Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

Shin Hwa World Limited
神話世界有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code : 00582)

PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Underwriter

中富證券
SR WEALTH SECURITIES

PROPOSED RIGHTS ISSUE

The Board proposes to implement the Rights Issue on the basis of one (1) Rights Share for every one (1) Share held on the Record Date at the Subscription Price of HK$0.1 per Rights Share, to raise up to approximately HK$182.57 million before expenses, by way of issuing up to 1,825,740,693 Rights Shares (assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date). The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Excluded Shareholders.

The estimated net proceeds from the Rights Issue will be approximately HK$178.75 million (assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date). Details of the use of proceeds are set out in the section headed "Reasons for and Benefits of the Rights Issue and Use of Proceeds" in this announcement.

UNDERWRITING AGREEMENT

On 25 July 2025 (after trading hours of the Stock Exchange), the Company entered into the Underwriting Agreement with the Underwriter in relation to the underwriting and respective arrangements in respect of the Rights Issue. Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to underwrite, on a best-effort and non-fully underwritten basis, up to 1,825,740,693 Rights Shares, subject to the terms and conditions set out in the Underwriting Agreement, in particular, the fulfilment of the conditions precedent contained therein. Details of the underwriting arrangement are set out in the section headed "The Underwriting Agreement" in this announcement.

The Rights Issue is only underwritten on a best-effort and non-fully underwritten basis. Pursuant to the Company's constitutional documents and the Companies Act, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfilment or waiver of the conditions precedent of the Rights Issue and the Underwriting Agreement, the Rights Issue shall proceed regardless of the ultimate subscription level, and up to 1,825,740,693 Rights Shares (assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date) are available to be subscribed subject, however, to any Scaling-down.

In the event the Rights Issue is under-subscribed, any Rights Shares not taken up by the Qualifying Shareholders whether under PAL(s) or EAF(s), or transferees of nil-paid Rights Shares, and not subscribed by the Underwriter or subscribers procured by it pursuant to the Underwriting Agreement will not be issued, and hence, the size of the Rights Issue will be reduced accordingly. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

LISTING RULES IMPLICATIONS

As the Rights Issue will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to the approval of the Independent Shareholders at the SGM by way of poll, in accordance with Rule 7.19A of the Listing Rules. Pursuant to Rule 7.27A(1) of the Listing Rules, where minority shareholders' approval is required for a rights issue under Rule 7.19A of the Listing Rules, the rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates shall abstain from voting the ordinary resolution to approve the Rights Issue at the SGM.

As at the date of this announcement, the Company has no controlling shareholders and no Directors or chief executive of the Company, and their respective associates are interested in any Shares. Accordingly, no Shareholder is required to abstain from voting in favour of the relevant resolution(s) of the Rights Issue at the SGM.

GENERAL

The Independent Board Committee comprising the independent non-executive Directors has been established to advise the Independent Shareholders (i) as to whether the terms of the Rights Issue are fair and reasonable and in the interest of the Shareholders as a whole; and (ii) how to vote, taking into account the recommendations of the Independent Financial Adviser. Jun Hui International Finance Limited has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee on the Rights Issue.

A Circular containing, among other things, (i) further details of the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (iv) a notice convening the SGM, is expected to be despatched to the Shareholders on or before Friday, 22 August 2025.

Subject to the fulfillment of certain conditions of the Rights Issue including the approval of the Independent Shareholders at the SGM, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will make available the Prospectus to the Excluded Shareholders for their information only but the Company will not send the PAL and EAF to the Excluded Shareholders.

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

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the paragraph headed "Termination of the Underwriting Agreement" under the section headed "The Underwriting Agreement" in this announcement). Accordingly, the proposed Rights Issue may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

PROPOSED RIGHTS ISSUE

The Rights Issue is proposed to implement the Rights Issue on the basis of one (1) Rights Share for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date. Further details of the Rights Issue are set out as follows:

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK$0.1 per Rights Share
Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	Approximately HK$0.0979 per Rights Share
Number of Shares in issue as at the date of this announcement	:	1,825,740,693 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue	:	up to 1,825,740,693 Rights Shares (assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date)
Aggregate nominal value of the Rights Shares	:	up to HK$18,257,406.93
Total number of Shares in issue upon completion of the Rights Issue	:	up to 3,651,481,386 Shares (assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date)
Gross proceeds from the Rights Issue	:	up to approximately HK$182.57 million before expenses (assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date)
Right of excess applications	:	Qualifying Shareholders (other than the PRC Southbound Trading Investor(s)) may apply for the Rights Shares in excess of their provisional allotment

As at the date of this announcement, the Company has no outstanding convertible securities, options or warrants, which confer any right to subscribe for or convert into or exchange for Shares.

Assuming no Shares are issued or repurchased on or before the Record Date and assuming all Rights Shares will be taken up, 1,825,740,693 Rights Shares to be issued pursuant to the terms of the Rights Issue represents 100% of the total number of issued Shares as at the date of this announcement and approximately 50.00% of the total number of issued Shares as enlarged immediately upon completion of the Rights Issue.

As at the date of this announcement, the theoretical dilution effect of the Rights Issue is approximately 17.11%. As such, the theoretical dilution impact of the Rights issue is in compliance with Rule 7.27B of the Listing Rules.

The Rights Issue is only underwritten on a best-effort and non-fully underwritten basis. Pursuant to the Company's constitutional documents and the Companies Act, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfilment or waiver of the conditions precedent of the Rights Issue and the Underwriting Agreement, the Rights Issue shall proceed regardless of the ultimate subscription level, and up to 1,825,740,693 Rights Shares (assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date) are available to be subscribed subject, however, to any Scaling-down.

