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 a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities mentioned herein.

鵬高控股集團
Pengo Holdings Group Limited
香港聯交所主板股份代碼:1865

Pengo Holdings Group Limited
鵬高控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1865)

(1) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL; (2) PLACING OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE; AND (3) NOTICE OF EGM

Financial adviser to the Company

Lego Corporate Finance Limited
力高企業融資有限公司

Joint Placing Agents

聖衛金控 SUNHIGH

華業證券 Grand China Securities

A letter from the Board is set out from pages 5 to 28 of this circular.

A notice convening the EGM of the Company to be held at 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 26 September 2025 at 10:30 a.m. is set out on pages 29 to 31 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Such form of proxy is also published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (https://www.trendzon1865.com). Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for holding the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment of it, if you so wish.

5 September 2025

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

"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"Bond Instruments"	the instruments to be executed by the Company constituting the Convertible Bonds
"Bondholder(s)"	holder(s) of the Convertible Bond(s) from time to time
"Business Day(s)"	any day (other than a Saturday, Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted or extreme conditions is announced in Hong Kong between 9:00 a.m. to 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
"Company"	Pengo Holdings Group Limited 鵬高控股集團有限公司, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1865)
"Completion"	completion of the Placing in accordance with the terms and conditions set out in the Placing Agreement
"Completion Date"	the third (3rd) Business Day after the date on which all the conditions set out in the Placing Agreement are satisfied or such other date as the Company and the Placing Agents may agree in writing
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Conversion Date"	the date on which the Company receives or is deemed to have received a duly completed and executed conversion notice together with the bond certificate(s) for the Convertible Bond(s) being converted by the Bondholder(s)
"Conversion Period"	the period commencing from the initial date of issuance of the Convertible Bonds and ending on the date which falls on the fifth (5th) Business Day before the Maturity Date, both dates inclusive

"Conversion Price"	the conversion price of HK$0.218 per Conversion Share (subject to adjustment)
"Conversion Shares"	new Shares to be issued upon the exercise of the conversion rights attaching to the Convertible Bonds
"Convertible Bonds"	the 3% coupon interest per annum convertible bonds in the aggregate principal amount of up to HK$120.0 million proposed to be issued by the Company and to be placed by the Placing Agents pursuant to the terms and conditions of the Placing Agreement
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened and held at 10:30 a.m. on Friday, 26 September 2025 at 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong, or any adjournment thereof, to consider and, if thought appropriate, approve the Placing Agreement and the transactions contemplated thereunder, including the granting of the Specific Mandate
"Grand China"	Grand China Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Increase in Authorised Share Capital"	the proposed increase in authorised share capital of the Company from HK$100,000,000 divided into 1,000,000,000 Shares to HK$500,000,000 divided into 5,000,000,000 Shares
"Independent Third Party(ies)"	third party(ies) independent of, and not connected with, the Company and its connected persons
"Latest Practicable Date"	1 September 2025, being the latest practicable date prior to the printing 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
"Maturity Date"	being the date which falls on the first anniversary from the initial date of issuance of the Convertible Bonds
"Placee(s)"	any professional, institutional and/or other private investor(s) to whom the Placing Agents or its agents shall procure or, as the case may be, shall have procured to subscribe for the Convertible Bonds pursuant to the Placing Agreement
"Placing"	the placing of the Convertible Bonds in the aggregate principal amount of up to HK$120.0 million to the Placees, on a best effort basis, procured by the Placing Agents on the terms and subject to the condition set out in the Placing Agreement
"Placing Agents"	collectively, Sunhigh Financial and Grand China
"Placing Agreement"	the agreement dated 1 August 2025 entered into between the Company and the Placing Agents in respect of the Placing
"PRC"	the People's Republic of China, for the purpose of this circular, shall exclude Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan
"S$"	Singapore dollars, the lawful currency of the Singapore
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) with par value of HK$0.1 each in the share capital of the Company
"Shareholder(s)"	holder(s) of ordinary share(s) in the share capital of the Company
"Specific Mandate"	the specific mandate to be sought from the Shareholders at the EGM for the granting to the Board to allot, issue and deal with the Conversion Shares

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Sunhigh Financial"	Sunhigh Financial Holdings Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"%"	per cent

Unless otherwise specified in this circular, the exchange rate of S$1.00 = HK$6.0 has been adopted for translating S$ into HK$ in this circular.

