, there is no agreement, arrangement, understanding, intention, negotiation (concluded or otherwise) for any fund-raising activity for the Group in the coming 12 months; and the Company has no intention to carry out any other corporate actions or arrangements that may affect the trading in the Shares (including share consolidation, share subdivision and change in board lot size) in the coming 12 months.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND/OR THE NIL-PAID RIGHTS SHARES

The Rights Issue is subject to the fulfilment 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 Prospectus.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

Any dealings in the Shares from the Latest Practicable Date 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 and/or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information as set out in the appendices to this Prospectus.

Yours faithfully,

For and on behalf of the Board

Capital Realm Financial Holdings Group Limited

Deng Dongping

Chairman

1. FINANCIAL SUMMARY

The financial information of the Group for each of the three financial years ended 31 March 2023, 2024 and 2025 are set out in the following documents which have been published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.00204.com.hk:

- (i) the annual report of the Company for the year ended 31 March 2023 published on 30 July 2023 (pages 84 to 187)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0730/2023073000007.pdf>);
- (ii) the annual report of the Company for the year ended 31 March 2024 published on 29 July 2024 (pages 85 to 179)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0729/2024072901271.pdf>);
and
- (iii) the annual results announcement of the Company for the year ended 31 March 2025 published on 30 June 2025 (pages 1 to 21)
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0630/2025063004756.pdf>).

2. STATEMENT OF INDEBTEDNESS

As at 31 May 2025, being the latest practicable date for this indebtedness statement prior to the printing of this Prospectus, the indebtedness of the Group was set out below:

	<i>HK\$'000</i>
Bonds payables — unsecured and unguaranteed	69,772
Amounts due to a broker — secured and unguaranteed	11,369
Short term loan — secured and unguaranteed	6,820
	<u>87,961</u>

Contingent Liabilities

As at 31 May 2025, the Group had contingent liabilities to the extent of RMB15,000,000 (equivalent to approximately HK\$16,044,000) in respect of financial support given by the Group to Icon Culture Global Company Limited for its continuing operation for a period up to 30 November

2026. The directors considered that a reliable estimate cannot be made of the amount of the outflow of resources that might be required in respect of the financial support and therefore, no provision was made as at 31 May 2025.

Save as aforesaid and apart from intra-group liabilities, normal trade and other payables and contract liabilities, as at 31 May 2025, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages and charges, hire purchase commitments, material contingent liabilities or guarantees outstanding.

3. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that taking into account the financial resources available to the Group and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for its present requirements, that is for at least the next 12 months from the date of publication of this Prospectus.

4. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 March 2025, being the date to which the latest published audited accounts of the Group were made up, up to and including the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Company is an investment company listed under Chapter 21 of the Listing Rules and its purpose is to achieve short to long-term capital appreciation as well as income from interest and dividend by investing principally in listed and unlisted securities.

As disclosed in the annual results announcement of the Company for the year ended 31 March 2025, the Group recorded a net loss of approximately HK\$155.8 million as compared to the net loss of approximately HK\$28.7 million for the year ended 31 March 2024. The increase in net loss was mainly due to an increase in net losses on financial assets at fair value through profit or loss of approximately HK\$65.7 million and an increase in impairment losses under the expected credit loss model, net of reversal, of approximately HK\$71.2 million.

As disclosed in the annual report of the Company for the year ended 31 March 2024, the Group recorded a net loss of approximately HK\$28.7 million for the year ended 31 March 2024 as compared to the net loss of approximately HK\$22.8 million for the year ended 31 March 2023. The increase in net loss was primarily due to increase in administrative and other expenses as a result of an increase in staff cost, short-term lease and net exchange loss.

The Group has demonstrated a prudent and proactive approach to its investment strategy, focusing on short to long-term stability and sustainable returns for its shareholders. This strategic direction has been reflected in its selection of investments and its overall financial policies during the recent period. Despite facing a complex and uncertain external environment, the Group has maintained its commitment to achieving growth and stability while safeguarding shareholder interests.

In the coming financial year, the Group will continue to adopt more cautious and proactive attitude in seeking potential business opportunities in the market. In addition, the Group's investment strategy will explore more diversified investment opportunities with various industries. The Group is aiming at implementing an efficient and compliant internal control, pragmatically deploying its investment strategy, and strengthen its financial situation in order to bring favourable return to its Shareholders.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared by the Directors in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants to illustrate the effect of the proposed Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had taken place on 31 March 2025.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purpose only, and because of its hypothetical nature, may not give a true picture of the consolidated net tangible assets of the Group had the Rights Issue been completed as at 31 March 2025 or at any future date.

The following statement of unaudited pro forma consolidated net tangible assets of the Group is prepared based on the consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2025, as extracted from the Company’s annual results announcement for the year ended 31 March 2025, and is adjusted as described below:

	Consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2025	Estimated net proceeds from the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as if the Rights Issue had been completed on 31 March 2025
	HK\$'000 (Note 1)	HK\$'000 (Note 2)	HK\$'000
Based on the issue of 155,659,455 Rights Shares at the Subscription Price of HK\$1.00 per Rights Share (Note 3)	262,348	154,501	416,849

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 March 2025 immediately after the completion of the Capital Reorganisation but prior to the completion of the Rights Issue (*Note 4*) HK\$5.06

Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 March 2025 immediately after the completion of the Capital Reorganisation and the assumed completion of the Rights Issue as if the Rights Issue had been completed on 31 March 2025 (*Note 5*) HK\$2.01

Notes:

1. The consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2025 are based on the consolidated net assets of the Group as at 31 March 2025 of approximately HK\$262,348,000 as extracted from the published annual results announcement of the Company for the year ended 31 March 2025.
2. The estimated net proceeds from the Rights Issue of approximately HK\$154,501,000 are based on estimated gross proceeds of approximately HK\$155,659,000 to be raised by the issue of an assumed number of 155,659,455 Rights Shares at the subscription price of HK\$1 per Rights Share, after deduction of the estimated related expenses incidental to the Rights Issue of approximately HK\$1,158,000.
3. The Rights Issue involves the issue of an assumed number of 155,659,455 Rights Shares on the basis of three Rights Shares for every one adjusted share (the “**Adjusted Share(s)**”) held on the Record Date. The assumed number of Rights Shares of 155,659,455 is arrived at assuming no change in the number of Shares in issue on or before the Record Date. Since the pro forma number of Adjusted Shares immediately after the Capital Reorganisation (as disclosed in note 5) entitled to the Rights Issue is assumed to be 51,886,485, accordingly, the pro forma number of Rights Shares assumed to be issued under the Rights Issue is 155,659,455.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 March 2025 immediately after the completion of the Capital Reorganisation but prior to the completion of the Rights Issue is calculated based on the consolidated net tangible assets of the Group attributable to owners of the Company of approximately HK\$262,348,000 divided by 51,886,485 Adjusted Shares assumed to be in issue as at 31 March 2025.