In the event that the Rights Issue is under-subscribed, any Rights Shares not taken up by the Qualifying Shareholders whether under PAL(s) or EAF(s), or transferees of nil-paid Rights Shares, and not subscribed by the Underwriter or subscribers procured by it pursuant to the Underwriting Agreement will not be issued, and hence, the size of the Rights Issue will be reduced accordingly.

Subscription Price

The Subscription Price of HK$0.1 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue, upon an application of excess Rights Shares, or where a transferee of the nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

(a) a discount of approximately 34.21% to the closing price of HK$0.152 per Share as quoted on the Stock Exchange on the Last Trading Day;

(b) a discount of approximately 33.07% to the average closing price of approximately HK$0.1494 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;

(c) a discount of approximately 33.99% to the average closing price of approximately HK$0.1515 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;

(d) a discount of approximately 17.11% to the theoretical ex-rights price of approximately HK$0.126 per Share based on the closing price of HK$0.152 per Share as quoted on the Stock Exchange on the Last Trading Day;

(e) a discount of approximately 97.30% to the net asset value of the Company of approximately HK$3.70 per Share based on the unaudited net asset value attributable to owners of the Company of approximately HK$6,757,069,000 as at 30 June 2024 and 1,825,740,693 Shares; and

(f) a discount of approximately 97.12% to the net asset value of the Company of approximately HK$3.47 per Share based on the net asset value attributable to owners of the Company of approximately HK$6,340,262,000 as at 31 December 2024 and 1,825,740,693 Shares.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to, among others, the size of the Rights Issue, the market price of the Shares under the prevailing market conditions, the financial condition of the Company and the reasons and benefits of Rights Issue as discussed in the section headed "Reasons for and Benefits of the Rights Issue and Use of Proceeds" in this announcement. The Board (other than the members of the Independent Board Committee who will form their view after reviewing and considering the advice from the Independent Financial Adviser) considers 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.

Conditions of the Rights Issue

The Rights Issue is conditional upon:

(a) passing of all the necessary resolution(s) at the SGM to approve the Rights Issue, the Underwriting Agreement and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by the Shareholders (other than those who are required to abstain from voting according to the Listing Rules or other applicable laws and regulations if necessary);

(b) electronic submission to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Despatch Date;

(c) the Prospectus Documents having been made available to the Qualifying Shareholders and the Prospectus for information purpose only having been made available to the Excluded Shareholders on or before the Despatch Date;

(d) the Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares, in nil-paid and fully-paid forms;

(e) the obligations of the Underwriter becoming unconditional and the Underwriting Agreement not being terminated in accordance with the terms thereof on or before the Latest Time for Termination; and

(f) the representation, warranties and undertakings of the Company as set out in the Underwriting Agreement remain true and accurate in all material respects.

The Company shall on a best-effort basis procure the fulfillment or waiver (as the case may be) of all the conditions precedent by the Latest Time for Termination or such other date as the Company and the Underwriter may agree.

The Underwriter may at any time by notice in writing to the Company waive the condition precedent set out in (f) above. Save and except the condition precedent set out in (f) above, the other conditions precedent are incapable of being waived. If the conditions precedent are not satisfied and/or waived in whole or in part by the Underwriter by the Latest Time for Termination or such other date as the Company and the Underwriter may agree, the Underwriting Agreement shall terminate.

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, transaction levy, investor compensation 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, a Shareholder (other than PRC Southbound Trading Investors) must be registered as a member of the Company as at the close of business on the Record Date and not be an Excluded Shareholder. In order to be registered as members of the Company prior to the close of business on the Record Date, all transfers of the Shares (together with the relevant share certificate(s) and/or the instrument(s) of transfer) must be lodged with the Registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Tuesday, 23 September 2025. The rights of the PRC Southbound Trading Investors have been set out in the paragraph headed "Rights of PRC Southbound Trading Investors" under the section headed "Proposed Rights Issue" below.

It is expected that the last day of dealings in the Shares on a cum-rights basis is Friday, 19 September 2025, and the Shares will be dealt with on an ex-rights basis from Monday, 22 September 2025.

Subject to the passing of the resolution to approve the Rights Issue by the Independent Shareholders at the SGM and the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Company will make the Prospectus Documents available to the Qualifying Shareholders on the Despatch Date and will make available the Prospectus (without the PAL and the EAF) to the Excluded Shareholders for their information only.

Closure of register of members

The register of members of the Company will be closed from Wednesday, 24 September 2025 to Tuesday, 30 September 2025 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of the Shares will be registered during the above book closure period.

Basis of provisional allotments

The Rights Shares will be allotted on the basis of one (1) Rights Share for every one (1) Share held by the Qualifying Shareholders as at the close of business on the Record Date.

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

Rights of PRC Southbound Trading Investors

According to the "Stock Connect Southbound Shareholding Search" available on the Stock Exchange's website, as of the date of this announcement, China Clear held 10,437,240 Shares, representing approximately 0.57% of the total number of Shares in issue.

The PRC Southbound Trading Investors may participate in the Rights Issue through China Clear.