* *For identification purpose only*

鵬高控股集團
Pengo Holdings Group Limited
香港聯交所主板股份代碼：1865

Pengo Holdings Group Limited
鵬高控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1865)

Executive Directors:
Ms. Feng Jiamin *(Chairman)*
Mr. Michael Shi Guan Wah *(Chief Executive Officer)*
Mr. Liu Jianfu
Ms. Zhao Jianhong
Mr. Leung Yiu Cho
Mr. Fong Hang Fai
Mr. Law Wai Yip

Non-executive Director:
Mr. Dong Changzhou

Independent non-executive Directors:
Mr. Shek Jun Chong
Mr. Qiu Yue
Ms. Tam Wing Yan
Mr. Wu Kai Tang

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
Room 39, 10/F, Block D
Mai Tak Industrial Building
221 Wai Yip Street, Kwun Tong
Kowloon
Hong Kong

5 September 2025

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL; AND (2) PLACING OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

INTRODUCTION

Reference is made to the announcement of the Company dated 1 August 2025 in relation to, among other things, (i) the Increase in Authorised Share Capital; and (ii) the Placing of Convertible Bonds under Specific Mandate.

The purpose of this circular is to provide you with further information relating to (i) the Increase in Authorised Share Capital; (ii) the Convertible Bonds, the Placing Agreement and the transactions contemplated thereunder (including the granting of the Specific Mandate); and (iii) the notice of the EGM.

I. PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

In order to accommodate the development of the Group and to provide the Company with greater flexibility in the issue of the Conversion Shares under the Convertible Bonds and other possible fund-raising activities of the Company in the future as and when necessary, the Board proposes to increase the authorised share capital of the Company from HK$100,000,000 divided into 1,000,000,000 Shares to HK$500,000,000 divided into 5,000,000,000 Shares by the creation of an additional 4,000,000,000 unissued Shares. The Increase in Authorised Share Capital is subject to the approval of the Shareholders by the passing of an ordinary resolution by the Shareholders at the EGM, and will become effective on the date of the EGM upon the passing of the relevant ordinary resolution.

The Directors are of the view that the Increase in Authorised Share Capital is in the interests of the Company and the Shareholders as a whole.

II. PLACING OF THE CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

Background of the Convertible Bonds

On 1 August 2025 (after trading hours), the Company entered into the Placing Agreement with the Placing Agents, pursuant to which the Company proposed to offer for subscription, and the Placing Agents agreed to jointly procure subscriptions for the Convertible Bonds, on a best effort basis, on the terms and subject to the conditions set out in the Placing Agreement. The Placing Agents shall procure in aggregate not less than six (6) Placees to subscribe for the Convertible Bonds in the aggregate principal amount of up to HK$120.0 million.

The Placing Agreement

The principal terms of the Placing Agreement are set out below:

Date: 1 August 2025 (after trading hours)

Parties: (i) the Company; and

(ii) the Placing Agents

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agents and their ultimate beneficial owners are Independent Third Parties.

Subject matter

Pursuant to the terms and conditions of the Placing Agreement, the Placing Agents has conditionally agreed to jointly procure no less than six (6) Placees in aggregate to subscribe for the Convertible Bonds in the aggregate principal amount of up to HK$120.0 million at the initial Conversion Price of HK$0.218 (subject to adjustment) on a best effort basis.

Placees

Pursuant to the Placing Agreement, the Placing Agents shall ensure that each of the Placees and/or their respective ultimate beneficial owner(s) shall be Independent Third Parties, and not parties acting in concert with any other Placee(s) and/or connected persons of the Company and their respective associates.

Conditions precedent

Completion is conditional upon and subject to the fulfillment of the following conditions:

(i) the passing by the Shareholders at the EGM of the resolutions to approve the Placing Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate);

(ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Conversion Shares to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds (and such listing and permission not subsequently being revoked); and

(iii) all necessary written consents and approvals (if any) from the relevant authorities in respect of the Placing having been obtained by the Company.

All conditions precedent set out above cannot be waived by the parties of the Placing Agreement. The parties to the Placing Agreement shall use their best endeavours to procure the fulfillment of the conditions precedent.

As at the Latest Practicable Date, none of the conditions precedent have been fulfilled.

If any of the conditions is not fulfilled on or before 31 October 2025, or such later date as the parties of the Placing Agreement may agree in writing, the Placing Agreement shall be terminated, and all rights, obligations and liabilities of the Company and the Placing Agents in relation to the Placing shall cease and determine and none of the parties shall be bound to carry out the remaining terms of the Placing Agreement and no party shall have any right to damages or reimbursement for any cost and expenses that it may have incurred in connection with or arising out of the Placing Agreement or the failure to complete the Placing save for any antecedent breach of the Placing Agreement or any accrued rights or remedies of any party arising prior to such date.