A Capital Reorganisation was proposed whereby (1) every 20 issued and unissued Existing Shares of par value of HK\$0.1 each would be consolidated into one Consolidated Share of par value of HK\$2.00 each (the “**Share Consolidation**”); (2) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation would be cancelled and the par value of each issued Consolidated Share would be reduced from HK\$2.00 each to HK\$0.01 each by cancelling the paid-up capital to the extent of HK\$1.99 on each issued Consolidated Share (the “**Capital Reduction**”); (3) immediately following the Capital Reduction each of the authorised but unissued Consolidated Shares of par value of HK\$2.00 each (including the authorised but unissued Consolidated Shares arising from the Capital Reduction) would be subdivided into 200 Adjusted Shares of par value of HK\$0.01 each; and (4) the credit arising from the Capital Reduction be applied towards offsetting accumulated loss of the Company as at the effective date of the Capital Reorganisation, thereby reducing the accumulated loss of the Company and the balance of the credit (if any) was credited to the contributed surplus account of the Company to be applied by the Company in any manner as permitted by all applicable laws and the Bye-laws. The number of shares of the Company in issue as at 31 March 2025 of approximately 1,037,728,000 shares have been adjusted for the effects of this Capital Reorganisation to 51,886,485 Adjusted Shares. The Capital Reduction would not affect the unaudited pro forma adjusted consolidated net tangible assets of the Group.

5. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 March 2025 immediately after the completion of the Capital Reorganisation and the Rights Issue is calculated based on the unaudited pro forma consolidated net tangible assets of the Group attributable to owners of the Company of approximately HK\$416,849,000 divided by the pro forma number of shares of 207,545,940 Shares, which represents (i) 51,886,485 Adjusted Shares assumed to be in issue as at 31 March 2025; and (ii) 155,659,455 Rights Shares assumed to be issued immediately after the Share Consolidation has become effective and the Rights Issue assumed to have been completed on 31 March 2025.
6. Save as disclosed above, no adjustment has been made to the unaudited pro forma financial information of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 March 2025.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT

The following is the text of a report, prepared for the sole purpose of inclusion in this prospectus, received from the reporting accountants of the Company, Fan, Chan & Co. Limited, Certified Public Accountants, Hong Kong.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the directors of Capital Realm Financial Holdings Group Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Capital Realm Financial Holdings Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 31 March 2025, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages II-1 to II-3 of Appendix II of the Company’s prospectus dated 21 July 2025 (the “**Prospectus**”) in connection with the proposed rights issue on the basis of three rights share for every one adjusted share of the Company (the “**Rights Issue**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-3 of Appendix II of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Rights Issue on the Group’s financial position as at 31 March 2025 as if the Rights Issue had taken place as at 31 March 2025. As part of this process, information about the Group’s net tangible assets has been extracted by the Directors from the Group’s financial statements for the year ended 31 March 2025, in which annual results announcement has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the Rights Issue on unadjusted financial information of the Group as if the Rights Issue had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Rights Issue would have been as presented.

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Rights Issue, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the Rights Issue in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Fan, Chan & Co. Limited
Certified Public Accountants
Leung Kwong Kin
Practising Certificate Number: P03702
Hong Kong
21 July 2025

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus 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 Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately following the completion of the Rights Issue (assuming there is no change in the issued share capital of the Company from the Latest Practicable Date up to the completion of the Rights Issue will be, as follows:

(a) As at the Latest Practicable Date

Authorised: HK\$

<u>30,000,000,000</u>	Shares of HK\$0.01 each	<u>300,000,000</u>
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Issued and fully paid:

<u>51,886,485</u>	Shares of HK\$0.01 each	<u>518,864.85</u>
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(b) Immediately after completion of the Rights Issue

Authorised: HK\$

<u>30,000,000,000</u>	Shares of HK\$0.01 each	<u>300,000,000</u>
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Issued and fully paid:

<u>207,545,940</u>	Shares of HK\$0.01 each	<u>2,075,459.4</u>
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The Rights Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares then in issue. Holder of the Rights Shares in their fully-paid form will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

The Company has made an application to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

As at the Latest Practicable Date, the Company had no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into Shares. The Company did not have any other options, warrants or other convertible securities or rights affecting the Shares and no capital of any member of the Group is under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

(a) Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions in which they are taken or

deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers (the “**Model Code**”) contained in Appendix C3 to the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

Long positions in the Shares of the Company

Name	Capacity/Nature of interest	Number of Shares held/ interested	Percentage of shareholding
Zhu Zhikun	Beneficial owner	244,500	0.47%

Save as disclosed above, as at the Latest Practicable Date none of the Directors or chief executives of the Company or their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) have to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at the Latest Practicable Date, the following persons (not being Directors or chief executives of the Company) had, or were deemed to have, interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of interests required to be kept by the Company under Section 336 of the SFO:

Long positions in the Shares of the Company

Name	Capacity/Nature of interest	Number of Shares held/interested	Percentage of shareholding
Zhang Hai (<i>Note 1</i>)	Beneficial owner	1,280,700	2.47%
	Interest of Controlled Corporation	3,942,997	7.60%
		<hr/>	<hr/>
		5,223,697	10.07%
Infinite Apex International Corporation (<i>Note 1</i>)	Beneficial owner	3,942,997	7.60%
China Investment Limited (<i>Note 2</i>)	Interest of Controlled Corporation	3,942,997	7.60%
Yitong Enterprise Group Holdings Limited (<i>Note 3</i>)	Beneficial owner	3,621,200	6.98%
Shuo Kang International Limited (<i>Note 4</i>)	Beneficial owner	2,907,200	5.60%
China Hui Shang Enterpriser Association International Group Limited (<i>Note 5</i>)	Beneficial owner	2,800,000	5.40%
Yang Weixu	Beneficial owner	2,661,100	5.13%
Ng Yu	Beneficial owner	2,628,000	5.06%

Notes:

1. Infinite Apex International Corporation (“**Infinite Apex**”) is owned by Mr. Zhang Hai (51%) and China Investment Limited (49%). Therefore, Mr. Zhang Hai and China Investment Limited are deemed to be, or taken to be, interested in all the shares held by Infinite Apex for the purpose of the SFO.
2. China Investment Limited (“**CIL**”) is owned by Mr. Zhang Hai (40%), 深圳市國創上市服務有限公司 (30%) and 中恒融通(深圳)諮詢服務有限公司 (30%). Therefore, Mr. Zhang Hai, 深圳市國創上市服務有限公司 and 中恒融通(深圳)諮詢服務有限公司 are deemed to be, or taken to be, interested in all the shares held by Infinite Apex for the purpose of the SFO.
3. Yitong Enterprise Group Holdings Limited is wholly owned by Ms. Yao Aiyun.
4. Shuo Kang International Limited is wholly owned by Ms. Yang Dandan.
5. China Hui Shang Enterpriser Association International Group Limited is wholly owned by Zhang Qiaoyun.

Save as disclosed above, as at the Latest Practicable Date, no person, other than the Directors and chief executives of the Company whose interests are set out in the paragraph headed “Directors’ and chief executives’ interests and short positions in shares, underlying shares and debentures” above, had any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

4. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group other than contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS

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

6. MATERIAL LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2025, the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

8. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this Prospectus:

- (a) the Placing Agreement;
- (b) the placing agreement dated 23 October 2024 entered into between the Company and Pinestone Securities Limited and Ruisen Port Securities Limited in relation to placing of 172,940,000 Shares under general mandate;
- (c) the placing agreement dated 2 October 2024 entered into between the Company and Pinestone Securities Limited and Ruisen Port Securities Limited in relation to placing of 172,940,000 Shares under general mandate. Such placing was lapsed on 23 October 2024; and
- (d) the placing agreement dated 25 January 2024 entered into between the Company and Cheong Lee Securities Limited and Ruisen Port Securities Limited in relation to placing of 144,000,000 Shares under general mandate.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion, letter or advice contained in this Prospectus:

Name	Qualification
Fan, Chan & Co. Limited	Certified Public Accountants

As at the Latest Practicable Date, the above expert has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letters or reports and the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, none of the expert had any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the expert had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2025, being the date to which the latest published audited accounts of the Company were made up.

