
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Coolpad Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

**POSSIBLE MAJOR TRANSACTION
MANDATE FOR DISPOSAL(S) OF LISTED SECURITIES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

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

A notice convening the extraordinary general meeting (“EGM”) of the Company to be held at 20th Floor, Block C, Coolpad Building, No. 8 of Gaoxin North 1st Road, North of Hi-tech Park, Nanshan District, Shenzhen, the People’s Republic of China on Friday, 26 September 2025 at 3:00 p.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use by the Shareholders at the EGM (and at any adjournment thereof) is also enclosed.

Whether or not you intend to attend and vote at the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish.

22 August 2025

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 22 May 2025
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CLSK”	CleanSpark, Inc., a company incorporated in the State of Nevada, the United States, with its common stock listed on NASDAQ (stock symbol: CLSK)
“CLSK Share(s)”	common stock with par value of US\$0.001 per share of CLSK listed on NASDAQ
“Company”	Coolpad Group Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2369)
“Digital Tech”	Digital Tech Inc., a company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Disposal Mandate”	the general and conditional mandate to be granted by the Shareholders to the Company at the EGM to dispose of up to 1,625,000 CLSK Shares during the Mandate Period
“EGM”	the extraordinary general meeting of the Company to be held and convened to consider, among others, the Disposal Mandate and the Possible Disposal(s) contemplated thereunder
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“independent third party(ies)”	an individual or a company who or which is independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive or substantial shareholders of the Company, its subsidiaries or any of their respective associates
“Latest Practicable Date”	18 August 2025, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mandate Period”	the 3-month period from the date of passing of the relevant resolution(s) approving the Disposal Mandate and the Possible Disposal(s) at the EGM
“Minimum Selling Price”	US\$14.50 (equivalent to approximately HK\$113.54) per CLSK Share
“NASDAQ”	National Association of Securities Dealers Automated Quotations capital market
“Possible Disposal(s)”	the proposed on-market disposal(s) of up to 1,625,000 CLSK Shares by the Group under the Disposal Mandate
“Previous Disposal”	has the meaning ascribed to it in the section headed “The Possible Disposal(s) and the Disposal Mandate” in this circular
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	Consolidated share(s) of HK\$0.4 each in the share capital of the Company, of which the share consolidation was approved by Shareholders by way of an ordinary resolution at the annual general meeting on 6 June 2025 and became effective on 10 June 2025
“Shareholder(s)”	holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States Dollars, the lawful currency of the United States of America

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“%” per cent.

For the purpose of this circular, unless otherwise specified, conversion of US\$ into HK\$ is based on the approximate exchange rate of US\$1.00 = HK\$7.83. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in US\$ and HK\$ have been, could have been or may be converted at such rate or any other exchange rate.

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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)

Executive Directors:

Mr. Chen Jiajun (*Chairman and Chief Executive Officer*)

Mr. Ma Fei

Ms. Liu Juan

Non-executive Directors:

Mr. Liang Rui

Mr. Xu Yibo

Independent Non-executive Directors:

Mr. Cheuk Ho Kan

Ms. Wang Guan

Mr. Guo Jinghui

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place
of business in the PRC:*

Coolpad Information Harbor

No. 8 of Gaoxin North 1st Road

Hi-Tech Industry Park (Northern)

Nanshan District

Shenzhen

*Principal place of business
in Hong Kong:*

Room 1506, 15/F.

Wing On Centre

111 Connaught Road Central

Hong Kong

22 August 2025

To the Shareholders

Dear Sir/Madam,

**POSSIBLE MAJOR TRANSACTION
MANDATE FOR DISPOSAL(S) OF LISTED SECURITIES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

Reference is made to the Announcement in relation to, among others, the Disposal Mandate and the Possible Disposal(s).

The purpose of this circular is to provide you with, among other things, (i) further information regarding the Disposal Mandate and the Possible Disposal(s); (ii) other information required under the Listing Rules; and (iii) a notice convening the EGM.

PREVIOUS ACQUISITIONS AND DISPOSAL OF CLSK SHARES

As disclosed in the announcement of the Company dated 9 May 2024, Digital Tech, a direct wholly-owned subsidiary of the Company, acquired an aggregate of 1,500,010 CLSK Shares during the period from 16 April 2024 to 8 May 2024 at an aggregate consideration of approximately US\$23.84 million (equivalent to approximately HK\$186.43 million) (excluding stamp duty and related expenses), representing approximately US\$15.89 (equivalent to approximately HK\$124.26) per CLSK Share (the “**Initial Acquisitions**”). On 8 May 2024 (Eastern Standard Time), Digital Tech disposed of 10 CLSK Shares in a non-recurring assessment of its electronic trading system at an aggregate consideration of approximately US\$163 (equivalent to approximately HK\$1,276) (excluding stamp duty and related expenses), representing approximately US\$16.3 (equivalent to approximately HK\$127.6) per CLSK Share (the “**Previous Disposal**”). Subsequently, Digital Tech has further acquired a total of 125,000 CLSK Shares on 31 July 2024 at an aggregate consideration of approximately US\$2.06 million (equivalent to approximately HK\$16.13 million) (excluding stamp duty and related expenses), representing approximately US\$16.46 (equivalent to approximately HK\$128.88) per CLSK Share (collectively with the Initial Acquisitions, the “**Previous Acquisitions**”).

The Previous Acquisitions were proposed by the management of the Group and evaluated by the Board for the reasons set out in the announcement of the Company dated 9 May 2024. Having considered the atmosphere, market trend and outlook for blockchain technology and crypto assets, the Board is of the view that investment in listed securities in the crypto assets sector is an opportunity for the Company to expand its digital currencies business. As such, taking into account the principal activities, future prospect and development potential of CLSK, the Board was of the view that the Previous Acquisitions were opportunities for the Group to acquire attractive investment, which will enhance investment return and allow the Group to expand its digital currencies business.

As the Previous Acquisitions and Previous Disposal were made through the open market, the Company was not aware of the identities of the seller(s) and buyer(s) of such CLSK Shares.

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the aggregated amount of the Previous Acquisitions exceeds 5% but is below 25%, the Previous Acquisitions, on an aggregated basis, constitute a discloseable transaction for the Company pursuant to Chapter 14 of the Listing Rules and is therefore subject to reporting and announcement requirement but exempt from the shareholders’ approval requirement under the

LETTER FROM THE BOARD

Listing Rules. The Company has complied with the Listing Rules requirement by publishing an announcement on 9 May 2024.

As all the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Previous Disposal were below 5% for the Company, the Previous Disposal did not constitute a notifiable transaction for the Company, and was therefore not subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE POSSIBLE DISPOSAL(S) AND THE DISPOSAL MANDATE

As at the Latest Practicable Date, Digital Tech held 1,625,000 CLSK Shares, representing approximately 0.6% of the total number of outstanding shares of CLSK. The Group intends to further dispose of up to its current holding of CLSK Shares based on the prevailing market conditions and the actual consideration for the Possible Disposal(s) will be the market price of the CLSK Share at the respective date(s) of disposal.