China Clear will provide nominee services for the PRC Southbound Trading Investors to (a) sell their nil-paid Rights Shares on the Stock Exchange; and/or (b) subscribe for their pro rata entitlement in respect of Rights Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations. However, China Clear will not support applications by such PRC Southbound Trading Investors for excess Rights Shares under the Rights Issue through the Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect. In addition, the PRC Southbound Trading Investors (or the relevant China Clear participants as the case may be) whose stock accounts are credited with nil-paid Rights Shares could only sell those nil-paid Rights Shares on the Stock Exchange under Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect but could not purchase any other nil-paid Rights Shares nor transfer any nil-paid Rights Shares to other PRC Southbound Trading Investors.

The PRC Southbound Trading Investors should consult their intermediaries (including brokers, custodians, nominees or China Clear participants) and/or other professional advisers for details of the logistical arrangements as required by China Clear and provide such intermediary with instructions on the acceptance and/or sale of the nil-paid Rights Shares. Such instructions should be given in advance of the relevant dates stated under the section headed "Expected Timetable" of this announcement and otherwise in accordance with the requirements of the intermediary of the PRC Southbound Trading Investors and/or China Clear in order to allow sufficient time to ensure that such instructions are given effect.

The Board was advised that, as the Prospectus Documents will not be and are not intended to be filed with or approved by the CSRC other than in accordance with the notice of the CSRC "Filing Requirements for Hong Kong Listed Issuers Making Rights Issues to Mainland Shareholders through Mainland-Hong Kong Stock Connect" (關於港股通下香港上市公司向境內原股東配售股份的備案規定) (Announcement [2016] No. 21) (the "**CSRC Notice**") and, if necessary, the "Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies" (境內企業境外發行證券和上市管理試行辦法) promulgated by the CSRC effective from 31 March 2023, the Rights Shares to be issued the PRC Southbound Trading Investors shall not be offered and may not be offered or sold directly or indirectly in the PRC to any person or entity, unless through Shenzhen-Hong Kong Stock Connect and/or Shanghai-Hong Kong Stock Connect, or such person or entity has otherwise been exempt by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC laws and regulations.

Rights of Overseas Shareholders (other than PRC Southbound Trading Investors) (if any)

Save as disclosed under the paragraph headed "Rights of PRC Southbound Trading Investors", the Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the securities law of any jurisdiction other than Hong Kong and the PRC. Overseas Shareholders (other than PRC Southbound Trading Investors) may not be eligible to take part in the Rights Issue as explained below.

The Board will comply with Rule 13.36 of the Listing Rules and make necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions of the relevant overseas regulatory body or stock exchange, no provisional allotment of the nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders (other than PRC Southbound Trading Investors). In such circumstances, the Rights Issue will not be extended to the Excluded Shareholders. The basis for excluding the Excluded Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders, to be sold in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and in any event before dealings in the nil-paid Rights Shares end, if a premium in excess of all expenses of sale can be obtained. The aggregate net proceeds of such sale will

be distributed by the Company to the Excluded Shareholders (pro-rata to their respective entitlements on the Record Date and round down to the nearest cent) in Hong Kong dollars, provided that if any of such Excluded Shareholders would be entitled to a net sum not less than HK$100 after deducting all relevant expenses. In view of administrative costs, the Company will retain the remaining balance of the sale proceeds after the said distribution for its own benefit. Any unsold nil-paid Rights Shares to which such Excluded Shareholders (if any) would otherwise have been entitled will be made available for excess application by the Qualifying Shareholders (other than PRC Southbound Trading Investors) under the EAFs. For the avoidance of doubt, the Excluded Shareholders (if any) will be entitled to vote at the SGM.

Overseas Shareholders (other than PRC Southbound Trading Investors) should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, the Overseas Shareholders should exercise caution when dealing in the Shares.

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. Shareholders and beneficial owners of the Shares (including, without limitation, their respective agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Application for the Rights Shares

The PALs and the EAFs relating to the Rights Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein by completing such form(s) and lodging the same with separate remittance for the Rights Shares being applied for with the Registrar by the Latest Time for Acceptance.

Scale-down mechanisms

Pursuant to the Underwriting Agreement, as the Rights Issue is only underwritten by the Underwriter on a best-effort and non-fully underwritten basis, and so as to avoid the unwitting triggering of the MGO Obligation, all applications for Rights Shares whether under the PAL(s) or the EAF(s), or by transferees of nil-paid Rights Shares, or by subscribers procured by the Underwriter will be made on the basis that the applications are to be scaled-down by the Company to a level which does not trigger

any MGO Obligation on the part of the applicant or parties acting in concert with him/her/it. Any subscription monies for the Scale-down PAL Shares or the Scale-down EAF Shares will be refunded to the applicants, and the Scale-down PAL Shares and the Scale-down EAF Shares will be made available for subscription by other Qualifying Shareholders through the EAF(s).

In addition, under and/or pursuant to the Scaling-down, any application for Rights Shares, whether under PAL(s) or EAF(s), shall be subject to the scale-down mechanisms of the Rights Issue as determined by the Company to levels which do not trigger any MGO Obligation. Such scale-down of applications of Rights Shares shall operate on a fair and equitable basis under the following principles: (i) EAF(s) should be scaled down before PAL(s); and (ii) where the scale-down is necessitated by the exceeding of shareholding by a group rather than an individual Shareholder, the allocations of EAF(s) and PAL(s) to members of the affected group should be made on a pro-rata basis by reference to the number of Shares held by the affected applicants on the Record Date, but for avoidance of any doubt, any or any such onward allocation(s) shall be subject to the Scaling-down as well.