Termination

Each of the Placing Agents may terminate the Placing Agreement without any liability to the Company, by notice in writing given to the Company at any time prior to 10:00 a.m. on the Completion Date upon the occurrence of the following events:

(i) the occurrence of any event, development or change of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a material change in, or which may result in a material change in the political, economic, fiscal, financial, regulatory or stock market conditions in Hong Kong or any other jurisdiction relevant to the Group and which in the Placing Agents' reasonable opinion would adversely affect the success of the Placing;

(ii) the imposition of any moratorium, suspension (for more than seven trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agents' absolute opinion, would affect the success of the Placing;

(iii) the introduction of any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Joint Placing Agents' reasonable opinion any such new law or change may materially and adversely affect the business or financial prospects of the Group and/or the success of the Placing;

(iv) any litigation or claim being instigated against any member of the Group, which has or may have a material effect on the business or financial position of the Group and which in the Placing Agents' absolute opinion would affect the success of the Placing;

(v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole;

(vi) any material breach of any of the representations and warranties given by the Company comes to the knowledge of the Placing Agents or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Completion Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect or there has been a material breach by the Company of any other provision of the Placing Agreement; or

(vii) there is any material change (whether or not forming part of a series of changes) in market conditions in Hong Kong or any other jurisdiction relevant to the Group which in the reasonable opinion of the Placing Agents would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

The Directors are not aware of the occurrence of any of such events as at the Latest Practicable Date.

Completion

The Completion shall take place on a date falling on the third Business Day after the fulfillment (or as the case may be, waiver) of the conditions precedent set out above (or such later date as may be agreed between the parties to the Placing Agreement in writing).

Principal Terms of the Convertible Bonds

The principal terms of the Convertible Bonds are set out below:

Issuer	:	The Company
Principal amount	:	Up to HK$120,000,000
Maturity date	:	Being the date which falls on the first anniversary from the initial date of issuance of the Convertible Bonds
Interest rate	:	3% per annum payable on an annual basis in arrears from the initial date of issuance of the Convertible Bonds
Conversion Price	:	The initial Conversion Price shall be HK$0.218 per Conversion Share, subject to adjustment(s) upon occurrence of certain events as summarised in the paragraph headed ''Adjustments of Conversion Price'' below.

The initial Conversion Price of HK$0.218 per Conversion Share represents:

(a) a discount of approximately 14.5% to the closing price of HK$0.255 per Share as quoted on the Stock Exchange on 1 August 2025, being the date of the Placing Agreement;

(b) a discount of approximately 20.2% to the average closing price of approximately HK$0.273 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement;

(c) a discount of approximately 19.7% to the average closing price of approximately HK$0.272 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the date of the Placing Agreement;

(d) a discount of approximately 12.8% to the closing price of HK$0.250 per Share as quoted on the Stock Exchange as at the Latest Practicable Date;

(e) a discount of approximately 64.7% to the net assets value attributable to owners of the Company of approximately HK$0.617 per Share as at 31 March 2025;

(f) a theoretical dilution effect (as defined under 7.27B of the Listing Rules) of approximately 8.62%, represented by the theoretical diluted price of approximately HK$0.249 per Share to the benchmarked price of approximately HK$0.273 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the date of Placing Agreement of HK$0.255 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of the Placing Agreement of HK$0.273 per Share); and

(g) a cumulative theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules aggregating (i) the rights issue on the basis of four (4) rights shares for every one (1) consolidated share announced on 19 July 2024 (the "**2024 Rights Issue**"); and (ii) the placing of the Convertible Bonds), of approximately 16.99%, represented by the cumulative theoretical diluted price of approximately HK$0.183 per Share to the theoretical benchmarked price of HK$0.220 (as defined under Rule 7.27B of the Listing Rules, taking into account the benchmarked price of (i) the 2024 Rights Issue; and (ii) the placing of the Convertible Bonds, as abovementioned).

The aggregate nominal value of the maximum number of Conversion Shares to be allotted and issued will be HK$55,045,871.5.

The Conversion Price was determined and negotiated on an arm's length basis between the Company and the Placing Agents and with reference to (i) the prevailing high interest rate environment; (ii) the Group's existing financial position, in particular, the Company recorded net loss of approximately S$13.1 million for the year ended 31 March 2025; (iii) the low trading volume of the Shares with daily average of less than 1.0% of the Company's total number of issued Shares during the six-month period prior to the date of the Placing Agreement; and (iv) the market price of the Shares was traded at the range between HK$0.233 per Share to HK$0.335 per Share during the six-month period prior to the date of the Placing Agreement. Notwithstanding that the Conversion Price represents a discount to the prevailing Share price, a discount of approximately 64.7% to the net assets value attributable to owners of the Company of approximately HK$0.617 per Share as at 31 March 2025 and the potential dilution impact of the Convertible Bonds on the existing Shareholders, having considered that (i) the Shares have been consistently trading below the net assets value attributable to the Shareholders throughout the six-month period prior to the date of the Placing Agreement with discount to the net asset value per Share attributable to the Shareholders ranging from approximately 33.14% to 57.03%; (ii) the Directors are of the view that a discount on the Conversion Price to the prevailing market price of the Shares is necessary to incentivise investors' participation and fulfill the funding needs of the Group; and (iii) the net proceeds from the Placing allow the Group to partially fund the development of the Project, which is a good opportunity for the Group to expand into the renewable energy industry in the PRC, the Directors (including the independent non-executive Directors) consider that the terms of the Conversion Bonds (including the Conversion Price) are fair and reasonable and the Placing is in the interest of the Company and the Shareholders as a whole.