Given the volatility of the stock market, disposing of shares at the best possible price requires prompt disposal actions at the right timing and it would not be practicable to seek prior Shareholders' approval for each disposal of CLSK Shares. In order to allow flexibility in effecting future disposal(s) of CLSK Shares at appropriate time(s) and price(s) so as to maximise the returns to the Group, the Company proposes to seek approval for the Disposal Mandate from the Shareholders at the EGM in advance to allow the Directors to dispose of its current holding of CLSK Shares at the Latest Practicable Date, during the Mandate Period.

As disclosed in the section headed "4. Manner of Possible Disposal(s)" below, the Possible Disposal may be conducted in the open market on NASDAQ to independent third parties through the trading system of NASDAQ to dispose of the CLSK Shares to third party purchaser(s), who and whose ultimate beneficial owner(s) are independent third parties. As at the Latest Practicable Date, no potential purchaser for the CLSK Shares had been identified.

As at the Latest Practicable Date, the Company intended to sell the CLSK Shares in the open market as it provides more flexibility to the Company. The Company currently does not have specific plans to conduct the Possible Disposal(s) by way of private placement as the placing price of the CLSK Shares would have to be set at a deeper discount to the then prevailing market price, so as to attract potential investors. In addition, private placement may incur an additional transaction cost (i.e. placing commission and other related fees), which would potentially further diminish the investment return from the disposal of CLSK Shares.

The Disposal Mandate shall be conditional upon the approval by the Shareholders at the EGM. In the event that the Company adopts other manner of disposal(s) not covered by the Disposal Mandate, the Company will make further announcement, comply with the relevant Listing Rules requirement and (where applicable) seek Shareholders' approval in accordance with the Listing Rules.

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Details of the Disposal Mandate

1. *Mandate Period*

The Disposal Mandate is for the Mandate Period, i.e. a period of 3 months from the date of passing of the relevant ordinary resolution at the EGM, which provides sufficient time and flexibility for the Possible Disposals.

2. *Maximum number of CLSK Shares to be disposed*

The Disposal Mandate shall authorise and empower the Board to sell up to 1,625,000 CLSK Shares held by the Group, representing approximately 0.6% of the total number of outstanding shares of CLSK as at the Latest Practicable Date.

3. *Scope of Authority*

The Director(s) shall be authorised and empowered to determine, decide, execute and implement with full discretion all matters relating to the Possible Disposal(s), including but not limited to (i) the number of batches of Possible Disposal(s), (ii) the number of CLSK Shares to be sold in each Possible Disposal, and (iii) the timing of each Possible Disposal.

4. *Manner of Possible Disposal(s)*

The Possible Disposal may be conducted in the open market on NASDAQ to independent third parties through the trading system of NASDAQ to dispose of the CLSK Shares to third party purchaser(s), who and whose ultimate beneficial owner(s) are independent third parties. As at the Latest Practicable Date, no potential purchaser for the CLSK Shares has been identified.

The Possible Disposal and any further Possible Disposal(s) will only be effected if:

- (i) the selling price of each CLSK Share shall be based on the prevailing market price of CLSK Shares at the time of making the Possible Disposal(s), provided that the selling price of each CLSK Share under the Possible Disposal shall not be less than the higher of (i) the Minimum Selling Price of US\$14.50 (equivalent to approximately HK\$113.54) and (ii) the average market price of CLSK Shares for the three months immediately preceding the relevant trading date; and
- (ii) all of the applicable percentage ratios under the Listing Rules for the Possible Disposal(s) are below 75%.

5. *Compliance*

The Possible Disposal(s) shall comply with relevant applicable laws and regulations, including any applicable trading regulations in New York. During the Mandate Period, the Group will make announcements of the Possible Disposal (s) that take place on each trading day on a

LETTER FROM THE BOARD

daily basis (irrespective of the size of the transactions involved) , in accordance with the requirements for a discloseable transaction under the Listing Rules. The Group will also report on the progress of the Possible Disposal(s) in the relevant interim report as well as the annual report of the Company in compliance with the Listing Rules.

The Company will re-comply with the Listing Rules requirements and seek another shareholders' approval for the Possible Disposals in the event that the Possible Disposals cannot be completed within the Disposal Mandate.

6. *The Minimum Selling Price*

The Minimum Selling Price of US\$14.50 (equivalent to approximately HK\$113.54) per CLSK Share represents:

- (a) a premium of approximately 48.72% to the closing price of US\$9.75 (equivalent to approximately HK\$76.34) per CLSK Share as quoted on NASDAQ as at the trading day immediately before the Latest Practicable Date;
- (b) a premium of approximately 46.58% to the closing price of US\$9.892 (equivalent to approximately HK\$77.45) per CLSK Share as quoted on NASDAQ for the last five (5) consecutive trading days up to and including the trading day immediately before the Latest Practicable Date; and
- (c) a premium of approximately 46.91% to the closing price of US\$9.87 (equivalent to approximately HK\$77.28) per CLSK Share as quoted on NASDAQ as at the date of the Announcement.

The Minimum Selling Price was determined with reference to (i) the volatile market performance of the CLSK Shares as quoted on NASDAQ for the past 12 months prior to the Latest Practicable Date which ranged from US\$6.45 to US\$17.97 per CLSK Share; (ii) the original average acquisition cost of US\$15.93 per CLSK Share; and (iii) the prevailing market conditions and the uncertainty of global economy, including continuing or worsening inflationary issues and associated changes in monetary policy and potential economic recession, and geopolitical events such as the Russia-Ukraine conflict, and the subsequent imposition of sanctions as a result of the Russia-Ukraine conflict, and the Israeli-Palestinian conflict, could adversely affect CLSK's business, financial condition and results of operations. As the Minimum Selling Price will apply to all disposals carried out under the Disposal Mandate, including those that do not constitute major transactions, the Directors consider that setting the Minimum Selling Price at a level that accommodates a broader range of transaction sizes provides the Company with greater flexibility to respond to market conditions while safeguarding Shareholders' interests. It is emphasised that the Minimum Selling Price does not represent the final price of every CLSK Share to be disposed under the Disposal Mandate. The Directors consider that the Minimum Selling Price reflect the lowest acceptable price to the Company to dispose of the CLSK Shares, and is thus fair and reasonable as far as the Company and the Shareholders are concerned.

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The Minimum Selling Price has been established as a fair and reasonable in light of CLSK's recent share price performance and the current market environment. Following the trading date falling 12 months before the Latest Practicable Date and up to the Latest Practicable Date, the CLSK Shares were traded between US\$6.45 and US\$17.97, with an average price of US\$12.21 and is lower than the Minimum Selling Price. This Minimum Selling Price reflects a prudent response to the current economic uncertainty, including rising inflation and potential interest rate changes. The Minimum Selling Price is set to safeguard the Shareholders' interests, and prevent the Company from disposal of CLSK Shares at value below the Minimum Selling Price.

INFORMATION ON CLSK

According to publicly available information, CLSK is a bitcoin mining company incorporated in the State of Nevada, the United States. Its common stock is listed on the NASDAQ. CLSK independently owns and operates a large portfolio of data centers across the United States with locations in Georgia, Tennessee, Mississippi and Wyoming. As of 31 October 2024, CLSK has 676 megawatts of developed capacity and has 50 megawatts of hosted machines in New York, which supports approximately 31.5 exahash per second of bitcoin mining computational power.