10. EXPENSES

The expenses payable by the Company in connection with the Rights Issue, including independent financial adviser fees, printing, registration, translation, legal and accounting fees but excluding placing commission, are estimated to be approximately HK\$1.2 million.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE**Board of Directors***Executive Directors*

Mr. Chan Cheong Yee

Mr. Chan Yiu Pun Clement

*Non-executive Directors*Mr. Deng Dongping (*Chairman*)

Mr. Zhu Zhikun

Ms. Mo Xiuping

Mr. Ge Zhifu

Independent non-executive Directors

Mr. Shi Zhu

Ms. Chen Shunqing

Mr. Ding Jiasheng

Registered office

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Principal place of business

Unit 1701, 17/F.

Wai Fung Plaza

664 Nathan Road

Mongkok

Kowloon, Hong Kong

Authorised representatives

Mr. Wong Shiu Wah Williamson

Ms. Chen Shunqing

Company secretary

Mr. Wong Shiu Wah Williamson

Hong Kong branch share registrar and transfer office

Union Registrars Limited

Suites 3301–04, 33/F.

Two Chinachem Exchange Square

338 King's Road

North Point, Hong Kong

Principal bankers

China Citic Bank International Limited

Bank of Communications

Auditors

Fan, Chan & Co. Limited

Certified Public Accountants

Rooms 1007–1012, 10/F.

K. Wah Centre

191 Java Road

North Point, Hong Kong

**Legal adviser to the Company as to
Hong Kong laws**

TANG TSO & LAU Solicitors

Room 209, 2/F

China Insurance Group Building

141 Des Voeux Road Central

Hong Kong

Financial adviser to the Company

Innovax Capital Limited

Unit B, 13/F, Neich Tower

128 Gloucester Road

Wanchai, Hong Kong

Placing Agents

Cheong Lee Securities Limited

Unit B, 16/F

Bank of East Asia Harbour View Center

56 Gloucester Road

Wanchai, Hong Kong

ChaoShang Securities Limited

Room 2206–10

China Resources Building

26 Harbour Road

Wan Chai, Hong Kong

12. PARTICULARS OF THE DIRECTORS

Executive Directors

Mr. Chan Cheong Yee (“Mr. Chan”), aged 61, has been appointed as an executive Director since 29 May 2012. He is also the chairman of the Risk Management Committee. Mr. Chan holds a Bachelor of Science degree majoring in Finance. Mr. Chan is currently a licensed and registered person under the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) to carry out regulated activities in advising on securities and providing asset management services. He currently serves as director of the Investment Services Department of Sinolink Securities (Hong Kong) Company Limited. Mr. Chan has over 30 years of experiences in the financial and investment sector, with extensive expertise in securities, fund management, corporate management, corporate finance, and the management of listed investment companies under Chapter 21 of the Listing Rules.

Mr. Chan currently serves as an executive director of several investment companies listed on the Stock Exchange, including China Innovation Investment Limited (Stock Code: 1217, since June 2003), China Investment and Finance Group Limited (Stock Code: 1226, since March 2011), Capital VC Limited (Stock Code: 2324, since November 2012), China New Economy Fund Limited (Stock Code: 80, since June 2013), and Goldstone Capital Group Limited (Stock Code: 1160, since February 2025).

In addition, Mr. Chan previously served as an executive director of the following listed companies, including National Investment Fund Limited (Stock Code before delisting: 1227, from March 2019 to January 2021), Core Economy Investment Group Limited (Stock Code: 339, from January 2021 to June 2021), and Goldstone Investment Group Limited (Stock Code before delisting: 901, from November 2021 to November 2024).

Mr. Chan Yiu Pun Clement (“Mr. Clement Chan”), aged 67, has been appointed as an executive Director of the Company since 6 April 2022. Mr. Clement Chan was a member of The Institute of Financial Planners of Hong Kong Limited and a Certified Financial Planner in Hong Kong from 2003 to 2023. Mr. Clement Chan obtained a higher diploma in accountancy from the Hong Kong Polytechnic (now known as the Polytechnic University of Hong Kong) in November 1980 and a Master of Science in corporate governance & directorship from the Hong Kong Baptist University in November 2008.

Mr. Clement Chan was an executive director of Goldstone Investment Group Limited (formerly known as Eagle Ride Investment Holdings Limited, Stock Code: 901), a company listed on the Stock Exchange from November 2013 to October 2020. Mr. Clement Chan had over 30 years of experience in the financial industry, including professional management of investments on

behalf of third-party investors and experiences as responsible officers for type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO for a number of corporations.

Non-executive Directors

Mr. Deng Dongping (“Mr. Deng”), aged 51, has been appointed as independent non-executive Director on 13 November 2020, re-designated to non-executive Director on 12 July 2021, as deputy chairman of the Board since 11 December 2023 and as joint chairman of the Board on 22 January 2024 and transferred to chairman of the Board since 12 December 2024. Mr. Deng graduated from Tianjin Normal University majoring in business administration. After over 10 years’ military service in the PRC, Mr. Deng has held senior positions in the cultural industry in mainland China. He is now the deputy director of the Chinese Volunteer Emergency Rescue Volunteer Committee.

Mr. Zhu Zhikun (“Mr. Zhu”), aged 26, has been appointed as a non-executive Director of the Company since 6 August 2021 and as deputy chairman of the Board since 11 December 2023. Mr. Zhu has a wealth of experience in multi-dimensional investments and, in particular, mineral resources development and logistics information. Mr. Zhu is the founder of 湛江市江京投資有限公司 (unofficially translated as Zhanjiang City Jiangjing Investment Company Limited), as well as a shareholder of 千谷礦業有限公司 (unofficially translated as Qianggu Minerals Company Limited) and participating in its operations.

Ms. Mo Xiuping (“Ms. XP Mo”), aged 57, has been appointed as an independent non-executive Director of the Company since 23 September 2022 and re-designated as non-executive Director of the Company since 19 April 2023. Ms. XP Mo graduated from Nanjing Tech University, majoring in management science and business administration, and is currently studying for a master’s degree in international finance. Ms. XP Mo holds China Intermediate Accountant Certificate. Ms. XP Mo has won honors such as “National Ten Thousand Talents Program”, “Leading Talents in Scientific and Technological Innovation”, and “Young and Middle-aged Experts with Outstanding Contributions in Jiangsu Province”. Since December 2016, she has served as the chief financial officer, independent director and member of the board of directors of China area of JS Beauty Land Network Technology Inc, a US listed company. Since September 2018, she has concurrently served as the chief financial officer of Jiangsu Meiyunmei Technology Co., Ltd. Since November 2019, she has concurrently served as the chief financial officer of Yancheng Dafengzesheng Technology Co., Ltd.