Application for the excess Rights Shares

Qualifying Shareholders (other than PRC Southbound Trading Investors) are entitled to apply for, by way of excess application:

(i) any unsold entitlements to the Rights Shares of the Excluded Shareholder(s) (if any);

(ii) any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by renouncees or transferees of nil-paid Rights Shares;

(iii) the Scale-down PAL Shares (if any); and

(iv) the Scale-down EAF Shares (if any).

(i) to (iv) are collectively referred to as "Untaken Rights".

Applications for excess Rights Shares may be made by completing an EAF and lodging the same with a separate remittance for the full amount payable for the excess Rights Shares being applied for. The Directors will, subject to the compliance with the Listing Rules (including but not limited to the Public Float Requirement),

allocate any excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

(i) any excess Rights Shares will be allocated to Qualifying Shareholders (other than PRC Southbound Trading Investors) who apply for them as far as practicable on a pro-rata basis by reference to the number of the excess Rights Shares applied for under each application;

(ii) no reference will be made to the Rights Shares subscribed through applications by PALs or the existing number of Shares held by Qualifying Shareholders;

(iii) no preference will be given to applications for topping up odd-lot holdings to whole lot holdings; and

(iv) pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will also take steps to identify the applications for excess Rights Shares made by any controlling shareholder or its associates (together, the "**Relevant Shareholders**"), whether in their own names or through nominees.

The Company shall disregard the Relevant Shareholders' applications for excess Rights Shares to the extent that the total number of excess Rights Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Relevant Shareholders under their assured entitlement to the Rights Shares.

If the aggregate number of Rights Shares underlying the Untaken Rights is greater than the aggregate number of excess Rights Shares being applied for under EAFs, the Directors will, subject to the compliance with the Listing Rules, allocate to each Qualifying Shareholder (other than PRC Southbound Trading Investors) who applies for excess Rights Shares the actual number of excess Rights Shares being applied for.

Investors whose Shares are held by a nominee (or which are held in CCASS) should note that the Board will regard the nominee (including HKSCC Nominees Limited) whose name appears on the register of members (the "**Registered Nominee**") as a single Shareholder under the aforesaid arrangement in relation to the allocation of excess Rights Shares. Beneficial owners who hold Shares through a Registered Nominee are advised to consider whether they would like to arrange for the registration of their Shares in their own names prior to the Record Date.

Investors whose Shares are held by a Registered Nominee and who would like to have their names registered on the register of members, must lodge all necessary documents with the Registrar, Tricor Investor Services Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for completion of the relevant registration by 4:30 p.m. on Tuesday, 23 September 2025. The register of members will be closed from Wednesday, 24 September 2025 to Tuesday, 30 September 2025, both dates inclusive.

Qualifying Shareholders (other than PRC Southbound Trading Investors) who wish to apply for excess Rights Shares in addition to their provisional allotment must complete and sign an EAF and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar, Tricor Investor Services Limited on or before the Latest Time for Acceptance.

Certificates of the Rights Shares 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 sent on or before Monday, 27 October 2025, to those entitled thereto by ordinary post, at their own risk, to their registered addresses.

If the Underwriting Agreement is terminated or not becoming unconditional, refund cheques will be despatched on or before Monday, 27 October 2025 by ordinary post, at the respective Shareholders' own risk, to their registered addresses. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Monday, 27 October 2025, by ordinary post to the applicants, at their own risk, to their registered addresses.

No fractional entitlement to the Rights Shares

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

Odd lots arrangements

No odd lot matching services will be provided by the Company in respect of the Rights Issue.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both 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.

Subject to the granting of the listing of, and the 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 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 CCASS and CCASS 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.

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

THE UNDERWRITING AGREEMENT

On 25 July 2025 (after trading hours), the Company and the Underwriter entered into the Underwriting Agreement, pursuant to which the Underwriter has agreed to procure, on a best-effort and non-fully underwritten basis, the subscription for any unsubscribed Rights Shares subject to the terms and conditions set out in the Underwriting Agreement. The principal terms of the Underwriting Agreement are summarized below:

Date:	25 July 2025 (after trading hours of the Stock Exchange)
Underwriter:	SR Wealth Securities Limited, a corporation licensed to carry on Type 1 (Dealing in Securities), Type 2 (Dealing in Futures Contracts), Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities under the SFO.

	To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Underwriter and its ultimate beneficial owner(s) are Independent Third Parties. The Underwriter confirmed that it has complied with Rule 7.19(1) of the Listing Rules.
Number of Rights Shares underwritten by the Underwriter:	Up to 1,825,740,693 Rights Shares (assuming there is no change in the total number of issued Shares from the date of this announcement up to and including the Record Date)
Underwriting Commission:	1% of the aggregate Subscription Price in respect of the Underwritten Shares

The Rights Issue is underwritten by the Underwriter on a best-effort and non-fully underwritten basis pursuant to the terms of the Underwriting Agreement.

Pursuant to the Underwriting Agreement, the Underwriter shall use its best endeavours to ensure that (i) each subscriber of the Untaken Shares procured by it shall be an Independent Third Party, (ii) no subscriber of the Untaken Shares procured by it, together with any party acting in concert with it, will hold 30% (or such percentage which will trigger any MGO Obligation under the Takeovers Code) or more of the voting rights of the Company; and (iii) the Public Float Requirement remains to be fulfilled by the Company upon completion of the Rights Issue.

The terms of the Underwriting Agreement, including the underwriting commission rate, were determined after arm's length negotiation between the Company and the Underwriter with reference to the existing financial condition of the Group, the size of the Rights Issue, the prevailing market rate of commission and the prevailing market condition. The Directors consider the entering into of the Underwriting Agreement with the Underwriter and the terms of the Underwriting Agreement (including the underwriting commission) is fair and reasonable and in the interest of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transactions contemplated under the Underwriting Agreement.