Set out below is the financial information of CLSK as extracted from the annual report on Form 10-K for the fiscal year ended 30 September 2024 and the quarterly report on Form 10-Q for the quarterly period ended 31 December 2024 filed by CLSK with the U.S. Securities and Exchange Commission:

	For the year ended 30 September 2023 (audited)		For the year ended 30 September 2024 (audited)		For the three months ended 31 December 2024 (unaudited)	
	US\$'000	HK\$'000	US\$'000	HK\$'000	US\$'000	HK\$'000
Revenue	168,408	1,318,635	378,968	2,967,319	162,306	1,270,856
Income/(loss) before income tax	(131,303)	(1,028,102)	(142,433)	(1,115,250)	256,008	2,004,543
Net income/(loss)	(138,148)	(1,081,699)	(145,777)	(1,141,434)	246,791	1,932,374

Based on the abovementioned CLSK's published documents, it had an unaudited consolidated net asset value of approximately US\$2,021.586 million (equivalent to approximately HK\$15,829.018 million) as at 31 December 2024, an audited consolidated net asset value of approximately US\$1,760.841 million (equivalent to approximately HK\$13,787.385 million) as at 30 September 2024 and US\$675.668 million (equivalent to approximately HK\$5,290.480 million) as at 30 September 2023, respectively.

LETTER FROM THE BOARD

INFORMATION OF THE GROUP AND DIGITAL TECH

The Group is principally engaged in the production and sale of mobile phones and accessories, the provision of wireless application services and leases of properties. The Group actively pursues opportunities in Web 3.0 digital currency business.

Digital Tech is an investment holding company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of the Company.

INTERNAL CONTROL MEASURES

As disclosed in the section headed “Information on the Group and Digital Tech” in this circular and the annual report of the Company for the year ended 31 December 2024, the Group is not principally engaged in securities dealings. As stated in the announcement of the Group dated 9 May 2024, the Group actively seeks opportunities to enter into the digital currency sector. Accordingly, it has adopted an investment plan, under which the Group may acquire up to US\$28 million (equivalent to approximately HK\$219 million) of listed securities listed in the United States in relation to the crypto assets sector in open market transactions (the “**Investment Plan**”). The investment amount was determined with reference to proceeds from the Group’s previous investments, which the Board considers appropriate to redeploy in line with the Group’s strategic direction.

The Board considers that the Investment Plan forms a strategic and measured approach to the Group’s entry into the digital currency sector. While the Investment Plan does not involve direct participation in digital currency operations, it enables the Group to gain exposure to listed companies that are actively engaged in or closely aligned with the digital currency and Web 3.0 ecosystem. Through these investments, the Group is able to deepen its understanding of the sector, monitor technological and regulatory developments, and evaluate business models and operational practices relevant to digital assets. This knowledge base is expected to inform and support the Group’s longer-term strategic planning and investment decisions in the digital currency space.

The Group continues to observe developments in the digital currency and Web 3.0 sectors and will consider further investments, including potential acquisitions or strategic partnerships, as and when appropriate. The Possible Disposals will enhance the Group’s financial flexibility and liquidity, which will in turn support the formulation and execution of its business plan in the cryptocurrency sector, should suitable opportunities arise.

The Group has made certain investments in accordance with the Investment Plan using internal resources. These investments do not form part of the Group’s principal business. The Group has not engaged in any securities trading or asset management activities regulated by the Securities and Futures Commission on behalf of third parties, nor has it raised or managed funds from external investors. These investments were made as long-only equity positions, with no involvement in short selling or investment in debt securities. Except for the Previous Disposal as disclosed above, which was conducted solely on a non-recurring assessment of the Company’s

LETTER FROM THE BOARD

electronic trading system and should not be taken as indicative of the Group's investment framework, the intended investment horizon was mid- to long-term, which is subject to the performance of the investee companies and/or the status of the potential cooperation. The Group's strategy was focused on long-term value creation rather than short-term trading gains or dividend income.

The Company acknowledges that investments in financial products carry risks with no guaranteed returns and potential losses. Notwithstanding that, as disclosed above, such investments are strategically positioned to potentially enhance shareholders' value through diversification, alignment with strategic interests in areas like Web3.0 and artificial intelligence ("AI"), and opportunities for capital appreciation or synergies that support long-term growth. In addition, along with the internal control measures, the Board will monitor risks and performance to pursue sustainable benefits for shareholders.

Regarding alternatives to these investments, the Board has also evaluated various capital allocation options, such as dividend distributions or share repurchases. While such alternatives remain viable consideration and could be pursued in appropriate circumstances to directly benefit shareholders, the Board believes that deploying capital into targeted investments aligns more effectively with the Company's strategic objectives. This approach is intended to pursue opportunities for enhanced growth, innovation and competitiveness, particularly in areas complementary to the Company's evolving focus on Web3.0 and related technologies, potentially yielding greater long-term value compared to immediate cash returns. Factors influencing this decision include the Company's financial position, prevailing market conditions, regulatory environments, and the Company's liquidity needs for operational and expansion purposes. The Board will periodically review capital allocation strategies, taking into account shareholder interests, financial performance, and external opportunities, and may adjust approaches as deemed prudent in the future.

As disclosed in the announcements of the Company dated 11 and 26 February 2025, the Group has adopted the following internal procedures when conducting trading and/or investment activities, including investment and disposal of listed securities, debt securities, cryptocurrencies and financial products associated with overseas innovative enterprises in emerging sectors such as Web3.0, AI and related technologies, particularly those demonstrating robust performance and market resilience in recent years, such as exchange-traded funds (ETFs), structured products or diversified financial instruments that support strategic synergies with the Company's principal activities and risk diversification. All decisions to invest in or dispose of listed securities are subject to internal review, approval and continuous oversight. The Group has also set up an investment committee (the "**Investment Committee**") to advise on the Company's investment strategy and policies, approve specific investments and conduct ongoing monitoring and risk management. In particular, the Investment Committee decided to halt any new capital markets investments at this stage and set a stop-loss threshold with significant value fluctuations of 20% for investments.

The chief executive officer and chief financial officer of the Company, in collaboration with the management team overseeing our trading and/or investment activities, leverage their

LETTER FROM THE BOARD

extensive expertise in investment matters to identify potential investment/disposal opportunities through established and reputable channels, such as upstream and downstream business partners. These opportunities are preliminarily assessed based on their commercial rationale and prevailing market conditions.

During this process, the finance department of the Company provides support and assists in formulating recommendations and preparing the proposals. Each proposal includes comprehensive information such as the identity and background of the target, the purpose and expected benefits of the transaction, key financial metrics, risk factors and mitigation strategies, implementation timeline, and implications under the Listing Rules. The investment proposal is supported by relevant documentation, including broker quotations and market data. These materials assist the Investment Committee in evaluating the commercial rationale, risk profile, and regulatory implications of the proposed transaction.

If the proposal is deemed feasible, the chief executive officer or chief financial officer of the Company will submit the investment recommendation to the Investment Committee for further review and approval. The Investment Committee, according to its terms of reference, will perform a comprehensive review of the proposal to ensure alignment with the Group's investment policy, risk appetite, and strategic priorities before determining whether to approve the proposal. This review encompasses, among other things, an assessment of potential returns, risk evaluation and mitigation strategies (such as stop-loss thresholds, counterparty risk controls, and hedging mechanisms), compliance with legal and regulatory frameworks, monitoring of market conditions and compliance with periodic reporting requirements.