Mr. Ge Zhifu (“Mr. Ge”), aged 47, has been appointed as a non-executive Director of the Company since 6 October 2023 and as the deputy chairman of the Board since 11 December 2023. Mr. Ge graduated from Nankai University majoring in Business Administration. Mr. Ge has

extensive experience in investment and education management. He has been appointed as chairman and director of various educational management companies. Since August 2015, he has been appointed as chairman of Shenzhen Pu Hui Enterprises Management Group Limited. Since May 2016, he has been appointed as the chairman of the Yunan Zhao Tong Chamber of Commerce in Guangdong province and the member of the 4th Yunnan Zhaotong Province Committee of the Chinese People's Political Consultative Conference.

Independent non-executive Directors

Mr. Shi Zhu (“Mr. Shi”), aged 57, has been appointed as an independent non-executive Director of the Company since 6 August 2021. Mr. Shi is a member of the Audit Committee, the Nomination Committee, the Remuneration Committee and the Risk Management Committee of the Company. Mr. Shi obtained his first degree in Bachelor of Arts, majoring in English, from the Anhui Fuyang Teacher's University in the PRC in July 1989 and his second degree in Bachelor of law, majoring in Journalism, from the Communication University of China in July 1993. Mr. Shi worked at the Ministry of Commerce of the PRC for over 15 years. From November 1993 to May 2000, Mr. Shi served various positions including front-page editor as well as deputy chief editor and chief editor of the English version of International Business Monthly under International Business Daily, a publishing entity under the Ministry of Commerce of the PRC. Mr. Shi was appointed by the Ministry of Commerce of the PRC to work at the Embassy of the PRC in New Zealand where he acted as the Commercial Consul and was in charge of economic and commercial affairs from June 2000 to December 2000 and Mr. Shi subsequently returned to International Business Daily and served various positions including chief editor of Important News, director of general office, chief editor of China-ASEAN Business Week, chief editor of Features from January 2001 to February 2008. After that, Mr. Shi migrated to Hong Kong under the Quality Migrant Admission Scheme in February 2008. Mr. Shi was the director of BOCHK Wealth Achieve Fund Series SPC, a serial investment fund company wholly owned by BOCHK Asset Management Limited from May 2017 to January 2020. Mr. Shi was also the chairman of Shenzhen Sanhong Asset Management Limited, a private equity company incorporated in the PRC which principally engaged in equity investment and supply chain finance in the PRC and South East Asia, from September 2015 to October 2020. In addition, Mr. Shi is a director of Joyful Capital Limited, a company incorporated in Hong Kong which principally engaged in investment and investment consultancy in Hong Kong and the PRC, since May 2008. Besides, Mr. Shi is an independent non-executive director of Hua Lien International (Holding) Company Limited (Stock Code: 969), a company listed on the main board of the Stock Exchange since December 2017 (suspension of duties since April 2025) and Pinestone Capital Limited (Stock Code: 804) since December 2024 (suspension of duties since April 2025). Mr. Shi has also been appointed as the 5th Chairman of the Chinese Academy of Governance (Hong Kong) Industrial and Commercial Professionals Alumni Association in June 2024.

Ms. Chen Shunqing (“**Ms. Chen**”), aged 56, has been appointed as an independent non-executive Director of the Company since 27 July 2022. Ms. Chen is the chairlady of the Audit Committee, a member of the Nomination Committee, the Remuneration Committee and the Risk Management Committee. Ms. Chen holds the qualification certificates of China junior accountant certificate and chief accountant officer certificate. Ms. Chen has focused on finance management and so on fields in the past 28 years, has rich practical experience in finance, and could provide effective and unique analysis and advice on financial matters involved.

Mr. Ding Jiasheng (“**Mr. Ding**”), aged 38, has been appointed as an independent non-executive Director of the Company since 26 September 2023. Mr. Ding is the chairman of Remuneration Committee, a member of the Audit Committee, the Nomination Committee and the Risk Management Committee. Mr. Ding holds a bachelor degree in Environmental Engineering from Nanjing University of Science and Technology. Mr. Ding has also obtained professional qualifications such as Registered Safety Engineer and Intermediate Environmental Engineer. Since 2020, Mr. Ding has been serving as EHS Manager in Tiannang Power International Limited (Stock Code: 819). He has extensive experience in ecological environment protection and occupational health and safety in various fields of the new energy batteries industry including the establishment of management systems, risk precautions and management, setting up of smart factory and team building.

Company secretary

Mr. Wong Shiu Wah Williamson (“**Mr. Wong**”) has been appointed as the company secretary with effect from 17 November 2022. Mr. Wong holds a Master degree in Business Administration from the Chinese University of Hong Kong and a Master of Science degree in Information Systems from the Hong Kong Polytechnic University. He is a fellow member of the Chartered Association of Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Wong has over 30 years of professional experience in accounting, auditing, financial management and company secretarial affairs

Business address of the Directors

The business address of the Directors is the same as the Company’s principal place of business Room 1701, 17/F, Wai Fung Plaza, 664 Nathan Road, Mongkok, Kowloon, Hong Kong.

13. INVESTMENT OBJECTIVE, POLICIES AND RESTRICTIONS**Investment objective and policies**

The Company is an investment company incorporated in the Cayman Islands and continued in Bermuda with the primary objective of achieving medium- to long-term capital appreciation as well as income from interests and dividends by investing principally in listed and unlisted companies in Greater China and the Asia-Pacific Region. In particular, the Company intends to invest in unlisted companies with listing potential on the Stock Exchange as well as other stock exchanges.

The Company has adopted the following investment policies:

- Investment will normally be made in the form of equity or equity-related securities and debt instruments in listed and unlisted companies engaged in industries including (but not limited to) the information technology, telecommunications, manufacturing, service, property, infrastructure, life and environmental sectors to maintain a balance in the Company's exposure to different industry sectors in order to minimize the impact on the Company of any downturn in any particular sector;
- The Company will seek to identify entities established in, or with their operations principally located within, Greater China or the Asia-Pacific Region, with a record of profits growth, strong management, high levels of technical expertise and research and development capabilities as well as management commitment to the long term growth. However, the Company will be flexible in considering investments in companies or other entities which are considered by the Board and the Investment Manager as being special or in recovery situations and which may provide attractive returns;
- Where possible, the Board and the Investment Manager will seek to identify investments where there is a certain degree of synergy with other investee companies and where co-operation between such companies would be of mutual benefit to each other; and
- The Company's investments are primarily intended to be held for medium- to long-term capital appreciation and for income from interest and dividends. There is no present intention to realize any of such investments in any specific period or by any specific date. The Directors will from time to time realize investments where they believe the realization would be in the best interests of the Company.

Investors should note that while it is the intention of the Company to invest its funds in accordance with the investment objectives and policies outlined above as far as practicable, due to market and other investment considerations it may take some time before the funds of the Company are fully invested. Cash pending investment, reinvestment or distribution will be placed in bank deposits in any currency, bonds or treasury securities issued by the government of the United States or the government of Hong Kong, or their respective agencies, or securities, and other instruments denominated in any currency issued by various governments or international government agencies.

