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COOLPAD GROUP LIMITED

酷派集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

**SUPPLEMENTARY ANNOUNCEMENT
TO THE VOLUNTARY ANNOUNCEMENT
PRELIMINARY INTENTION REGARDING EXPLORATION OF
REAL WORLD ASSET (RWA) TOKENIZATION**

Reference is made to the announcement of Coolpad Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 21 July 2025 (the “**Announcement**”) in relation to the Company’s intention regarding exploration of real world asset (RWA) tokenization. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

This announcement is made to provide Shareholders and potential investors with further details regarding the Company’s latest plans and strategic layout in relation to the exploration of RWA tokenization, as set out below:

RWA TOKENIZATION DEVELOPMENT STRATEGY: A FOUR-PHASE PLAN

The Company is currently in the preliminary stage of exploring RWA. To ensure the sound development of this innovative business, the Company has formulated the following preliminary four-phase strategic plan to systematically evaluate the feasibility, compliance, and commercial potential of RWA:

Phase I: Feasibility Study and Planning (expected to be completed in Q4 2025)

The Company believes that compliance is fundamental to the exploration and successful implementation of RWA, as it involves legal and regulatory requirements across multiple jurisdictions and regulatory areas. Preliminary analysis indicates that the implementation of RWA is highly likely to require approvals or authorizations from regulatory authorities in one or more relevant jurisdictions. Specific requirements will depend on the final legal characterization of the tokens. Since the RWA exploration involves property assets located in Mainland China, the transfer and mortgage of rights to relevant assets may also be subject to laws and regulations governing foreign exchange management, land management, and real estate transactions in Mainland China.

To ensure full compliance, the Company will, in the first phase, engage qualified legal advisors with relevant practicing qualifications to analyze the aforementioned legal issues, comprehensively evaluate RWA's legal framework, ownership arrangements, potential securities attributes, data privacy, and cross-border regulatory requirements, and adopt a prudent approach, while actively maintaining transparent communication with regulatory authorities.

In addition, the Company will appoint a professional advisor to evaluate the potential impact of RWA on financial statements and tax arrangements, and to establish an asset valuation model; at the same time, the Company will form an internal technical team and engage with blockchain technology providers to explore technical solutions tailored to the characteristics of the Company's assets, ensuring their security, scalability, and transaction efficiency.

Phase II: Partner Selection and Framework Design (expected to launch in Q1 2026)

Based on the outcomes of Phase I, the Company will launch the selection process for potential partners, including technology providers, asset custodians, compliant exchanges, and liquidity providers. In collaboration with legal and other professional advisors, the Company will establish the RWA framework, which includes setting up a special purpose vehicle to hold rights to relevant assets, defining the rights and obligations of the tokens, and establishing the profit distribution mechanism.

Phase III: Technology Development and Internal Testing (expected to be conducted in Q2 and Q3 2026)

The Company intends to work with technology partners to develop or deploy a technological platform that supports the issuance, trading, and lifecycle management of RWA, and to develop smart contracts, which will undergo security audits by an independent third party. Subsequently, small-scale simulation testing will be conducted within an internal control environment to validate the feasibility of the overall business process.

Phase IV: Regulatory Communication and Pilot Launch (timeline to be determined)

The Company is currently at a conceptual and exploratory stage with respect to the RWA tokenisation initiative, without a concrete implementation plan or timeline in place. Accordingly, the precise governmental approvals, licences or permits required cannot be delineated at this juncture, as they would be contingent upon the finalised structure and model of the initiative. Upon obtaining clear legal advice from professional advisors and solidifying the technical solution, the Company intends to actively engage with the relevant competent authorities including but not limited to the Securities and Futures Commission of Hong Kong, to seek guidance and secure all necessary approvals on a step-by-step basis. The Company will only consider launching the first pilot project once such approvals have been duly obtained, and will make timely disclosures in compliance with the Listing Rules as material developments arise.

The Company hereby emphasizes that the above timetable is a preliminary plan, and the actual progress will depend on the results of the feasibility study, developments in the regulatory environment, and the progress of collaboration with partners. The Company will continue to comply with relevant laws and regulations and, in the event of significant developments, will make necessary public disclosures in accordance with applicable information disclosure requirements.

FINANCIAL IMPACT AND LISTING RULES IMPLICATIONS

The Company has not yet established any specific transaction structure or pricing model. RWA has not caused any immediate material impact on the Company's financial condition, and the related financial impact cannot be reasonably estimated at this time. Expected costs during Phase I include legal, financial, and technical advisory fees, which will be recorded under administrative expenses. If the project is successfully implemented, potential positive financial impacts may include: enhancing the fair value of assets through market-based pricing, improving asset liquidity, and creating new revenue streams such as asset management services. However, all potential impacts remain uncertain, and the Company will only be able to make a reasonable assessment once the commercial plan is confirmed.

The Board is fully aware that, subject to a concrete and detailed plan, the implementation of RWA tokenization may constitute a notifiable transaction under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). The nature of the transaction will depend on the final transaction structure and the results of the applicable percentage ratio calculations. The Company will strictly comply with all applicable provisions of the Listing Rules, conduct a classification assessment upon finalizing the transaction structure, and adhere to the relevant requirements of the Listing Rules regarding announcements, circulars, and (if applicable) shareholder approvals in a timely manner. The Company will also ensure that all disclosed information is true, accurate and complete in all material respects, and not misleading.