Adjustments of Conversion Price : The initial Conversion Price shall be adjusted if any of the following events arises:

(a) any alteration to the value of the Shares as a result of consolidation or subdivision, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such alteration by the following fraction:

$$\frac{A}{B}$$

where

A is the value of one Share immediately after such alteration; and

B is the value of one Share immediately before such alteration;

(b) if the Company issues any Shares credited as fully paid to any Shareholder by way of capitalisation of profits or reserves (including any share premium account and/or capital redemption reserve) other than Shares issued in lieu of the whole or a part of a cash dividend or capital distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

where

A is the aggregate amount of the issued Shares immediately before such issue; and

B is the aggregate amount of the issued Shares immediately after such issue;

(c) the payment or making of any capital distribution to the Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such capital distribution by the following fraction:

$$\frac{A - B}{A}$$

where

A is the fair market value (the "**Fair Market Value**") of one Share, as determined in good faith by the independent accountant or financial advisor acting as an expert, on the day immediately preceding the date on which the capital distribution is made; and

B is the Fair Market Value, of the portion of the capital distribution which is attributable to one Share;

(d) the issue of Shares by the Company by way of rights to all or substantially all Shareholders as a class by way of rights, or shall issue or grant to all or substantially all Shareholders as a class, by way of rights, any options, warrants or other rights to subscribe for or purchase any Shares, in each case at less than 95% of the Fair Market Value of one Share, on the day immediately preceding the date on which such issue or grant to Shareholders is made, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where

A is the number of Shares in issue immediately before such grant or issue;

B is the number of Shares which the aggregate amount (if any) payable for the rights, or for the options or warrants or other rights issued by way of rights, and for the total number of Shares comprised therein would purchase at such fair market value per Share; and

C is the aggregate number of Shares issued or, as the case may be, comprised in the grant;

(e) the issue of any securities (other than Shares or options or warrants or other rights to subscribe for or purchase Shares) by the Company by way of rights or grant to all or substantially all Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase any securities (other than Shares or options, warrants or other rights to subscribe for or purchase Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue, grant or offer by the following fraction:

$$\frac{A - B}{A}$$

where

A is the Fair Market Value of one Share, on the day immediately preceding the date on which such issue or grant is made; and

B is the Fair Market Value on the date of such grant is made, of the portion of the rights attributable to one Share;

(f) the issue of Shares by the Company other than by way of rights as mentioned in (d) above, in each case at a price per Share which is less than 95% of the Fair Market Value of one Share, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{C}$$

where

A is the number of Shares in issue immediately before the issue of such additional Shares;

B is the number of Shares which the aggregate consideration receivable for the issue of such additional Shares would purchase at such fair market value per Share; and

C is the number of Shares in issue immediately after the issue of such additional Shares;

(g) the issue of Shares by the Company upon conversion or exchange (other than the Convertible Bonds), which the issue of Shares by the Company upon conversion, exchange or subscription, at a consideration per Share which is less than 95% of the Fair Market Value of one Share on the day immediately preceding the date of the issue of such securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

$$\frac{A + B}{A + C}$$

where

A is the number of Shares in issue immediately before such issue;

B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued upon conversion or exchange of or upon exercise of the right of subscription attached to such securities would purchase at such fair market value per Share; and

C is the maximum number of Shares to be issued upon conversion into or exchange of such securities or upon the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate;

(h) any modification of the rights of conversion, exchange or subscription attaching to any such securities as mentioned in (g) above (other than the Convertible Bond and any adjustment to the Conversion Price in accordance with the terms applicable to such securities) so that the consideration per Share receivable by the Company is less than 95% of the Fair Market Value of one Share on the day immediately preceding the date of such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where

A is the number of Shares in issue immediately before such modification;

B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued upon conversion or exchange, or upon exercise of the right of subscription attached to the securities so modified, would purchase at such fair market value per Share or, if lower, the existing conversion, exchange or subscription price; and

C is the maximum number of Shares to be issued upon conversion or exchange of such securities or upon the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate; and

(i) sells or distributes any securities in connection with an offer pursuant to which Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

$$\frac{A - B}{A}$$

where

A is the Fair Market Value of one Share on the day immediately preceding the date of such issue; and

B is the Fair Market Value on the date of such issue of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities.