In order to hedge against interest rate risks, the Company may enter into forward interest rate agreements, interest rates and bond futures contracts and interest rate swaps and purchase and write (sell) put or call options on interest rates and put or call options on futures on interest rates. The Company will only engage in transactions in options and futures which are traded on recognized securities or futures exchanges and for hedging purposes only. The Company has no intention to purchase or write (sell) derivatives with an open position.

Given that there are no requirements under the Listing Rules that any alterations to the investment objectives and policies of an investment company under Chapter 21 of the Listing Rules require shareholders' approval after a period of 3 years from the date of listing, the investment objectives and policies of the Company as stated above may be altered without shareholders' approval and the Company has to comply with the Bye-laws and Chapter 21 of the Listing Rules at all times while it remains listed as an investment company under Chapter 21 of the Listing Rules. The Board has no present intention to propose a change to the investment objectives and policies.

Investment restrictions

Under the Bye-laws and Chapter 21 of the Listing Rules relating to the listing of investment companies, certain restrictions on investments are imposed on the Company. In order to meet such restrictions, the Board has resolved that the Company may not:

1. either itself or through its wholly-owned subsidiaries or in conjunction with any connected person take legal, or effective, management control of underlying investments and in no event, will the Company itself or through its wholly-owned subsidiaries own or control more than 30%, (or such lower percentage as may from time to time be specified in the Takeover Code as being the level for triggering a mandatory general offer) of the voting rights in any company or body;

2. invest in any company or entity if such investment will result in more than 20 per cent. of the net asset value of the Company being invested in such company or entity as at the date the investment is made;
3. buy or sell commodities, commodity contracts or precious metals, except that it may purchase and sell futures contracts on stock indices and securities which are secured by commodities or precious metals; or
4. enter into forward interest rate agreements, interest rates and bond futures contracts and interest rate swaps or purchase or write (sell) put or call options on interest rates and put or call options on futures on interest rates. The Company will only engage in transactions in options and futures which are traded on a recognised securities or futures exchange and for the purpose of hedging only.

The Company has to comply with investment restrictions 1 and 2 above at all times while it remains listed as an investment company under Chapter 21 of the Listing Rules.

As at the Latest Practicable Date, the Board has no present intention to propose a change to any of the above-mentioned investment restrictions.

As at the Latest Practicable Date, the Company has no intention to invest in options, warrants, commodities, future contracts and precious metals.

14. INVESTMENT PORTFOLIO

The follows are the details of all investments of the Group as at 31 March 2025.

Save for the investments disclosed herein, there are no other listed investments and all other investments with a value of more than 5% of the Company's gross assets as at 31 March 2025.

a. Other financial assets at amortised cost

At 31 March 2025, the other financial assets at amortised cost included promissory notes held by the Group, amounted to approximately HK\$25,764,000 which are unsecured, interest bearing, non-transferrable, non-trading related in nature and issued by private entities.

**31 March
2025**
HK\$'000

At amortised cost	112,630
Less: ECL allowance	(86,866)
	<u>25,764</u>

Ageing analysis

As of the end of 31 March 2025, the ageing analysis of promissory notes, net of allowance for credit losses, based on the maturity date is as follows:

**31 March
2025**
HK\$'000

Mature within 1 year	<u>25,764</u>
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Particulars of the promissory notes classified as other financial assets at amortised cost held by the Group as at 31 March 2025 are as follows:

Name of issuer	Place of incorporation/ operation	Amortised cost <i>HK\$'000</i>	ECL <i>HK\$'000</i>	Net carrying amount <i>HK\$'000</i>	Interest rate	Interest received/ receivable <i>HK\$'000</i>	Percentage of the total assets of the Group
Guangdong Juhong Technology Industrial Park Co., Ltd.* (“ Juhong Technology ”) (note i)	PRC	45,329	(34,960)	10,369	6%	3,243	2.74%
Guangdong Yijushang Information Technology Co. Ltd.* (“ Yijushang Information ”) (note ii)	PRC	67,301	(51,906)	15,395	6%	7,225	4.06%
		<u>112,630</u>	<u>(86,866)</u>	<u>25,764</u>			

* For identification purpose only

Notes:

Business of issuers and terms of promissory notes and a secured bond

- (i) Guangdong Juhong is a comprehensive investment enterprise that focuses on property leasing, property management, parking lot operation, and consulting services, covering commodity information consulting services, hotel management, catering management, largescale event organization planning services, corporate image planning services, conference and exhibition services, logistics transportation, professional alcohol trading market investment, supply chain financing, market services.

This promissory note was matured in March 2025. In March 2025, the parties to this promissory note agreed to extend the maturity date of promissory note to 6 September 2025.

- (ii) Guangdong Yijushang is based on high-end IT technology services and focuses on building a high-tech, efficient, and high-quality professional technical team. The company is committed to integrating the entire IT resources and wholeheartedly building the most professional IT service team in Guangdong Province, providing scientific, accurate, and user-friendly professional IT technical services.

This promissory note was matured on 6 February 2025. On 6 February 2025, the parties to this promissory note agreed to extend the maturity date of promissory note to 7 August 2025.

b. Financial assets at fair value through profit or loss

	31 March 2025 <i>HK\$'000</i>
Hong Kong listed equity securities, at market value (<i>note a</i>)	179,012
Investments in convertible bonds, at fair value (<i>note b</i>)	—
Unlisted equity securities in PRC, at fair value (<i>note c</i>)	171,082
Equity interests in private equity funds, at fair value (<i>note d</i>)	—
	<hr/>
	350,094
	<hr/> <hr/>

Analysed for reporting purpose as:

31 March

2025

HK\$'000

Non-current

171,082

Current

179,012

350,094

Notes:

- (a) Particulars of the Group's major investments of listed equity securities held by the Group as at 31 March 2025 are as follows:

Name of investee companies	Notes	Number of shares held	Percentage of interest held	Cost <i>HK\$'000</i>	Market value <i>HK\$'000</i>	Accumulated unrealised gain arising on revaluation <i>HK\$'000</i>	Change in fair value <i>HK\$'000</i>	Dividend received/ receivable <i>HK\$'000</i>	Dividend cover	Net assets attributable to the investment <i>HK\$'000</i>	Percentage of the total assets of the Group
Icon Culture Global Company Limited (" Icon ")	(i)	115,080,000 ordinary shares	26.6389%	53,893	58,691	4,798	7,790	—	N/A	9,935	15.48%
International Genius Company (" Int'l Genius ")	(ii)	7,332,000 ordinary shares	1.3134%	13,859	19,430	5,571	(17,797)	—	N/A	9,107	5.13%
China In-tech Limited (" China Intech ")	(iii)	23,068,000 ordinary shares	4.3267%	6,118	4,636	(1,482)	(1,482)	—	N/A	506	1.22%
Asia Television Holdings Limited (" ATV ")	(iv)	200,592,000 ordinary shares	10.1998%	18,274	16,248	(2,026)	(2,026)	—	N/A	N/A	4.29%
Pinestone Capital Limited (" Pinestone ")	(v)	111,775,000 ordinary shares	22.9386%	24,746	22,131	(2,615)	(2,615)	—	N/A	31,741	5.84%
Modern Innovative Digital Technology Company Limited (" Modern Innovative ")	(vi)	106,912,000 ordinary shares	2.5946%	76,074	53,456	(22,618)	(22,618)	—	N/A	18,512	14.10%