Where necessary, the Investment Committee may impose specific conditions or request clarifications, supplementary documentation, or revisions to the proposal prior to granting approval. If the proposal does not constitute a notifiable transaction under the Listing Rules, the Investment Committee has the delegated authority to approve the transaction and/or investment directly. If the proposal constitutes a notifiable transaction under the Listing Rules, the proposal will be further submitted to the Board for full review and final approval. The Board is provided with all relevant documentation, including legal advice, financial analysis, and risk assessments. Its review focuses on the strategic significance, financial impact, and regulatory implications of the proposed transaction. All decisions made by the Investment Committee and the Board are documented in formal meeting minutes, and execution is monitored by the finance and legal teams to ensure adherence to approved parameters.

To ensure ongoing oversight, the legal and finance teams of the Company will be responsible for monitoring investment performance continuously and compiling monthly reports for the Investment Committee, the Board and the Audit Committee's review. The Investment Committee also holds a primary position in the post-investment management of relevant investments, where it shall monitor the performance of investment portfolios against defined benchmarks (which refers to a tailored standard or index, such as the S&P 500 Index or Nasdaq Composite Index, for monitoring the performance), objectives, and risk tolerance levels to ensure alignment with strategic goals, as well as evaluate the effectiveness of external advisors and managers in meeting performance targets, adhering to mandates, and complying with

LETTER FROM THE BOARD

regulatory and policy requirements, and to report to the Board of any significant issues, risks, underperformance or concerns and escalate any unsolved matters.

The independent non-executive Directors, who also serve as members of the Audit Committee, will perform supervisory functions over investments. They will be provided with investment-related information through monthly reports by the management, and they may also request the management to provide supporting documents and ad-hoc reports if necessary. This ensures that the Group's investment activities remain transparent, accountable, and aligned with its risk management framework.

As at the Latest Practicable Date, the Investment Committee consists of Ms. Liu Juan, an Executive Director, as the chairperson, and Mr. Liang Rui and Mr. Xu Yibo, each a non-executive Director, as members. The Company believes that the combined investment background, industry qualifications, academic background, and understanding of the Company's operations of the three members will further enhance the Investment Committee's decision-making ability and execution efficiency. While Mr. Liang Rui and Mr. Xu Yibo do not have direct experience in securities trading, the Board considers that their extensive experience in public administration, corporate governance, technology development and long-standing involvement with the Group provide valuable perspectives in evaluating investment proposals. Their deep understanding of the Group's operations, strategic priorities, and risk profile are crucial to the Investment Committee's ability to make informed and balanced decisions. The Company believes that such diversity of expertise enhances the robustness and effectiveness of the investment oversight process. The biographical details of the Investment Committee members are as follows:

Ms. Liu Juan has been an executive Director of the Group since 2 August 2024. She obtained a degree of Master of Business Administration from the Chinese University of Hong Kong. Ms. Liu has more than 17 years of experience in the finance industry in China and overseas. She has worked on structuring, cross-border investment and finance and mergers and acquisitions for a long time and is familiar with both China and Hong Kong markets. She has extensive professional experience in analysing markets and identifying opportunities. Ms. Liu previously served as vice president of New Faith Capital Limited and general manager of the direct investment department of China Huarong International Holdings Limited. Ms. Liu also served as the head of the business department at the Shenzhen branches of two banks. She has been appointed as an independent non-executive director of the CNQC International Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1240.HK) since 12 December 2024.

Mr. Liang is a non-executive Director of the Group. He has been a Director of the Group since 19 January 2018. Mr. Liang is currently a president of Shenzhen Shuibei Jewelry Group. Mr. Liang obtained a doctoral degree of Technical Economics and Management from the School of Economics and Business Administration of Chongqing University in 2007 and a postdoctoral degree in Applied Economics from the School of Economics and Finance of Xi'an Jiaotong University in 2009. From January 2000 to October 2014, he worked in the Shenzhen Luohu

LETTER FROM THE BOARD

District People's Government, serving as an officer in the Education Bureau, deputy director-general of the State Bureau for Letters and Calls, director-level deputy director of the district (governmental) committee office, and director of the Bureau of Civil Administration. From September 2014 to November 2017, he served as Secretary and director of the Shenzhen Nanhu Sub-district Office. Mr. Liang has been appointed as an executive director and Chief Executive Officer of Carrianna Group Holdings Company Limited* (佳寧娜集團控股有限公司), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 0126.HK) since 2 January 2021.

Mr. Xu is a non-executive Director of the Group. He has been a Director of the Group since 29 October 2019. Mr. Xu obtained a bachelor's degree in electromagnetic field from Xidian University* (西安電子科技大學). Mr. Xu joined the Group in July 1998 and has about more than 15 years of experience in mobile communication, terminal security, cloud computing and mega data technology field, making contribution in standard work in more than 10 international and domestic standards organizations, such as 3GPP, IETF, IEEE, IMI-2020 (5G) Promotion Group, etc. Mr. Xu participated in the research and development of dual-standby technique which led to win the second prize of National Science and Technology Progress which is the highest award in the terminal field. As at the date of this report, Mr. Xu is the director of 5 subsidiaries of the Company and the general manager of 2 subsidiaries of the Company.

The Company maintains an established investment policy, shaped through the guidance and deliberations of the Investment Committee meetings, which serves as a flexible framework to ensure prudent asset management, including trading and/or investment activities, while aligning with the Company's strategic direction, risk considerations, and liquidity requirements. This policy reflects the Company's commitment to disciplined approach to investment decisions, allowing for adaptability to evolving market conditions and business needs.

1. Overall Investment Objectives

The primary focus is on safeguarding capital through conservative investment strategies, diversification across asset classes, and rigorous risk assessment processes, which collectively help preserve the principal by minimizing exposure to high-risk or volatile assets, mitigating potential losses from market fluctuations, and prioritizing investments with stable return profiles that align with the Company's overall risk tolerance and long-term vision.

2. Permissible Investments

Investments are directed toward financial products available on major regulated markets, promoting transparency, adherence to regulatory standards, and effective risk oversight.

* For identification purpose only

LETTER FROM THE BOARD

3. Size Threshold

In the event of any percentage ratio (as defined in the Listing Rules) applicable to the proposed transaction exceeds 5%, such proposal shall require prior approval from the Board, or to the extent applicable, by the shareholders of the Company, adding a layer of oversight for significant financial decisions. Otherwise, the proposed transaction shall be subject to the prior approval from the Investment Committee.

4. Performance Monitoring

Investment performance is regularly reviewed, with significant value fluctuations (exceeding $\pm 20\%$) typically prompting a detailed assessment by the Investment Committee, the Audit Committee and the Board to address risk exposure and consider potential adjustments.

5. Liquidity Management

The finance team of the Company oversees liquidity to support ongoing operations, maintaining a general limit on investments at approximately 35% of current assets to avoid excessive exposure to less liquid holdings.

REASONS FOR AND BENEFITS OF THE DISPOSAL MANDATE AND THE POSSIBLE DISPOSAL(S)

Having regard to the current market conditions, and after due and careful consideration by the Investment Committee, the Board (including the independent non-executive Directors) considers that the Possible Disposal(s) will provide the Group with an opportunity to realise its investment in CLSK and will enhance the overall liquidity of the Group. The Company considers that the Possible Disposal(s) represents an opportunity to realise its investments and to allow the Group to reallocate its resources.