Subject to the fulfilment (or any waiver, as the case may be, by the Underwriter) of all the conditions contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Underwriter shall subscribe or procure the subscription, on a best-effort basis and non-fully underwritten basis, for the Underwritten Shares that are not otherwise taken up.

Conditions of the Underwriting

The conditions of the Underwriting Agreement have been set out in the paragraph headed "Conditions of the Rights Issue" under the section headed "Proposed Rights Issue" above.

Termination of the Underwriting Agreement

If, at any time prior to the Latest Time for Termination there occurs, in the reasonable opinion of the Underwriter:

(a) any of the following which will or is likely to materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudices the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue: (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof); or (ii) the occurrence, happening, coming into effect or becoming public knowledge of (1) any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date thereof) of a political, military, financial, economic or currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not such are of the same nature as any of the foregoing) or of the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market; (2) a suspension or a material limitation in trading in securities generally on the Stock Exchange; (3) a suspension or a material limitation in trading in the Company's securities on the Stock Exchange for more than ten consecutive Business Days (other than pending publication of this announcement or any other document relating to the Rights Issue); (4) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authority or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong; or (5) a change or development involving a prospective change in taxation affecting the Company, the Shares or the transfer thereof; or

(b) any change in the circumstances of the Company or any member of the Group occurs which in the reasonable opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing, the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material asset of the Group; or

(c) any event of force majeure occurs, including without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, military conflict, strike or lock-out which in the reasonable opinion of the Underwriter materially or adversely affects the business or financial or trading position or prospects of the Group as a whole; or

(d) the commencement by any third party of any litigation or claim against any member of the Group after the signing of the Underwriting Agreement which, in the reasonable opinion of the Underwriter, is or might be material to the Group taken as a whole; or

(e) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole occurs, whether or not ejusdem generis with any of the foregoing,

the Underwriter shall be entitled by notice in writing issued by the Underwriter to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

If, at or prior to the Latest Time for Termination:

(a) the Company commits any material breach of or omits to materially observe any of the obligations, undertakings, representations or warranties expressed to be assumed by it under the Underwriting Agreement, where, in the reasonable opinion of the Underwriter, such breach or omission will or is likely to have a material and adverse effect on its business, financial or trading prospects of the Group taken as a whole or is otherwise likely to have a materially prejudicial effect on the Rights Issue; or

(b) the Underwriter shall receive notification pursuant to the Underwriting Agreement of, or shall otherwise become aware of, the fact that any of the representations, warranties or undertakings contained in the Underwriting Agreement was, when given, untrue or inaccurate or incomplete or would be untrue or inaccurate if repeated as provided in the Underwriting Agreement, and the Underwriter shall, in its reasonable discretion, determine that any such untrue representation, warranty or undertaking represents or is likely to represent a material adverse change in the business, financial or trading position or prospects of the Group taken as a whole or is otherwise likely to have a materially prejudicial effect on the Rights Issue; or

(c) the Company's application to the Listing Committee of the Stock Exchange for the permission for the listing of, and permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms) on the Stock Exchange is withdrawn by the Company and/or refused or revoked by the Stock Exchange;

the Underwriter shall be entitled (but not bound) by notice in writing issued by it to the Company to elect to treat such matter or event as releasing and discharging the Underwriter from its obligations under the Underwriting Agreement and rescind the Underwriting Agreement. Any such notice shall only be served by the Underwriter prior to the Latest Time for Termination.

Upon the giving of notice referred to above, all obligations of the Underwriter thereunder shall cease and determine and no party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement, but without prejudice to any rights of any party in respect of any breach by the other prior to such rescission or termination.

If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed. Further announcement(s) will be made if the Underwriting Agreement is terminated by the Underwriter.

Undertakings

The Company has not received, as at the date of this announcement, any information or 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.

CHANGES IN SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 1,825,740,693 Shares in issue.

The following tables set out the possible changes in the shareholding structure of the Company arising from the Rights Issue, for illustrative purpose only.

	As at the date of this announcement		**Assuming full acceptance by the Qualifying Shareholders**		**Assuming no acceptance by the Qualifying Shareholders and all Untaken Shares are taken by the Underwriter or subscribers procured by the Underwriter**	
	No. of Shares	*Approximate shareholding percentage (%)*	*No. of Shares*	*Approximate shareholding percentage (%)*	*No. of Shares*	*Approximate shareholding percentage (%)*
Substantial Shareholders						
Lam Pauline (Note 1)	273,280,200	14.97	546,560,400	14.97	273,280,200	7.48
Zhang Tingting (Note 2)	253,575,000	13.89	507,150,000	13.89	253,575,000	6.94
Public Shareholders	1,298,885,493	71.14	2,597,770,986	71.14	1,298,885,493	35.57
Underwriter and/or subscribers procured by it	—	—	—	—	1,825,740,693	50.00
Total	1,825,740,693	100	3,651,481,386	100	3,651,481,386	100

Notes:

(1) Wealth Millennium Limited, the entire issued share capital of which is held by Ms. Pauline Lam, is interested in 211,312,440 Shares. Together with 61,967,760 Shares beneficially owned by Ms. Pauline Lam, Ms. Pauline Lam is deemed to be interested in a total of 273,280,200 Shares, representing approximately 14.97% of the total number of issued shares of the Company as at the date of this announcement.