Name of investee companies	Notes	Number of shares held	Percentage of interest held	Cost	Accumulated unrealised gain			Dividend received/receivable	Dividend cover	Net assets attributable to the investment	Percentage of the total assets of the Group
					Market value	arising on revaluation	Change in fair value				
				HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		HK\$'000	
Ocean Star Technology Group Limited ("Ocean Star")	(vii)	82,140,000 ordinary shares	7.6186%	4,775	4,107	(668)	(668)	—	N/A	2,656	1.08%
Raffles Interior Limited ("Raffles Interior")	(viii)	5,040,000 ordinary shares	0.5040%	343	313	(30)	(30)	—	N/A	238	0.08%
					179,012						

Notes:

- (i) Icon was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on the GEM Board of The Stock Exchange of Hong Kong Limited (stock code: 8500). Its principal activities are rendering of traditional offline media advertising services, online media advertising service, and public relations, marketing campaigns and other services. For the financial year ended 31 December 2024, the audited consolidated loss attributable to equity holders of Icon was approximately RMB17,814,000 with basic and diluted loss per share of RMB0.06. As at 31 December 2024, its audited consolidated net assets attributable to owners of Icon was approximately RMB34,868,000. No dividend was received by the Group for the year ended 31 December 2024.
- (ii) Int'l Genius was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 33). Its principal activities are (i) trading of party products and metals and minerals, (ii) securities brokerage and assets management, advancing business, credit guarantee and (iii) investment business and trading of commodities. For the financial year ended 30 June 2024, the audited consolidated loss attributable to equity holders of Int'l Genius was approximately HK\$39,991,000 with basic and diluted loss per share of HK\$7.36 cents. As at 30 June 2024, its audited consolidated net assets attributable to owners of Int'l Genius was approximately HK\$693,411,000. No dividend was received by the Group for the year ended 30 June 2024.
- (iii) China In-tech was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 464). Its principal activities are designing, manufacturing and selling electronic hair care appliances and provision of information technology system platform development services in PRC. For the period ended 30 September 2024, the unaudited interim consolidated loss attributable to equity holders of China In-tech was approximately HK\$20,557,000 with basic and diluted loss per share of HK\$3.939 cents. As at 30 September 2024 (unaudited), its consolidated net assets attributable to owners of China In-tech was approximately HK\$11,690,000. No dividend was received by the Group for the period ended 30 September 2024.

- (iv) ATV was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 707). Its principal activities are (i) entertainment and media services, (ii) property and intellectual property holding, (iii) trading of fabrics, (iv) processing, printing and sales of finished fabrics, (v) money lending, (vi) securities investment and (vii) provision of management services. For the financial year ended 31 December 2024, the audited consolidated loss attributable to equity holders of ATV was approximately RMB120,100,000 with basic and diluted loss per share of RMB8.79 cents. As at 31 December 2024, its audited consolidated net liabilities attributable to owners of ATV was approximately RMB429,964,000. No dividend was received by the Group for the year ended 31 December 2024.
- (v) Pinestone was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 804). Its principal activities are (i) provision of securities brokerage services, placing and underwriting services as well as margin financing services and (ii) provision of consultancy services. For the financial year ended 31 December 2024, the audited consolidated loss attributable to equity holders of Pinestone was approximately HK\$31,289,000 with basic and diluted loss per share of HK\$7.56 cents. As at 31 December 2024, its audited consolidated net assets attributable to owners of Pinestone was approximately HK\$138,372,000. No dividend was received by the Group for the year ended 31 December 2024.
- (vi) Modern Innovative was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 2322). Its principal activities are trading, money lending, factoring, finance leasing and provision of financial services. For the period ended 30 September 2024, the unaudited interim consolidated loss attributable to equity holders of Modern Innovative was approximately HK\$30,677,000 with basic and diluted loss per share of HK\$0.74 cents. As at 30 September 2024 (unaudited), its consolidated net assets attributable to owners of Modern Innovative was approximately HK\$713,476,000. No dividend was received by the Group for the period ended 30 September 2024.
- (vii) Ocean Star was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on the GEM Board of The Stock Exchange of Hong Kong Limited (stock code: 8297). Its principal activities are (i) designing, manufacturing and sales of lingerie products in Hong Kong, Macau and the People's Republic of China; (ii) provision of social influencers agency services through an online platform; and (iii) money lending business. For the period ended 30 September 2024, the unaudited interim consolidated loss attributable to equity holders of Ocean Star was approximately HK\$12,678,000 with basic and diluted loss per share of HK\$1.17 cents. As at 30 September 2024 (unaudited), its consolidated net assets attributable to owners of Ocean Star was approximately HK\$34,868,000. No dividend was received by the Group for the period ended 30 September 2024.
- (viii) Raffles Interior was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 1376). Its principal activities are provision of interior fitting-out services in the Republic of Singapore. For the financial year ended 31 December 2024, the audited consolidated loss attributable to equity holders of Raffles Interior was approximately Singapore Dollars ("SGD") 4,154,000 with basic and diluted loss per share of SGD0.42 cents. As at 31 December 2024, its audited consolidated net assets attributable to owners of Raffles Interior was approximately SGD8,218,000. No dividend was received by the Group for the year ended 31 December 2024.

(b) Particulars of investments in convertible bonds held by the Group as at 31 March 2025 are as follows:

Name of investee companies	Place of incorporation	Unlisted	Fair value		Interest	Percentage of	Interest	Percentage of
		securities, at	adjustment	Carrying value	received/	the total assets	received/	the total assets
		cost			receivable	of the Group	receivable	of the Group
		HK\$'000	HK\$'000	HK\$'000	HK\$'000			
Guanwan Investments Limited ("Guanwan") (Note (i))	BVI	20,000	(20,000)	—	—	—	—	—

Note:

- (i) On 22 December 2014, the Company invested in the 3% unsecured convertible bonds issued by Guanwan with principal amount of HK\$20,000,000, bearing coupon interest rate of 3% per annum. Guanwan is an investment holding company which indirectly hold 100% of the issued shares of its subsidiary, 深圳金特嬌服裝有限公司 (“金特嬌”). 金特嬌 is established in the PRC and principally engaged in designing, manufacturing and retail of women's dress in PRC. The convertible bonds held by the Group were originally due on 22 December 2017 and convertible into 24 fully paid ordinary shares of Guanwan with a par value of USD1.00 each, which represented 24% of the enlarged issued shares of Guanwan as at 22 December 2014, at a conversion price of HK\$833,333 per conversion share. The Company could exercise the conversion option at any time until the maturity date. On 23 December 2017, the maturity date of the convertible bonds was renewed and extended to 22 December 2020.

On 23 December 2020, the maturity date of the convertible bonds were further renewed and extended to 22 December 2023.

During the year ended 31 March 2024, the Group's investments in convertible bonds were in default as Guanwan failed to repay the convertible bonds on 22 December 2023. As the event of default has happened, the fair value of the convertible bonds had been measured at HK\$ nil for the year ended 31 March 2025.