Conversion Shares : Up to a maximum of 550,458,715 Conversion Shares will be allotted and issued to the Bondholders, representing approximately 74.72% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 42.76% of the Company's issued share capital as enlarged by the allotment and issue of the Conversion Shares.

Conversion Period : the period commencing from the initial date issuance of the Convertible Bonds and ending on the date which falls on the fifth (5th) Business Day before maturity date, both days inclusive.

Conversion rights & conversion restriction	:	Each Bondholder shall have the right, exercisable during the Conversion Period in accordance with the terms and conditions of the Bond Instruments, to convert the whole or any part (in multiples of HK$500,000) of the outstanding principal amount of the Bonds held by such Bondholder into such number of Shares as will be determined by dividing the principal amount of the Bonds to be converted by the Conversion Price in effect on the Conversion Date. No Bondholder shall exercise such conversion rights with respect to his/her/its Convertible Bonds and the Company shall not issue any Conversion Share in the event that the exercise of such conversion rights by the Bondholder will cause: (1) the Bondholder and/or parties acting in concert (as defined in the Takeovers Code) with him/her/it being required to make a mandatory general offer to other Shareholders in accordance with Rule 26 of the Takeovers Code, unless the Bondholder shall comply with the requirements under Rule 26 of the Takeovers Code; and/or (2) the public float of the Company being less than 25% of its issued share capital.
Redemption on maturity	:	All Convertible Bonds which have not been redeemed or converted by the Maturity Date shall be redeemed by the Company by either paying such redemption amount as equivalent to the principal amount of the Convertible Bonds and any interest accrued thereupon outstanding by that juncture or by issuing such portfolio of the Conversion Shares proportionate to the principal amount of the Convertible Bonds outstanding by that juncture, to be determined by the Company at its sole and absolute discretion, free from any interference whatsoever of any Bondholder or by any third party.

Redemption prior to maturity	:	The Company may at its sole and absolute discretion redeem the principal amount of the Convertible Bonds (or such outstanding part thereof, whichever shall be appropriate) at any time prior to the Maturity Date by paying such redemption amount as shall be equivalent to the principal amount outstanding (or the principal amount to be redeemed, whichever shall be appropriate) together with all interest accrued thereon and remains outstanding as at the date of redemption with the entire redemption amount to be paid to the Bondholder(s) in cash. For avoidance of any doubt, no Bondholder can request for any early redemption of the Convertible Bonds or any principal amount thereof.
Redemption on default	:	If any of the events of default specified in the Bond Instrument occurs, the Company shall forthwith give notice to the Bondholder and each Bondholder may (without prejudice to any other rights and remedies available to the Bondholder), opt to issue a notice of redemption to the Company in respect of all or part of the principal amount of the Convertible Bonds held by it, whereupon the Convertible Bonds shall immediately become due and payable at a redemption amount equal to the aggregate of 100% of the principal amount of the outstanding Convertible Bonds and such outstanding interests accrued thereupon.
Transferability	:	The Convertible Bonds are transferable in whole or in integral multiples of HK$500,000 and the Convertible Bonds can be transferred to any person provided that if the Convertible Bonds is intended to be transferred to a connected person (as defined in the Listing Rules), such transfer shall comply with the requirements under the Listing Rules and/or requirements imposed by the Stock Exchange.

Voting rights	:	The Convertible Bonds do not confer its holders with the right to vote at any meetings of the Company.

Reasons for and Benefits of the Placing and Use of Proceeds

The Board considers that the Placing will strengthen the financial position of the Group and support the business development of the Group. Having taken into consideration that (i) the Placing represents a good and timely opportunity for the Company to strengthen the financial position and liquidity of the Group and to broaden its capital base, should the Bondholders choose to exercise the conversion rights attaching to the Convertible Bonds; (ii) the Convertible Bonds will not have an immediate dilution effect on the shareholding of the existing Shareholders; and (iii) the net proceed from the Placing will strengthen the Group's financial position and support its business development, the Board considers that the terms of the Placing Agreement which were arrived at after arm's length negotiations between the Company and the Placing agents, are fair and reasonable and on normal commercial terms, and the entering into of the Placing Agreement is in the interest of the Company and the Shareholders as a whole.