Given the volatility of the stock market, disposing of shares through open market transactions at the best possible prices requires prompt disposal actions at the right timing and it would not be practicable to seek prior Shareholders' approval for each Sale. This is because such a requirement may introduce execution uncertainty, delay the transaction timetable, and potentially affect pricing. Accordingly, to allow flexibility in effecting future Sales at appropriate time(s) and price(s) so as to maximise the returns to the Group, the Company proposes to seek approval from the Shareholders at the EGM for the Possible Disposal(s).

Each Sale will be made with reference to the market prices on open market. The Board (including the Investment Committee and the independent non-executive Directors) is of the view that the Possible Disposal(s) are on normal commercial terms, and that the terms are fair, reasonable and in the interests of the Company and the Shareholders as a whole. Taking into account the expected gain from the Possible Disposal as detailed in the section headed "Financial Effect of the Possible Disposal(s) and Use of Proceeds" in this circular, the Directors

LETTER FROM THE BOARD

are of the view that the Disposal Mandate and the terms, in particular, the Minimum Selling Price, are fair and reasonable.

Upon completion of the Possible Disposal(s), the Company does not hold any other listed securities. The Company may consider to explore investment opportunities in the future, including investment and disposal of listed securities, debt securities, cryptocurrencies and financial products associated with overseas innovative enterprises in emerging sectors such as Web3.0, AI and related technologies, particularly those demonstrating robust performance and market resilience in recent years, such as exchange-traded funds (ETFs), structured products or diversified financial instruments that support strategic synergies with the Company's principal activities and risk diversification, subject to the recommendations of the Investment Committee, however, for the avoidance of doubt, as at the Latest Practicable Date, the Company currently has no intention to acquire additional listed securities or engages in any securities trading activities. Further, the Group will continue to focus on development of its principal businesses and had no intention of disposing of, downsizing or terminating any of its existing businesses. The Company will continue to review its assets and business portfolio, including securities and other assets owned by the Group, to determine whether such assets are aligned with the Group's future strategy and the contribution to the Group's future business growth and financial success.

FINANCIAL EFFECT OF THE POSSIBLE DISPOSAL(S) AND USE OF PROCEEDS

As at the Latest Practicable Date, Digital Tech held approximately 0.6% of the total number of outstanding shares of CLSK. Upon completion of the Possible Disposal(s) in full, the Group will cease to hold any CLSK Shares.

Since the Previous Acquisitions, the Group adjusted the fair value of all the 1,625,000 CLSK Shares as of 31 December 2024, by reducing the fair value of US\$10.9 million (equivalent to approximately HK\$85.3 million) to reflect changes in the fair value of all the 1,625,000 CLSK Shares. For illustrating the financial impact of the Possible Disposal, on the assumption that all the 1,625,000 CLSK Shares are disposed of at the Minimum Selling Price, (i) the Group is expected to recognise a gain of approximately US\$8.6 million (equivalent to approximately HK\$67.3 million) which is calculated on the basis of the difference between the proceeds receivable under the Possible Disposal(s) of approximately US\$23.6 million (equivalent to approximately HK\$184.5 million) and the audited carrying value of the 1,625,000 CLSK Shares held by the Group of approximately US\$15.0 million (equivalent to approximately HK\$117.2 million) as at 31 December 2024, and (ii) from the perspective of the entire investment cycle, the Group is expected to recognise a loss of approximately US\$2.3 million (equivalent to approximately HK\$18.2 million) which is calculated on the basis of the difference between the proceeds receivable under the Possible Disposal(s) of approximately US\$23.6 million (equivalent to approximately HK\$184.5 million) and the original Previous Acquisitions costs of the 1,625,000 CLSK Shares of approximately US\$25.9 million (equivalent to approximately HK\$202.8 million). The actual gain/loss of the Group as a result of the Possible Disposal will depend on the actual Sale price per CLSK Share and will be subject to final audit by the auditors of the Company.

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The Company will use the proceeds from the Possible Disposal(s) for general working capital purposes, including but not limited to the settlement of accounts payable to suppliers, acquisition of equipment, operational expenses and business development. As disclosed in the annual report of the Company for the year ended 31 December 2024, as at 31 December 2024, the cash and cash equivalents of the Group amounted to approximately HK\$65.145 million and recorded net assets position. The Company does not have any funding need as at the Latest Practicable Date.

IMPLICATIONS UNDER THE LISTING RULES

Assuming that all 1,625,000 CLSK Shares held by the Group will have been disposed of within the Mandate Period at US\$9.70 (equivalent to approximately HK\$75.95) per CLSK Share, being the closing price of CLSK Share as at the trading day immediately before the date of the Announcement, one or more applicable percentage ratios of the Possible Disposal(s) when aggregated with the Previous Disposal pursuant to Rule 14.22 of the Listing Rules will exceed 25% but less than 75%, the Possible Disposal(s) may constitute a major transaction of the Company under Chapter 14 of the Listing Rules and shall be subject to the Shareholders' approval at the EGM.

The Company will seek the approval of the Shareholders at the EGM for the Disposal Mandate and the Possible Disposal(s) to allow the Company to dispose of up to 1,625,000 CLSK Shares held by the Group during the Mandate Period.

EGM

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, the Disposal Mandate and the Possible Disposal(s). A notice convening the EGM to be held at 20th Floor, Block C, Coolpad Building, No. 8 of Gaoxin North 1st Road, North of Hi-tech Park, Nanshan District, Shenzhen, the People's Republic of China on Friday, 26 September 2025 at 3:00 p.m. is set out on pages EGM-1 to EGM-3 of this circular.

According to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at the EGM will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands and an announcement on the results of the poll will be made after the EGM pursuant to Rule 13.39(5) of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Disposal Mandate and the Possible Disposal(s). Accordingly, it is expected that no Shareholder is required to abstain from voting on the relevant resolution to be proposed at the EGM.

LETTER FROM THE BOARD

ACTIONS TO BE TAKEN

A form of proxy for use by the Shareholders at the EGM is enclosed in this circular. Whether or not you intend to attend and vote at the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Such form of proxy for use at the EGM is also published on the website of the Stock Exchange at www.hkexnews.hk. Completion and return of the proxy form will not preclude you from subsequently attending and voting at the EGM or any adjourned meeting should you so wish.

The Company reminds all shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the EGM instead of attending the EGM in person, by completing and returning the proxy form. If you have any questions about the resolutions to be considered at the EGM, you may send them to the Company's investor relations email address, ir@coolpad.com, and the Company will answer the questions on a timely basis.

GENERAL

Whether and when the Company will proceed with the Possible Disposal(s) or not will depend on a number of factors including without limitation the prevailing market sentiments and market conditions at the proposed time of executing the Sales. There is no assurance that the Company will proceed with the Possible Disposal(s). Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

RECOMMENDATION

The Board is of the view that the Possible Disposal(s) and the Disposal Mandate are on normal commercial terms, and that the terms are fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Possible Disposal(s) and the Disposal Mandate.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 23 September 2025 to Friday, 26 September 2025 (both days inclusive) during which period no transfer of share(s) will be effected. Members whose name appear on the register of members of the Company on Friday, 26 September 2025 will be entitled to attend and vote at the Meeting. In order to ensure that the Shareholders are entitled to attend and vote at the Meeting, all transfer documents, together with the relevant share certificates, should be lodged no later than 4:30 p.m. on Monday, 22 September 2025 at the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong.