- (c) Particulars of the Group's major investments of unlisted equity securities held by the Group as at 31 March 2025 are as follows

Name of investee companies	Place of incorporation	Percentage of effective interest held	Accumulated		Carrying value	Dividend receivable/ received	Dividend cover	Net assets attributable to the investment	Percentage of total assets of the Group
			At cost	fair value adjustment					
			HK\$'000	HK\$'000	HK\$'000	HK\$'000		HK\$'000	
Zhonghe Huinong (Beijing) Technology Development Co., Ltd* ("Zhonghe Huinong") (Note i)	PRC	27.54%	40,503	(5,646)	34,857	—	N/A	58,478	9.19%
Shenzhen Qianhai CIC Dingsheng Investment Consulting Co., Ltd* ("Shenzhen Qianhai") (Note ii)	PRC	30.00%	41,402	(18,178)	23,224	—	N/A	51,667	6.13%
Huanghao International Financial Leasing (Shenzhen) Co., Ltd* ("Huanghao") (Note iii)	PRC	22.85%	38,789	(743)	38,046	—	N/A	43,948	10.04%
Zhong Ying Hua Xia Investment Holdings (Shenzhen) Co., Ltd* ("Zhong Ying Hua Xia") (Note iv)	PRC	30.00%	11,017	—	11,017	—	N/A	3,930	2.91%
Guangxi Beidoli Electronic Technology Co., Ltd* ("Guangxi Beidoli") (Note v)	PRC	30.00%	64,317	(379)	63,939	—	N/A	33,383	16.87%
			196,028	(24,946)	171,082				

Notes:

- (i) Zhonghe Huinong is engaged in technology development, technology transfer, technology consulting, technology services, technology promotion and data processing.
- (ii) Shenzhen Qianhai is engaged in investment consulting, business management consulting and economic information consulting.
- (iii) Huanghao is engaged in financial leasing business, leasing business, purchase of leased properties at home and abroad and treatment and maintenance of residual value of leased properties.
- (iv) Zhong Ying Hua Xia is engaged in building up a platform assisting and promoting the mutual cooperation of listed companies in Hong Kong and domestic enterprises in China. It helps the domestic small-medium sized enterprises in restructuring the equity, strengthening corporate governance and value-added capabilities in order to cope with the international capital markets.
- (v) Guangxi Beidoli is engaged in manufacturing and selling of electronic products in Guangxi Province, China.

* For identification purpose only

- (d) The Group subscribed Mount Peak Fund SPC — Mount Peak Currency Fund SP (the “**Currency Fund**”) for approximately HK\$10,012,000 at cost, bearing coupon interest rate of 7.5% per annum. The Currency Fund is for investors with different needs and risks, which match the corresponding fund products. The fund manager has asset management licenses in Hong Kong and Singapore and offshore investment manager qualifications in Cayman and the BVI. The core fund products are hedge funds.

In August 2023, the operation of the Currency Fund was terminated and subsequently the Currency Fund was put into liquidation process voluntarily. In February 2024, the terms of the Currency Fund were expired, the Group’s equity interest in the Currency Fund has already applied for redemption. The liquidation process was not completed by February 2024 and the redeeming was not completed on 31 March 2024. As a result of it, the fair value of the Currency Fund has been decreased to HK\$nil for the year ended 31 March 2024.

In July 2024, the Group entered to a share transfer agreement with an independent third party to transfer the Currency Fund with consideration of approximately United States Dollar 1,300,000, which is equivalent to HK\$10,000,000. The transfer was completed in November 2024. As a result, an amount of fair value increased of HK\$10,000,000 in financial assets at FVTPL was recognized in profit and loss during the year ended 31 March 2025.

Given the above investments of the Group are financial assets at fair value through profit and loss, there shall be no provision for diminution in value of investments.

15. DISTRIBUTION POLICY

Interest, dividends and other income of the Company are used first to meet expenses. The Board and the investment manager will then assess as to whether it is reasonable to make provisions for futures expenses and/or any possible diminution in value of investments, and considers the amount of cash which should be retained by the Company for futures investments. It is the Board’s intention to distribute any excess balance by way of dividend to the extent permitted by law, the Memorandum and the Bye-laws. Dividends will only be paid to the extent that they are covered by net income received from underlying investments. Distributions will normally be made annually after the annual accounts of the Company are approved by the Shareholders by such interim distributions may be made from time to time to Shareholders as appeared to the Board to be justified by the financial strength and cash-flow position of the Company. Distributions will be made in Hong Kong dollars.

16. FOREIGN EXCHANGE POLICY

The Group has a number of investment projects in the PRC and may be subjected to a certain degree of investment return risk. The Group currently do not have foreign currency hedging policy but monitor the market trends of exchange rates closely, and adopt appropriate measures when necessary.

17. TAXATION

The taxation of income and capital gains of the Company are subject to the fiscal law and practice of Hong Kong. Prospective investors should consult their own professional advisers on the tax implications of investing, holding or disposing of Shares under the laws of the jurisdiction in which they are liable to taxation.

18. BORROWING POWERS

Subject to the provisions of the Bye-laws and the approval of the Board, the Company may from time to time borrow for the purpose of providing liquidity or taking advantage of investment opportunities of the Company. The Company may exercise its borrowing power to borrow up to an aggregate principal amount representing not more than 50% of the latest available net asset value at the time the borrowing is made. The Company's assets may be charged or pledged as security for borrowing.

19. INFORMATION OF THE INVESTMENT MANAGER

As at the Latest Practicable Date, the Investment Manager was Sinolink Securities (Hong Kong) Company Limited at Unit 3501–08, 35/F, Cosco Tower, 183 Queen's Road Central, Sheung Wan, Hong Kong, a company incorporated in Hong Kong with limited liability and a licensed corporation registered under the SFO to engage in type 1 (dealing in securities), type 2 (dealing in future contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO.

The full names and addresses of the directors of the Investment Manager is as follows:

Name	Address
Mr. Jiang Wenguo	Unit 3501–08, 35/F, Cosco Tower, 183 Queen's Road Central, Sheung Wan, Hong Kong
Mr. Jin Peng	Unit 3501–08, 35/F, Cosco Tower, 183 Queen's Road Central, Sheung Wan, Hong Kong
Mr. Ji Lu	Unit 3501–08, 35/F, Cosco Tower, 183 Queen's Road Central, Sheung Wan, Hong Kong

Name	Address
Mr. Zhou Honggang	Unit 3501-08, 35/F, Cosco Tower, 183 Queen's Road Central, Sheung Wan, Hong Kong
Mr. Tan Jun	Unit 3501-08, 35/F, Cosco Tower, 183 Queen's Road Central, Sheung Wan, Hong Kong
Ms. Zhang Jing	Unit 3501-08, 35/F, Cosco Tower, 183 Queen's Road Central, Sheung Wan, Hong Kong
Mr. Chen Tung Hsiung	Unit 3501-08, 35/F, Cosco Tower, 183 Queen's Road Central, Sheung Wan, Hong Kong

The biographies of the directors of the Investment Manager are as follows:

Mr. Jiang Wenguo (“Mr. Jiang”)

Mr. Jiang currently serves as Deputy Secretary of the Party Committee, Director, President, and Chief Financial Officer of Sinolink Securities Company Limited* (國金證券股份有限公司), director of Sinolink Futures Company Limited* (國金期貨有限責任公司), director of Sinolink Financial Holding (Hong Kong) Limited, director of Sinolink Securities (Hong Kong) Company Limited, director of Sinolink International Asset Management Company Limited. He has over 25 years of experience in capital markets and management.