Assuming the Convertible Bonds are fully placed by the Placing Agents, the gross proceeds and the net proceeds from the Placing (after deducting the placing commission payable to the Placing Agents and other expenses incurred in relation to the Placing) are estimated to be HK$120.0 million and approximately HK$118.4 million, respectively. The net Conversion Price, after deduction of relevant expenses, is approximately HK$0.215 per Conversion Share. The Company intends to apply the net proceeds from the Placing as follows:

(i) approximately HK$100.0 million or approximately 84.5% of the net proceeds for the project development costs regarding the first phase of the Project (as defined below). Of this amount, (a) approximately HK$10.9 million will be applied for upfront construction costs including surveying, architectural and structural design, and project consultation, which is expected to be utilised by December 2025; and (b) approximately HK$89.1 million will be applied to construction costs of the substructure and superstructure, including land preparation, foundation works, building and infrastructure construction, installation of various facility systems (such as water supply and drainage system, electrical system and ventilation and fire protection system), and construction of a water storage pool, which is expected to be utilised by March 2026; and

(ii) approximately HK$18.4 million or approximately 15.5% of the net proceeds as working capital of the Group for payment of daily operating expenses (including staff costs and rental expenses) and settlement of the amount due to suppliers and subcontractors, which is expected to be utilised by March 2026.

On May 15, 2025, the Company's indirect subsidiary, Penggao Green Energy (Guangzhou) Co., Ltd.*(鵬高綠能新能源(廣州)有限公司), entered into a capital injection agreement with Zhong Ya Equity Investment Fund Management (Shenzhen) Co., Ltd.*(中亞股權投資基金管理(深圳)有限公司), a limited liability company established in the PRC ("**Zhong Ya**") and Xiexin Industrial Park Management (Guangdong) Co., Ltd.*(協鑫產業園管理(廣東)有限公司), a limited liability company established in the PRC ("**Xiexin Industrial**"). Xiexin Damless Energy Storage Technology (Guangdong) Co., Ltd.*(協鑫無壩蓄能科技(廣東)有限公司)("**Xiexin Damless**"), a company established in the PRC with limited liability, was a wholly-owned subsidiary of the Xiexin Industrial. Xiexin Damless had entered into an investment agreement with the Sihui Municipal People's Government for the pumped storage power station project (the "**Project**") on 10 December 2024.

The capital injection in Xiexin Industrial was completed on 16 July 2025. As at the Latest Practicable Date, the Company indirectly holds approximately 51% of the share capital of Xiexin Industrial, and Xiexin Industrial and Xiexin Damless are indirect non-wholly owned subsidiaries of the Company. Please refer to the announcements of the Company dated 15 May 2025, 10 July 2025 and 16 July 2025, respectively for details of the acquisition and the Project.

The Project is expected to require a minimum of six years for full completion, with its development structured into two principal phases to ensure efficient execution and systematic progress. The first phase will be initiated upon Xiexin Industrial completing the acquisition of the title of two state-owned construction lands (the "**Lands**") for the Project, located in Qianfeng Village, Dongcheng Street, Sihui City, Guangdong Province, the PRC. This encompasses land preparation and infrastructure construction, involving a total estimated construction cost of approximately RMB400 million. The estimated timeline for first phase is 24 months, commencing upon completion of the acquisition of the Lands. This phase will include the development of both aboveground and underground facilities. The aboveground structures will comprise a comprehensive multi-purpose building, a materials warehouse and maintenance workshop, an aboveground compressor station, and a security gatehouse, among other ancillary facilities. Additionally, this phase will involve the construction of a water storage pool with a total capacity of 140,000 cubic meters to support the Project's operational requirements. As at the Latest Practicable Date, the outstanding balance for the land transfer to acquire the title of the Lands was approximately RMB42.42 million which shall be settled from the existing internal resources of Xiexin Industrial, contributed by the Group and Zhong Ya. Xiexin Industrial is in the course of finalising documentation with the local government authority, with the acquisition of the title of the Lands expected to be completed on or before 30 September 2025.

The second phase, which pertains to production facilities investment, installation, and subsequent operation, represents the core of the Project with an allocated equipment investment of approximately RMB1.4 billion. The estimated timeline for the second phase is 48 months. This phase shall commence upon completion of the first phase and will be implemented in two to three sub-phases to ensure methodical deployment and operational readiness. Key components of this phase include the establishment of a 100MW/600MWh energy storage power station, alongside the production of energy storage equipment. Major equipment investments will encompass energy storage compressor units, pump units, Pelton turbines, air expansion power generation units, electrical busbars, air compressor units, pumped storage pumps and turbine units, and multi-stage air expansion power generation units. Further, the Project will utilise advanced engineered composite pressure vessels with varying pressure bearing capacities, including high-pressure composite containers and hybrid watergas composite tanks, as well as low-pressure water storage pools and other auxiliary workshops to ensure system integrity and operational efficiency.