Yours faithfully,
For and on behalf of
Coolpad Group Limited
Chen Jiajun
Executive Director
Chief Executive Officer
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three financial years ended 31 December 2022, 31 December 2023 and 31 December 2024 were disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.coolpad.com.hk):

- Annual report of the Company for the year ended 31 December 2024 published on 23 April 2025 (pages 52 to 156) available at <https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0423/2025042300017.pdf>;
- Annual report of the Company for the year ended 31 December 2023 published on 27 February 2025 (pages 50 to 160) available at <https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0227/2025022700123.pdf>; and
- Annual report of the Company for the year ended 31 December 2022 published on 27 April 2023 (pages 51 to 164) available at <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042700014.pdf>.

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 30 June 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had aggregate outstanding borrowings of approximately HK\$1,260,906,000, comprising secured bank loan of approximately HK\$1,225,828,000, other borrowings of approximately HK\$7,661,000 and an amount due to other related parties of approximately HK\$27,417,000.

	<i>HK\$'000</i>
<i>Current</i>	
Bank loan – secured, guaranteed	32,835
Other borrowings – unsecured, guaranteed	7,661
An amount due to other related parties – unsecured, unguaranteed	27,417
<i>Non-current</i>	
Bank loan – secured, unguaranteed	<u>1,192,993</u>
Total	<u><u>1,260,906</u></u>

As at 30 June 2025, bank loan and other borrowings of HK\$1,233.49 million was guaranteed by Chairman of the Group and a subsidiary, and was pledged by 75% shareholding interests of a subsidiary and several property, plant and equipment, investment properties and right-of-use assets located in Shenzhen and Dongguan, the PRC.

As at 30 June 2025, the Group's time deposits of approximately HK\$54.72 million were used as a pledge for issuance of letters of credit.

Save as aforesaid, and apart from intra-group liabilities and normal trade payables in the normal course of business, at the close of business on 30 June 2025, the Group did not have any other loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

The Directors are not aware of any material adverse changes in the Group's indebtedness position and contingent liabilities since 30 June 2025.

3. WORKING CAPITAL SUFFICIENCY

The Directors are of the opinion that, in the absence of unforeseeable circumstances, after taking into account the Group's business prospects, internal resources, available credit facilities and the Completion, the Group has sufficient working capital for its requirements for at least twelve months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

At the Latest Practicable Date, the Directors confirmed that there had been no material adverse change in the financial or trading position or prospects of the Group since 31 December 2024, the date to which the latest published audited financial statements of the Group were made up.

5. RECENT DEVELOPMENT AND FINANCIAL AND TRADING PROSPECT OF THE GROUP

As disclosed in the annual report of the Company for the financial year ended 31 December 2024 published on 23 April 2025, in 2025, with the rapid development of domestic AI technology represented by DeepSeek, the mobile phone market is experiencing major changes. The Group will seize the opportunity and strive to break through. The Group will continue to focus on the research and development of smartphones for both domestic and overseas markets, further integrating AI technology into the product portfolio, while improving system stability and optimizing user experience.

In the domestic market, the Group plans to continue expanding its channels, strengthening cooperation with operators while promoting cooperation with e-commerce platforms. At the same time, it will optimize existing product lines, increase ecological cooperation categories, promote the development of brand licensing business, and further enhance market competitiveness. The Group is committed to expanding its product line with the focus on AI+5G technology, covering smart wearable devices (including smart watches), smart education, smart home, security and healthcare by integrating AI, IoT and cloud computing technologies. By realizing a

comprehensive transformation from a single product to a diversified ecosystem, the Group is building a more intelligent, efficient and convenient digital life for users.

In February 2025, the Group completed deep integration with the top AI model DeepSeek. The new primary intelligent system COOLOS equipped with the full-powered version of DeepSeek will soon be launched and upgraded via Over-The-Air updates. This deep integration not only improves the intelligence level of products and user experience, but also enhances the Group's technological leadership and market competitiveness, particularly in emerging markets. Through this technological integration, the Group can accelerate the popularization of AI scenario applications, lower the technical threshold, promote the rapid development of AI mobile phones and AIoT ecosystem, and help users enjoy a more efficient and smarter technological life.

In respect of overseas markets, the Group will continue to promote product iteration and actively expand its product lines from smartphone business to smart tablets, smart watches and other smart device businesses. For regional expansion, the Group will explore deeply into the key regional markets, expand and strengthen the core production areas so as to lay a solid foundation for the development of overseas business. Meanwhile, the Group will continue to explore the expansion of cross-border e-commerce and regional operator markets, broaden online and offline sales channels, and achieve mutual synergy and promotion effects to improve profitability. The Group will strengthen its cooperation with e-commerce platforms to further expand its market share. Regarding market strategies, the Group will adopt a dual-driven model of brand and original design manufacturer for on-going exploration of new markets and new customers. In addition, the Group will devote more effort in marketing support for key markets, achieve online and offline resonance effects through traffic investment and reinforcing brand promotion, and enhance brand influence and market penetration.

In terms of real estate property leasing, the Group will explore new markets and attract new customers through innovative thinking and tactics. The Group will optimize existing properties, stabilize rental income, and ensure the stability of project occupancy rates. At the same time, the Group will adjust the rental price level in a timely manner to improve market competitiveness and ensure that the project is in a dominant position in the market.

In order to strengthen its layout in the digital currency field and achieve vertical integration, the Group plans to conduct upstream acquisition in 2025. As disclosed in the announcement of the Company dated 6 March 2025, the Group entered into a memorandum of understanding in relation to an acquisition of the majority shares in 10139882 Manitoba Ltd (the "**Target Company**"). The Target Company is mainly engaged in cryptocurrency mining and depository services, providing highly efficient power supply, security optimization facilities and data center services, and has competitive advantages such as energy efficiency, security, reliability and scalability. Through this acquisition, the Group will control key mining infrastructure, improve operational efficiency, reduce costs, and expand its business scope. This will not only help enhance its own mining business, but also provide depository services to other companies, generating new sources of income and enhancing competitiveness in the cryptocurrency industry. In addition, the Target Company's infrastructure can also support AI

and Internet data center (IDC) businesses, providing solid support for the Group's future expansion in the field of smart technology. As at the Latest Practicable Date, the terms and conditions of the proposed acquisition were still being negotiated and no legally binding agreement had been entered into. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

The Group will persistently adhere to the core principle of technological innovation and market demand-oriented, actively expand and deepen the global market layout, especially targeting on emerging markets with high potential for strategic development. The Group closely follows the leading-edge developments in AI and blockchain technology, and are committed to exploring new opportunities brought about by these technological innovations and striving to achieve seamless integration into our full range of products. Looking ahead to the future, the Group will face every challenge with a steady and confident pace, seize every development opportunity, strive to achieve the goal of sustained and healthy profit growth, and at the same time promote the progress of the industry and the development of society.