PURPOSE AND IMPLEMENTATION PATHWAY OF RWA TOKENIZATION

As mentioned in the Announcement, the Company is currently exploring the feasibility of tokenizing the rights to two core investment property assets located in Mainland China, Shenzhen Nanshan Coolpad Building and Dongguan Songshan Lake Coolpad Technology Eco-Park, which are leased to third parties under operating leases. As disclosed in the Company's annual report for the year ended 31 December 2024, the rental income from such Properties' operating leases was HK\$89.85 million for the year ended 31 December 2024. As at 31 December 2024, the Group's financial statements reported the book values of the two assets were approximately HK\$1,497 million and HK\$1,655 million, respectively; and the fair value thereof being the same as the book values of the two assets, which are approximately HK\$1,497 million and HK\$1,655 million, respectively.

The Company believes that RWA tokenization is expected to more effectively release the value of its assets through a market-driven pricing mechanism. Traditionally, real estate valuation relies on independent appraisal reports conducted at relatively low frequencies, leading to lagged price updates. Following RWA tokenization, however, tokens can be priced by a broader base of market participants on compliant secondary markets in real-time. This not only enables valuations of assets to reflect their fair value more timely and objectively but is also expected to drive valuations closer to true market levels by stimulating market demand.

Specifically, RWA tokenization allows high-value, single real estate projects to be fractionalized into small token units, significantly lowering investment thresholds and attracting more small- and medium-sized investors, thereby expanding the potential investor base.

In addition, the issuance, transfer, and recording of rights of tokens based on blockchain technology are immutable and traceable by nature, which is expected to enhance transparency of asset ownership, effectively reduce information asymmetry, and strengthen investor confidence.

MANAGEMENT EXPERTISE AND IMPLEMENTATION FOUNDATION

The Company has established an RWA Division led directly by Mr. Chen Jiajun (“**Mr. Chen**”), the Chairman and Chief Executive Officer of the Board. Mr. Chen possesses extensive industry resources and experience in the real estate sector, providing a solid foundation and strategic direction for the asset side of RWA-related projects. At the same time, the Company fully recognizes that RWA tokenization is an emerging interdisciplinary field integrating financial technology, legal frameworks, and real estate. To meet the cross-disciplinary expertise required for RWA tokenization, in addition to the strategic oversight of our internal management team, the Company plans to adopt a strategy of “combining internal resources with external expertise under the guidance of experts”. The Company intends to engage external experts with proven track records in blockchain, digital finance, and compliance, and to establish strategic partnerships with industry-leading institutions to address the gaps in our experience in specific technical areas.

Although the Company currently does not possess a complete RWA technology infrastructure, its strategy is not to build all systems independently from scratch. Instead, the Company will cooperate with competent partners to jointly develop or leverage their existing infrastructure, including but not limited to token issuance platforms, smart contract deployment tools, digital asset custody solutions, and interfaces with compliant trading platforms. The Board believes that through collaboration with professional institutions, the Company will be able to establish a secure, compliant, and robust RWA infrastructure with greater efficiency and at a lower cost.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

To the extent any statements made in the Announcement and herein contain information that is not historical, these statements are essentially forward-looking. These forward-looking statements include but are not limited to projections, targets, estimates and business plans that the Company expects or anticipates may or may not occur in the future. Words such as “potential”, “estimates”, “expects”, “anticipates”, “objective”, “intends”, “plans”, “believes”, “will”, “may”, “should”, variations of these words and similar expressions are intended to identify forward-looking statements.

These forward-looking statements are subject to known and unknown risks and uncertainties that may be general or specific. Readers should be cautioned that a variety of factors, many of which are beyond the Company’s control, affect the performance, operations and results of the Company, and could cause actual results to differ materially from the expectations expressed in any of the Company’s forward-looking statements. These factors include, but are not limited to, changes in legal, financial and regulatory frameworks, international economic and financial market conditions and other risks and factors beyond our control. The forward-looking statements herein do not constitute a material commitment by the Company to investors, and investors and related persons should maintain an adequate understanding of the risks and should understand the differences between commitments and forward-looking statements such as plans and forecasts. These and other factors should be considered carefully; readers should not place undue reliance on the Company’s forward-looking statements, and should pay attention to investment risks. In addition, the Company undertakes no obligation to publicly update or revise any forward-looking statement that is contained in the Announcement and herein as a result of new information, future events or otherwise. Neither the Company nor any of its employees or affiliates is responsible for, or is making, any representations concerning the future performance of the Company.

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

By order of the Board
Coolpad Group Limited
Chen Jiajun
Executive Director
Chief Executive Officer
Chairman

Hong Kong, 14 August 2025

As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. Chen Jiajun, Mr. Ma Fei and Ms. Liu Juan; (ii) two non-executive Directors, namely Mr. Liang Rui and Mr. Xu Yibo; and (iii) three independent non-executive Directors, namely Mr. Guo Jinghui, Ms. Wang Guan and Mr. Cheuk Ho Kan.