Any further funding requirement for the Project, to be borne by the Group, may be financed through a combination of external sources. These include, but are not limited to, international capital, green loans, financial leasing, and long-term domestic bonds from corporate or individual investors. The Group will select one or a combination of these debt and/or equity fundraising methods based on market conditions such as borrowing costs, market sentiment, and negotiations with potential investors, and according to the Project's progress, should the need arise. As of the Latest Practicable Date, other than the Convertible Bonds, the Group has not taken any concrete action to fund the Project.

Financing alternatives

The Board has evaluated other fund-raising alternatives before resolving to the placing of Convertible Bonds, including debt financing, and rights issue or open offer.

In respect of debt financing, the interest rate of the Convertible Bonds is lower than the prevailing Hong Kong prime rate of 5.25% which interest rate of bank borrowings would be based on, hence, debt financing is likely to result in higher financing costs for the Group, potentially weakening the overall cashflow and financial position of the Group as a whole. Moreover, securing loan facilities from financial institutions may involve a protracted due diligence process and negotiations, with no assurance of success, and would likely require the Group to provide additional asset pledges or guarantees.

In respect of rights issue or open offer, these types of fund-raising exercise would entail a longer execution timeline and higher costs to complete as compared to equity financing, as significant time would be required to negotiation with the underwriter on the terms and conditions of the underwriting, prepare listing documents and application forms, and complete regulatory filings. Furthermore, unless the Shareholders possess sufficient funds and are willing to participate in the fund-raising, Shareholders' proportionate shareholdings in the Company would be immediately diluted.

Based on the foregoing, having considered (i) the Placing imposes lower financial burden to the Group as compared to debt financing; and (ii) the Placing allows broader participation from potential investors to participate in the Group with no immediate dilution effect to the shareholding of the existing Shareholders, the Board is of the view that the Placing represents an appropriate fund-raising method for the Company to secure additional capital.

Effects of Completion on Shareholding Structure of the Company

Assuming there is no change in the share capital of the Company from the Latest Practicable Date up to the Completion of the Placing, the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediate upon full conversion of the Convertible Bonds at the initial Conversion Price are as follows:

Shareholders	**As at the Latest Practicable Date**		**Immediately upon full conversion of the Convertible Bonds**	
	No. of Shares	*Approximate %*	*No. of Shares*	*Approximate %*
Substantial Shareholder				
Liu Jianfu	70,640,000	9.59	70,640,000	5.49
Public Shareholders				
Placees	–	–	550,458,715	42.76
Other public Shareholders	666,096,000	90.41	666,096,000	51.75
Total	736,736,000	100.00	1,287,194,715	100.00

Equity Fund-raising Activities of the Company in the Past Twelve Months

Date of announcement	**Fund-raising activity**	**Net proceeds**	**Intended use of net proceeds**	**Actual use of net proceeds**
25 February 2025	Subscription of new Shares under general mandate	HK$5.6 million	– Approximately HK$3.4 million for repayment of liabilities of the Group – Approximately HK$2.2 million for the replenishment of general working capital of the Group	Fully utilised in accordance with the intended use

Date of announcement	Fund-raising activity	Net proceeds	Intended use of net proceeds	Actual use of net proceeds
19 July 2024	Rights issue on the basis of four (4) rights shares for every one (1) consolidated share	HK$100.2 million	– Approximately HK$50.0 million for startup costs of phase three of the Trendzon Diandian Science and Technology Innovation City's Industrial Park in the PRC – Approximately HK$45.0 million for repayment of loans – Approximately HK$5.2 million for the replenishment of general working capital of the Group	Fully utilised in accordance with the intended use

Specific Mandate

The Conversion Shares will be allotted and issued pursuant to the Specific Mandate proposed to be sought from the Shareholders at the EGM, therefore the Placing Agreement and the transactions contemplated thereunder will be subject to the Shareholders' approval at the EGM.

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares that may be allotted and issued upon conversion of the Convertible Bonds. No application will be made for listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange.

III. EGM

An EGM will be held and convened for the purpose of considering and, if thought fit, approving (i) the Increase in Authorised Share Capital; and (ii) the Placing Agreement and the transactions contemplated thereunder, including the granting of the Specific Mandate.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders and their respective close associates has any material interest in the Increase in Authorised Share Capital, the Placing Agreement and the transactions contemplated thereunder, and no Shareholder will be required to abstain from voting on the relevant resolution(s) to approve the Increase in Authorised Share Capital, the Placing Agreement and the transactions contemplated thereunder at the EGM.