1. RESPONSIBILITY STATEMENT

This circular, 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 Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) The Directors' or chief executive's interests or short positions in the Shares, underlying Shares and debentures of the Company and its associated corporations

Based on the register kept by the Company, as at the Latest Practicable Date, the interests or short positions of each Director or chief executive of the Company in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and to the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO, including interests or short positions which they were taken or deemed to have under such provisions of the SFO, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) set out in Appendix C3 of the Listing Rules, were as follows:

Name	Notes	Number of shares interested	Nature of interest	Total number of Shares interested	Approximate % of issued share capital as at the Latest Practicable Date
Mr. Chen Jiajun	1	78,283,887	Interest of controlled corporation	78,283,887	19.35
Mr. Ma Fei	2	108,823	Share option	108,823	0.03
Ms. Liu Juan		2,500	Beneficial owner	2,500	0.00
Mr. Xu Yibo	2	112,500	Beneficial owner	275,735	0.07
		163,235	Share option		

Notes:

- (1) As at the Latest Practicable Date: (i) 58,283,887 Shares were directly held by Great Shine Investment Limited (“**Great Shine**”) (formerly known as Kingkey Financial Holdings (Asia) Limited), which is 100% directly held by Great Splendid Holdings Limited. Mr. Chen Jiajun is the director of Great Splendid Holdings Limited and holds 100% shares of Great Splendid Holdings Limited; and (ii) 20,000,000 Shares were directly held by Elite Mobile Limited, which was ultimately controlled by Mr. Chen Jiajun. Therefore, Mr. Chen Jiajun was indirectly interested in 78,283,887 Shares, of which 58,283,887 Shares were held through Great Shine and 20,000,000 Shares were held through Elite Mobile Limited.
- (2) The interests of these Directors are in the underlying Shares of the options granted to the relevant Directors by the Company under the share option scheme adopted by the Company on 23 May 2014.
- (3) As at the Latest Practicable Date, the total number of issued Shares was 404,470,198.

As at the Latest Practicable Date: (i) save as disclosed above in relation to Mr. Chen Jiajun, none of the Directors was a director or employee of a company which had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; (ii) save as disclosed above, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and to the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO, including interests or short positions which they were taken or deemed to have under such provisions of the SFO, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Substantial Shareholders’ interests or short positions in the Shares and underlying Shares

Long Positions in the Shares

Based on the register kept by the Company, as at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the following persons, had interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

Name	Notes	Number of shares interested	Nature of interest	Total number of Shares interested	Approximate % of issued share capital as at the Latest Practicable Date
Mr. Chen Jiajun	1	78,283,887	Interest of controlled corporation	78,283,887	19.35
Mr. Jeffrey Steven Yass	2	26,667,000	Interest of controlled corporation	26,667,000	6.59
Mr. Lin Weihao	3	28,632,300	Interest of controlled corporation	28,632,300	7.08
Mr. LIU Feng	4	23,006,500	Interest of controlled corporation	35,506,500	8.78
Great Shine Investment Limited	1	58,283,887	Beneficial owner	58,283,887	14.41
Elite Mobile Limited	1	20,000,000	Beneficial owner	20,000,000	4.94
SAI Growth Fund I, LLLP	2	20,000,000	Beneficial owner	26,667,000	6.59
	2	6,667,000	Derivative interest of warrants		
Saints Aura Investment Holdings Limited	3	28,632,300	Beneficial owner	28,632,300	7.08
YH Fund SPC – YH01 SP I	4	23,006,500	Beneficial owner	23,006,500	5.69

Notes:

- (1) As at the Latest Practicable Date: (i) 58,283,887 Shares were directly held by Great Shine, which is 100% directly held by Great Splendid Holdings Limited. Mr. Chen Jiajun is the director of Great Splendid Holdings Limited and holds 100% shares of Great Splendid Holdings Limited; and (ii) 20,000,000 Shares were directly held by Elite Mobile Limited, which was ultimately controlled by Mr. Chen Jiajun. Therefore, Mr. Chen Jiajun was deemed to be interested in 78,283,887 Shares, of which 58,283,887 Shares were held by Great Shine and 20,000,000 Shares were held by Elite Mobile Limited.
- (2) 20,000,000 Shares were directly held by SAI Growth Fund I, LLLP which was ultimately controlled by Mr. Jeffrey Steven Yass. 6,667,000 warrants were directly held by SAI Growth Fund I, LLLP which was ultimately controlled by Mr. Jeffrey Steven Yass. The warrants conferring the rights to subscribe for a maximum number of 6,667,000 Shares. Therefore, Mr. Jeffrey Steven Yass was indirectly interested in 26,667,000 Shares.
- (3) The 28,632,300 Shares were directly held by Saints Aura Investment Holdings Limited which was ultimately controlled by Mr. Lin Weihao.

- (4) As at the Latest Practicable Date: (i) 23,006,500 Shares were directly held by YH Fund SPC – YH01 SP I, which was ultimately controlled by Mr. Liu Feng; and (ii) 12,500,000 Shares were directly held Mr. Liu Feng.
- (5) As at the Latest Practicable Date, the total number of issued Shares was 404,470,198.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no person (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Directors 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

3. COMPETING BUSINESS

As at the Latest Practicable Date, to the best knowledge and belief of the Directors after having made all reasonable enquiries, none of the Directors and their respective close associates were considered to have any interests in businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any service contract with the Company or any member of the Group, excluding contracts expiring or which may be terminated by the employer within one year without payment of any compensation, other than statutory compensation.

5. DIRECTORS' INTEREST IN ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Company were made up) and up to the Latest Practicable Date, acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

6. DIRECTORS' INTEREST IN CONTRACT

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

7. LITIGATION

As at 31 December 2024, the Group received several civil complaints in 2024 from suppliers demanding the Group to immediately repay the overdue accounts payable balance of RMB4,368,000 (equivalent to HK\$4,648,000) (2023: HK\$4,500,000). As at the Latest Practicable Date, the arbitration procedures of the civil complaints were still in progress.

As at the Latest Practicable Date and save as disclosed above, neither the Company nor any member of the Group was engaged in any litigation or claim of material importance and, so far as the Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of the Group.

8. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) were entered into by the Group within two years immediately preceding the date of this circular which are or may be material:

- (a) the subscription agreements dated 27 August 2023 entered into between the Company and each of the subscribers (namely Beyond Merchant Limited, Saints Aura Investment Holdings Limited, Fly Smart Limited, Xinyang Asia Limited, Mr. Li Guanwen, Mr. Du Tianzhao and Ms. Lam Ka Ying) and the guarantors (namely Mr. Cheung Sze Wah Sam, Mr. Lin Weihao, Ms. Peng Yan and Ms. Qi Yanfang) in relation to the subscriptions of an aggregate of 2,730,000,000 subscription shares, details of which are set out in the Company's announcement dated 27 August 2023 and 10 October 2023;
- (b) the equity transfer agreement dated 25 September 2023 entered into among Yulong Computer Telecommunication Scientific (Shenzhen) Co, Ltd.* (宇龍計算機通信科技(深圳)有限公司) (an indirect wholly-owned subsidiary of the Company) ("**Yulong Shenzhen**"), Shanghai Huiheng Industrial Co., Ltd.* (上海威恒實業有限公司) ("**Shanghai Huiheng**") and Nanjing Yulong Weixin Information Scientific Limited* (南京宇龍威新信息科技(有限)公司) ("**Yulong Weixin**") in relation to the sale of 20% equity interest in Yulong Weixin as held by Yulong Shenzhen to Shanghai Huiheng at a total consideration of RMB60 million, details of which are set out in the Company's announcement dated 25 September 2023;
- (c) the equity transfer agreement dated 25 September 2023 entered into among Dongguan Yulong Telecommunication Tech Co., Ltd.* (東莞宇龍通信科技(有限)公司) (an indirect wholly-owned subsidiary of the Company) ("**Dongguan Yulong**"), Shenzhen Tian'an Junye Investment Development (Group) Co., Ltd.* (深圳天安駿業投資發展(集團)有限公司) ("**Shenzhen Tian'an**") and Dongguan Coolpad Tian'an Investment Development Co., Ltd.* (東莞酷派天安投資發展(有限)公司) ("**Dongguan Tian'an**") in relation to the