(2) Resplendence Investment Development Limited, the entire issued share capital of which is held by Ms. Zhang Tingting, is interested in 253,575,000 Shares, representing approximately 13.89% of the total number of issued shares of the Company as at the date of this announcement.

(3) Any discrepancies in the above table between totals and sums of figures are due to roundings.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment holding company. The principal activities of the Group are (i) development and operation of the integrated leisure and entertainment resort (the "**Resort Business**"); (ii) operation of gaming and entertainment facilities (the "**Gaming Business**"); and (iii) property development.

The Group operates an integrated leisure and entertainment resort, Jeju Shinhwa World which offers a wide range of facilities including hotels, theme parks and water park attractions, international catering, retail and gaming entertainment in Jeju, Korea. In recent years, the Group has faced increasing challenges in sustaining its operations due to unfavourable macroeconomic conditions combined with rising operating and financing costs, as well as shifts in customer spending behaviour. As a result, the profitability of the Group's operations has been significantly affected. In response to these ongoing difficulties, the Company has been making continuous efforts to secure new sources of capital and financing opportunities to meet its financial obligations and support its operational needs.

Having considered the financial position and performance of the Group in recent years, particularly, the ongoing net loss, the substantial cash outflows from operating activities, and the net current liabilities as at 31 December 2024, the Board considers that the Rights Issue represents an opportunity to raise additional funding to strengthen the Group's financial position by relieving the financial burden and provide working capital to the Group to meet the financial obligations, to maintain the operational stability and to enable sustainable development of the Group in a longer term without additional interest burden, while at the same time the Rights Issue will enable all Shareholders to participate in the future development of the Company on equal terms. Since the Rights Issue will allow the Qualifying Shareholders to maintain, increase or decrease their respective pro rata shareholdings in the Company by taking up only their respective rights entitlement, acquiring additional rights entitlement or disposing of their rights entitlements in the open market (subject to availability), the Board considers that it is in the interests of the Company and the Shareholders as a whole to raise capital through the Rights Issue.

Assuming full acceptance by the Qualifying Shareholders, the estimated net proceeds from the Rights Issue will be approximately HK$178.75 million of which

(i) approximately HK$100.00 million, is intended for repayment of a loan of HK$50.00 million due and payable in November 2025 and a bond of HK$50.00 million due and payable in April 2026;

(ii) approximately HK$45.00 million is intended for payment of interest expenses for the six months period ending 30 April 2026;

(iii) approximately HK$20.00 million is intended for (a) maintenance of the existing aging infrastructure in Jeju Shinhwa World to safeguard the safety standards, functionality and assets value, including but not limited to capital expenditures in certain mechanical and electrical facilities and structures; and (b) development of new facilities in Jeju Shinhwa World for the purpose of guests experience enhancement, for the nine months period ending 31 July 2026;

(iv) approximately HK$9.00 million is intended for sales and marketing expenses for the Gaming Business and Resort Business, including event-based marketing programs and various advertising campaigns for the nine months period ending 31 July 2026; and

(v) remaining of approximately HK$4.75 million, is intended for general working capital of the Company for the year ending 31 December 2025.

If the Rights Issue is undersubscribed and the size of the Rights Issue is reduced, the net proceeds are expected to be utilised in the above sequential order.

In view of the above, the Board considers that it is in the interests of the Company and the Shareholders as a whole to proceed with the Rights Issue.

FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS

Set out below is the fundraising activities conducted by the Company during the past twelve months immediately prior to the date of this announcement:

Date of announcement	Fund-raising activities	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
27 June 2025	Placing of new shares under general mandate	HK$35.4million	The Company intends to use such net proceeds from the placing in the following manner: (i) approximately HK$13.0 million for payment of bank interest expense; (ii) approximately HK$6.0 million for the upgrade of information system and other operating technologies; (iii)approximately HK$5.0 million for sales and marketing expenses, including promotional events such as gaming tournaments and advertising campaigns; and (iv)the balance of approximately HK$11.4 million will be used for operating expenses, including staff costs, operating supplies and equipment as well as professional fees.	The net proceeds from the placing of Shares under general mandate has yet to be utilized. The proceeds will be utilised as intended and are expected to be fully utilised by end of September 2025.

Save for the above and the Rights Issue, the Company has not engaged in any equity fund raising activities or any rights issue exercise during the past 12 months immediately before the date of this announcement.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below, which is for indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

Event	**Date (Hong Kong time)**
Expected despatch date of the Circular, proxy form and the notice of the SGM	Friday, 22 August 2025
Latest time for lodging transfer of shares to qualify for attendance and voting at the SGM	4:30 p.m. on Tuesday, 9 September 2025
Closure of register of members (both days inclusive)	Wednesday, 10 September 2025 to Tuesday, 16 September 2025
Latest time for lodging proxy forms for the SGM	3:00 p.m. on Sunday, 14 September 2025
Record date for attendance and voting at the SGM	Tuesday, 16 September 2025
Expected time and date of the SGM to approve the Rights Issue	2:30 p.m. on Tuesday, 16 September 2025
Announcement of the poll results of the SGM	Tuesday, 16 September 2025
Register of members re-opens	Wednesday, 17 September 2025
Last day of dealings in the Shares on cum-rights basis relating to the Rights Issue	Friday, 19 September 2025
First day of dealings in the Shares on ex-rights basis relating to the Rights Issue	Monday, 22 September 2025

Latest time for the Shareholders to lodge transfer of Shares in order to qualify for the Rights Issue ..... 4:30 p.m. on Tuesday, 23 September 2025