Mr. Jin Peng (“Mr. Jin”)

Mr. Jin currently serves as deputy chairman, staff director, chairman of Trade Union of Sinolink Securities Company Limited* (國金證券股份有限公司), director of Sinolink Financial Holding (Hong Kong) Limited, and director of Sinolink Securities (Hong Kong) Company Limited. He has over 25 years of experience in capital markets and management.

Mr. Ji Lu (“Mr. Ji”)

Mr. Ji currently serves as the Vice President of Sinolink Securities Company Limited* (國金證券股份有限公司), Chairman of Gfund Management Company Limited (國金基金管理有限公司), Director of Sinolink Securities (Hong Kong) Company Limited, Director of Sinolink International Asset Management Limited, Director of Sinolink Finance (HK) Limited, Director of Sinolink Daofu Investment Services Company Limited* (國金道富投資服務有限公司), and Executive

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Director of Shanghai Gfund Wealth & Asset Management Company Limited (上海國金理益財富基金銷售有限公司). He is also a professional valuation expert in securities companies at the Securities Association of China, and the Chairman of the Research and Consulting Committee of the Sichuan Securities and Futures Industry Association* (四川證券期貨業協會研究諮詢委員會). Mr. Ji has over 25 years of experience in capital markets and management.

Mr. Zhou Honggang (“Mr. Zhou”)

Mr. Zhou currently is a member of the Party Committee and secretary of the Board of Directors of Sinolink Securities Company Limited* (國金證券股份有限公司), a director of Sinolink Dingxing Investment Company Limited* (國金鼎興投資有限公司), a director of Sinolink Financial Holding (Hong Kong) Limited, a director of Sinolink Securities (Hong Kong) Company Limited, a director of Sinolink International Corporate Finance Limited, a director of Sinolink Finance (HK) Limited, a director, director of the board office, director of the President’s Office, general manager of the Comprehensive Affairs Department of Sinolink International Asset Management Limited, deputy director of Sinolink Securities Asset Management Co., Ltd.* (國金證券資產管理有限公司); a member of the 7th Development Strategy, Reputation and Brand Maintenance Professional Committee of the Securities Association of China, a member of the Reputation Management Working Committee of the China Association of Listed Companies* (中國上市公司協會), and chairman of the Financial Promotion Association in the Pudong New Area of Shanghai* (上海市浦東新區金融促進會). Mr. Zhou has over 15 years of experience in capital markets and management.

Mr. Tan Jun (“Mr. Tan”)

Mr. Tan currently serves as a director of Sinolink Securities (Hong Kong) Company Limited, a director of Sinolink International Corporate Finance Limited, and a director of Sinolink Finance (HK) Limited. He has over 25 years of experience in the capital markets.

Ms. Zhang Jing (“Ms. Zhang”)

Ms. Zhang currently serves as the CEO of Sinolink Securities (Hong Kong) Company Limited, director of Sinolink Financial Holdings (Hong Kong) Limited, director of Sinolink International Corporate Finance Limited, director of Sinolink International Asset Management Limited, and director of Sinolink Finance (HK) Limited. She has over 20 years of experience in capital markets and management.

* For identification purpose only

Mr. Chen Tung Hsiung (“Mr. Chen”)

Mr. Chen is currently the Assistant General Manager and director of Sinolink Securities (Hong Kong) Company Limited. He has over 20 years of experience in capital markets and management.

On 9 July 2025, the Company has entered into the agreement (the “**Investment Management Agreement**”) with the Investment Manager, pursuant to which the Investment Manager has agreed to provide non-discretionary investment management services to the Company for a period of two years from 10 July 2025 to 9 July 2027 and the appointment will be automatically renewed for another successive period of two years upon every expiry, unless terminated at any time by either the Company or Investment Manager by serving not less than one month’s prior notice in writing on the other party. The Investment Manager is entitled to a monthly management fee of HK\$40,000. The Investment Manager will provide non-discretionary investment management services to the Company under the Investment Management Agreement including (i) identify, review and evaluate investment and disinvestments opportunities for the Company and negotiate the terms of such investment and disinvestment for the Company; (ii) consider and evaluate potential investments and render investment advice to the Investment Committee based upon such information as may reasonably be available to it and, in particular, assist the Investment Committee in structuring acquisitions and disposals, submit investment and divestment proposals to the Investment Committee, make investment recommendations to the Investment Committee regarding potential investments and divestments for the Company identified by the Investment Manager, the Investment Committee or the Board; (iii) provide to the Investment Committee such information as may reasonably be available to it on opportunities to acquire or to divest investments of which the Investment Manager becomes aware and which in the opinion of the Investment Manager are or may be suitable for the Company provided always that the Investment Manager shall not be required to disclose information concerning its other clients which is presented to the Investment Manager by such other clients on a confidential basis and which remains confidential; (iv) monitor and keep under review the performance and status of the Assets from time to time, based on information as may reasonably be available to it, and provide the Investment Committee or the Board with any assistance in relation to the Company’s investments as it may require; (v) assess whether it is reasonable to make provision for future expenses and/or any possible diminution in value of investment out of the net amount derived from interest, dividends and other income received by the Company after meeting expenses, and consider the amount of cash required for further investment of the Company; and (vi) act in accordance with all reasonable instructions given and authorities delegated to it from time to time by the Investment Committee or the Board and keep the Investment Committee or the Board fully informed as to the discharge of its powers and duties hereunder.

20. BROKERAGE

The Directors confirm that none of the Directors, the directors of the Investment Manager, any investment adviser or any distribution company, or any associate of any of those persons, is or will become entitled to receive any part of any brokerage charged to the Company, or any re-allowance of other types on purchases charged to the Company.

21. CUSTODIANS

Since all the available-for-sale assets held by the Company are listed and unlisted securities, the Company did not appoint any custodian bank to provide custodian services.

22. RISK FACTORS OF INVESTING IN THE COMPANY

The Company is an investment company and its funds will be invested in listed and unlisted companies mainly in Hong Kong and PRC. These investments will be subject to market fluctuations and to the risks inherent in all investments. Investors should also be aware that the Company's income and its net asset value are liable to be adversely affected by external factors beyond the control of the Company. As a result, income of the Company and its net asset value may therefore go down as well as go up, subject to the prevailing market conditions.

23. BINDING EFFECT

The Prospectus Documents, and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions, other than the penal provisions, of sections 44A and 44B of the Companies (WUMP) Ordinance, so far as applicable.

24. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed “9. Expert and Consent” in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by section 342C of Companies (WUMP) Ordinance.

25. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.00204.com.hk) for 14 days from the date of this Prospectus:

- (a) the accountants’ report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (b) the material contracts referred to in the paragraph headed “8. Material Contracts” in this appendix; and
- (c) the letter of consent referred to the paragraph headed “9. Expert and Consent” in this appendix.

26. MISCELLANEOUS

- (a) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (b) As at the Latest Practicable Date, the Group had no exposure to foreign exchange liabilities.
- (c) The English text of this Prospectus shall prevail over the Chinese text in the event of inconsistency.