* For identification purpose only

sale of 50% equity interest in Dongguan Tian'an as held by Dongguan Yulong to Shenzhen Tian'an at a total consideration of RMB80 million, details of which are set out in the Company's announcement dated 25 September 2023;

- (d) the procurement contracts dated 9 August 2023, 10 August 2023, 27 September 2023, 3 November 2023 and 13 June 2024 entered into between Xcentz Limited (an indirect wholly-owned subsidiary of the Company) as the purchaser, and the respective vendors (namely Yong Xu Digital Co., Limited, Digital Treasures Assets Pte. Ltd and JingYun Intelligent Technology Limited) in relation to the acquisition of electronic computer servers for an aggregate consideration of US\$25,670,449.1, details of which are set out in the Company's announcement dated 3 November 2023 and 13 June 2024;
- (e) On 14 July 2023, Dongguan Yulong Telecommunication Tech Co., Ltd. ("**Dongguan Yulong**"), an indirect wholly-owned subsidiary of the Company, and Shenzhen Kingkey entered into the Industrial Park Management Services Agreement ("**Industrial Park Management Services Agreement**") for a term commencing from the delivery of the Industrial Park, which was expected to begin on 1 October 2023, and to end on 31 December 2025 (both dates inclusive). Pursuant to the Industrial Park Management Services Agreement, Shenzhen Kingkey agreed to provide, through itself or its wholly-owned subsidiary, Dongguan Kingkey Property Management Company Limited ("**Dongguan Kingkey**"), to Dongguan Yulong property management services in respect of factory plants and dormitories situated at Industrial West One Road, Songshan Lake, Dongguan, PRC. For details, please refer to the announcement of the Company dated 14 July 2023 and the circular of the Company dated 15 August 2023.

9. MISCELLANEOUS

- (a) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (b) The head office and principal place of business of the Company in the PRC is Coolpad Information Harbor, No. 8 of Gaoxin North 1st Road, Hi-Tech Industry Park (Northern), Nanshan District, Shenzhen, the PRC. The principal place of business of the Company in Hong Kong is Room 1506, 15/F., Wing On Centre, 111 Connaught Road Central, Hong Kong.
- (c) The company secretary of the Company is Mr. Ma Fei, who is an executive Director and chief financial officer of the Group.
- (d) The Company's principal share registrar and transfer office is Suntera (Cayman) Limited, Suite 3204, Unit 2A, Block 3, Building D, P.O. Box 1586, Gardenia Court, Camana Bay, Grand Cayman, KY1-1100, Cayman Islands.

- (e) The Company's branch share registrar and transfer office in Hong Kong is Computershare Hong Kong Investor Services Limited, which is located at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (f) The English text of this circular shall prevail over the Chinese text, in case of any inconsistency.



COOLPAD GROUP LIMITED

酷派集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Coolpad Group Limited (the “**Company**”) will be held at 20th Floor, Block C, Coolpad Building, No. 8 of Gaoxin North 1st Road, North of Hi-tech Park, Nanshan District, Shenzhen, the People’s Republic of China on Friday, 26 September 2025 at 3:00 p.m., for the purpose of considering and, if thought fit, passing the following ordinary resolution:

ORDINARY RESOLUTION

“**THAT** the disposals (the “**Disposals**”, each a “**Disposal**”) by the Company and/or its subsidiaries (collectively the “**Group**”) of up to 1,625,000 shares (“**Approved Sale Shares**”) of US\$0.001 (“**CLSK Shares**”) in the share capital of CleanSpark, Inc., a company incorporated in the State of Nevada, the United States, with its common stock listed on NASDAQ (stock symbol: CLSK) be and are hereby approved subject to the following conditions:

- (i) the Group shall dispose of all or in part(s) of the Approved Sale Shares held by the Group in tranches in the open market on NASDAQ to independent third parties through the trading system of NASDAQ;
- (ii) the mandate for the Disposal(s) will be valid for a period of 3 months from the date of passing of this resolution (unless revoked or varied by ordinary resolution of the shareholders in a general meeting of the Company) (the “**Mandate Period**”);
- (iii) the selling price of each CLSK Share shall be based on the prevailing market price of CLSK Shares at the time of making the Disposal(s);
- (iv) the minimum selling price of the Disposal(s) shall be not less than the higher of (i) US\$14.50 per CLSK Share and (ii) the average market price of CLSK Shares for the three months immediately preceding the relevant trading date;
- (v) all of the applicable percentage ratios under the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited for the Disposals are below 75%; and
- (vi) the Disposal(s) shall comply with relevant applicable laws and regulations, including any applicable trading regulations in New York,

NOTICE OF EGM

and the directors of the Company be and are hereby authorised and empowered to determine, decide, execute all such documents, instruments and agreements and to do all such acts and things as they may in their absolute discretion consider necessary, desirable or expedient for the purposes of or in connection with implementing, completing and giving effect to the Disposals and the transactions contemplated thereunder from time to time during the Mandate Period and with full power to authorise any other person to do so in the name of and as the act of the Company during the Mandate Period.”

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

Hong Kong, 22 August 2025

Notes:

1. The register of members of the Company will be closed from Tuesday, 23 September 2025 to Friday, 26 September 2025 (both days inclusive) during which period no transfer of share(s) will be effected. Members whose name appear on the register of members of the Company on Friday, 26 September 2025 will be entitled to attend and vote at the Meeting. In order to ensure that the Shareholders are entitled to attend and vote at the Meeting, all transfer documents, together with the relevant share certificates, should be lodged no later than 4:30 p.m. on Monday, 22 September 2025 at the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong.
2. Any shareholder entitled to attend and vote at the EGM is entitled to appoint another person as his/her proxy to attend and vote on his/her behalf. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
3. Where there are joint registered holders of any shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most, or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand in the register in respect of the relevant joint holding.
4. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time fixed for holding the extraordinary general meeting or adjournment thereof.
5. The Company reminds all shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the EGM instead of attending the EGM in person, by completing and returning the proxy form. If you have any questions about the resolutions to be considered at the EGM, you may send them to the Company’s investor relations email address, ir@coolpad.com, and the Company will answer the questions on a timely basis.

NOTICE OF EGM

As at the date of this notice, 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, Mr. Cheuk Ho Kan and Ms. Wang Guan.