Closure of register of members for the Rights Issue (both days inclusive) . Wednesday, 24 September 2025 to Tuesday, 30 September 2025

Record date for the Rights Issue ..... Tuesday, 30 September 2025

Register of members of the Company re-opens ..... Thursday, 2 October 2025

Despatch of Prospectus, PAL and EAF ..... Thursday, 2 October 2025

First day of dealings in nil-paid Rights Shares ..... Monday, 6 October 2025

Latest time for splitting the PALs ..... 4:00 p.m. on Thursday, 9 October 2025

Last day of dealing in nil-paid Rights Shares ..... Tuesday, 14 October 2025

Latest time for acceptance of and payment for the Rights Shares and application of excess Rights Shares ..... 4:00 p.m. on Friday, 17 October 2025

Latest time for terminating the Underwriting Agreement and for the Rights Issue to become unconditional ..... 5:00 p.m. on Monday, 20 October 2025

Announcement of results of the Rights Issue ..... Friday, 24 October 2025

Despatch of share certificates for fully-paid Rights Shares and refund cheques in relation to wholly or partially unsuccessful applications for excess Rights Shares ..... Monday, 27 October 2025

Commencement of dealings in fully-paid Rights Shares ..... Tuesday, 28 October 2025

Note:

(1) Shareholders should note that the dates and deadlines specified in the above timetable and in other parts of this announcement are indicative only and subject to change. Further announcement(s) will be made if there is any change to the expected timetable.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE

The Latest Time for Acceptance 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 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 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 does not take place on the currently scheduled date, the dates mentioned in the section headed "Expected Timetable" in this announcement may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the excepted timetable as soon as practicable.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Board is pleased to announce that Jun Hui International Finance Limited, a licensed corporation permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Rights Issue. Such appointment has been approved by the Independent Board Committee pursuant to relevant Listing Rules. The letter of advice of the Independent Financial Adviser to the Independent Board Committee in respect of the Rights Issue will be included in the Circular to be despatched to the Shareholders.

LISTING RULES IMPLICATIONS

As the Rights Issue will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to the approval of the Independent Shareholders at the SGM by way of poll, in accordance with Rule 7.19A of the Listing Rules. Pursuant to Rule 7.27A(1) of the Listing Rules, where minority shareholders' approval is required for a rights issue under Rule 7.19A of the Listing Rules, the rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates shall abstain from voting the ordinary resolution to approve the Rights Issue at the SGM.

As at the date of this announcement, the Company has no controlling shareholders and no Directors or chief executive of the Company, and their respective associates are interested in any Shares. Accordingly, no Shareholder is required to abstain from voting in favour of the relevant resolution(s) of the Rights Issue at the SGM.

GENERAL

The Independent Board Committee comprising the independent non-executive Directors has been established to advise the Independent Shareholders (i) as to whether the terms of the Rights Issue are fair and reasonable and in the interest of the Shareholders as a whole; and (ii) how to vote, taking into account the recommendations of the Independent Financial Adviser.

A Circular containing, among other things, (i) further details of the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (iv) a notice convening the SGM, is expected to be despatched to the Shareholders on or before Friday, 22 August 2025.

Subject to the fulfillment of certain conditions of the Rights Issue including the approval of the Independent Shareholders at the SGM, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Excluded Shareholders for their information only but the Company will not send the PAL and EAF to the Excluded Shareholders.

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

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the paragraph headed "Termination of the Underwriting Agreement" under the section headed "The Underwriting Agreement" above). Accordingly, the proposed Rights Issue may or may not proceed.

The Shares are expected to be dealt in on an ex-rights basis from Monday, 22 September 2025. Dealings in the Rights Shares in nil-paid form are expected to take place from Monday, 6 October 2025 to Tuesday, 14 October 2025 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any party who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the proposed Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the proposed Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

"acting in concert"	has the meaning ascribed thereto under the Takeovers Code
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	for the purpose of the Underwriting Agreement, any day (other than a Saturday, Sunday or public holiday or a day on which a typhoon signal no.8 or above or black rainstorm signal is hoisted or the "extreme conditions" is announced in Hong Kong between 9: 00 a.m. and 5: 00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours; and for all other purposes, a day on which the Stock Exchange is open for transaction of business
"Bye-Laws"	the bye-laws of the Company as amended from time to time
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Circular"	the circular to be despatched to the Shareholders by the Company, relating to, among other things, the Rights Issue
"China Clear"	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
"Company"	Shin Hwa World Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 00582)
"Companies Act"	the Companies Act 1981 of Bermuda (as amended and supplemented from time to time)

"connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed thereto under the Listing Rules
"core connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"CSRC"	China Securities Regulatory Commission
"Despatch Date"	Thursday, 2 October 2025 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus to the Excluded Shareholders, as the case may be
"Director(s)"	the director(s) of the Company
"EAF(s)"	the form(s) of application for use by the Qualifying Shareholders (other than PRC Southbound Trading Investors) who wish to apply for the excess Rights Shares
"Excluded Shareholder(s)"	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue 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
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Independent Board Committee"	the independent committee of the Board, comprising Mr. Li Chun Kei, Mr. Shek Lai Him Abraham and Mr. Du Peng, being all of the independent non-executive Directors, which has been established to give recommendation to the Independent Shareholders in respect of the Rights Issue
"Independent Financial Adviser"	Jun Hui International Finance Limited, a licensed corporation permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being an independent financial adviser appointed by the Company with the approval of the Independent Board Committee for the purpose of advising the Independent Board Committee and the Independent Shareholders on the terms of the Rights Issue
"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)"	third party(ies) who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, are independent of and not acting in concert or connected with the Company and its connected persons or any of their respective associates
"Last Trading Day"	Friday, 25 July 2025, being the last trading day of the Shares on the Stock Exchange immediately prior to the publication of this announcement
"Latest Time for Acceptance"	4:00 p.m. on Friday, 17 October 2025 or such other time and date as may be agreed between the Company and the Underwriter, being the latest time for application for, and payment for, acceptance and payment in respect of provisional allotments under the Rights Issue and for application and payment for excess Rights Shares as described in the Prospectus

"Latest Time for Termination"	5:00 p.m. on Monday, 20 October 2025 being the first Business Day after the Latest Time for Acceptance or such later time or date as may be agreed between the Company and the Underwriter, being the latest time to terminate the Underwriting Agreement
"Listing Committee"	has the same meaning ascribed to it under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"MGO Obligation"	the obligation to make a mandatory general offer under the Takeovers Code
"Overseas Shareholder(s)"	Shareholder(s) whose address(es) on the register of members of the Company on the Record Date are outside Hong Kong
"PAL(s)"	the provisional allotment letter(s) for the Rights Issue
"PRC"	the People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Prospectus"	the prospectus to be despatched to the Qualifying Shareholders (and the Excluded Shareholder(s) for information only) on the Despatch Date in connection with the Rights Issue
"Prospectus Documents"	the Prospectus, the PAL(s) and the EAF(s)
"PRC Southbound Trading Investor(s)"	the PRC investor(s) who hold Shares through China Clear as nominee under the Shenzhen-Hong Kong Stock Connect and the Shanghai-Hong Kong Stock Connect
"Public Float Requirement"	the public float requirement under Rule 8.08 of the Listing Rules
"Qualifying Shareholders"	Shareholder(s), whose names appear on the register of members of the Company as at the Record Date, other than the Excluded Shareholder(s)

"Record Date"	Tuesday, 30 September 2025, being the record date to determine entitlements to the Rights Issue
"Registrar"	Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong
"Rights Issue"	the proposed issue of 1,825,740,693 Rights Issue at the Subscription Price on the basis of one (1) Right Shares for every one (1) Share held at the close of business on the Record Date payable in full on acceptance
"Rights Share(s)"	the new Share(s) to be allotted and issued under the Rights Issue
"Scale-Down EAF Shares"	such number of Rights Shares applied for as excess application under the EAF(s) which would, if allotted by the Company, result in the incurring of an MGO Obligation on the part of the applicant
"Scale-Down PAL Shares"	such number of Rights Shares applied for under the PAL(s) which would, if allotted by the Company, result in the incurring of an MGO Obligation on the part of the applicant
"Scaling-down"	the scale-down mechanisms of the Rights Issue as determined by the Company to which any application for the Rights Shares, whether under the PALs or EAFs, or transferees of nil-paid Rights Shares shall be subject to, to ensure that no application for the Rights Shares or the allotment thereof by the Company shall be at such level which may trigger any MGO Obligation
"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 and supplemented from time to time)

"SGM"	the special general meeting of the Company to be convened and held at 2:30 p.m. on Tuesday, 16 September 2025, in which resolutions will be proposed to consider, and, if thought fit, to approve the Rights Issue
"Shanghai-Hong Kong Stock Connect"	the securities trading and clearing links programme developed by Hong Kong Exchanges and Clearing Limited, Shanghai Stock Exchange and China Clear
"Share(s)"	the ordinary share(s) of par value of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen-Hong Kong Stock Connect"	the securities trading and clearing links programme developed by Hong Kong Exchanges and Clearing Limited, Shenzhen Stock Exchange and China Clear
"Stock Exchange"	the Stock Exchange of Hong Kong Limited
"Subscription Price"	the subscription price of HK$0.1 per Rights Share
"substantial shareholder(s)"	has the meaning as ascribed to this term under the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers (as amended and supplemented from time to time)
"Underwriter"	SR Wealth Securities Limited, a company incorporated in Hong Kong with limited liability and a corporation licensed to carry on Type 1 (Dealing in Securities), Type 2 (Dealing in Futures Contracts), Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities under the SFO
"Underwriting Agreement"	the underwriting agreement dated 25 July 2025 and entered into between the Company and the Underwriter in relation to the Rights Issue
"Underwritten Shares"	up to 1,825,740,693 of Rights Shares to be underwritten by the Underwriter

"Untaken Shares"	such number of Rights Shares (if any) in respect of which duly completed PAL(s) or EAF(s) have not been lodged for acceptance or not fully paid or otherwise rejected on or before the Latest Time for Acceptance, including any Rights Shares to which the Excluded Shareholders would otherwise have been entitled under the Rights Issue if they were to be Qualifying Shareholders, together with the Scale-down PAL Shares and the Scale-down EAF Shares not being applied (whether validly or otherwise) and/or fully paid for under the EAFs
"%"	per cent.

By order of the Board
Shin Hwa World Limited
Chan Mee Sze
Acting Chairperson and Executive Director

Hong Kong, 25 July 2025

As at the date of this announcement, the Board comprises Ms. Chan Mee Sze (Acting Chairperson), Dr. Wong Hoi Po, and Mr. Huang Wei as executive Directors; and Mr. Li Chun Kei, Mr. Shek Lai Him Abraham and Mr. Du Peng as independent non-executive Directors.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.