A notice convening the EGM to be held at 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 26 September 2025 at 10:30 a.m. is set out on pages 29 to 31 of this circular for the Shareholders to consider and, if thought fit, to approve (i) the Increase in Authorised Share Capital; and (ii) the Placing Agreement and the transactions contemplated thereunder, including the granting of the Specific Mandate, by way of a poll at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Such form of proxy is also published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company's website (https://www.trendzon1865.com). Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for holding the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment of it, if you so wish.

The transfer books and 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 share transfers can be registered. The record date will be Friday, 26 September 2025 and to be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Monday, 22 September 2025.

IV. 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 Group. 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.

V. RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to consider and, if thought fit, approve the Increase in Authorised Share Capital, the Placing Agreement and the transactions contemplated thereunder (including the granting of the Specific Mandate).

Completion is conditional upon the satisfaction of the conditions set out in the Placing Agreement. Accordingly, the Placing may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

Yours faithfully,
For and on behalf of the Board
Pengo Holdings Group Limited
Feng Jiamin
Chairman



鵬高控股集團
Pengo Holdings Group Limited
香港聯交所主板股份代碼：1865

Pengo Holdings Group Limited
鵬高控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1865)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of Pengo Holdings Group Limited (the "**Company**") will be held at 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 26 September 2025 at 10:30 a.m. for the purposes of considering and, if thought fit, passing, with or without modifications, the following resolutions of the Company:

ORDINARY RESOLUTIONS

1. "**THAT**:

   (i) the authorised share capital of the Company be and is hereby increased from HK$100,000,000 divided into 1,000,000,000 Shares of par value of HK$0.1 each to HK$500,000,000 divided into 5,000,000,000 Shares of par value of HK$0.1 each by the creation of an additional 4,000,000,000 unissued Shares (the "**Increase in Authorised Share Capital**"); and

   (ii) any director of the Company (the" **Director**") be and is hereby authorised to sign, execute and deliver all such documents and deeds, and do all such acts, matters and things as are, in the opinion of such Director, necessary, desirable or expedient to give effect to and implement the Increase in Authorised Share Capital."

2. "**THAT**:

   (i) the placing agreement dated 1 August 2025 (the "**Placing Agreement**") entered into between the Company, Sunhigh Financial Holdings Limited and Grand China Securities Limited, in relation to the placing of convertible bonds of the Company in the aggregate principal amount of up to HK$120,000,000, entitling the holders thereof to convert such principal amount into a maximum of 550,458,715 new shares (the "**Conversion Share(s)**") of the Company at the initial conversion price of HK$0.218 per Conversion Share (subject to adjustment), the transaction contemplated thereunder and any other ancillary documents, be and are hereby confirmed, approved and ratified, subject to such addition or amendment as any Director may consider necessary, desirable or appropriate;

(ii) conditional upon the approval of the listing of and the dealing in the Conversion Shares (given by the Listing Committee of The Stock Exchange of Hong Kong Limited), the Directors be and are hereby granted the specific mandate (the "**Specific Mandate**") to allot and issue such Conversion Shares (such Specific Mandate shall be in addition to, and shall not prejudice nor revoke any existing or such other general or specific mandate(s) which has/have been granted to the Directors by the shareholders of the Company prior to the passing of this resolution); and

(iii) any Director be and is hereby authorised to sign, execute and deliver all such documents and deeds, and do all such acts, matters and things as are, in the opinion of such Director, necessary, desirable or expedient to give effect to and implement the Placing Agreement and any ancillary documentation and transactions thereof."

Yours faithfully,
For and on behalf of the Board
Pengo Holdings Group Limited
Feng Jiamin
Chairman

Hong Kong, 5 September 2025

Notes:

(i) All resolutions at the EGM will be taken by poll (except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules.

(ii) A shareholder entitled to attend and vote at the EGM is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it; a proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the EGM. On a poll, votes may be given either personally or by proxy.

(iii) In the case of joint holders, any one of such joint holders may vote at the EGM, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto, but if more than one of such joint holders be present at the EGM, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

(iv) A form of proxy for use at the EGM is enclosed. In order to be valid, a form of proxy must be deposited at the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the above meeting (i.e. before 10:30 a.m. on Wednesday, 24 September 2025) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the EGM or any adjournment.

(v) The transfer books and 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 share transfers can be registered. The record date will be Friday, 26 September 2025 and in order to qualify for attending the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong but in any event not later than 4:00 p.m. on Monday, 22 September 2025.

(vi) If typhoon signal no. 8 or above, or a "black" rainstorm warning, or extreme conditions is in effect any time after 7:00 a.m. on the date of the extraordinary general meeting, the extraordinary general meeting will be postponed. The Company will post an announcement on the websites of the Company at www.trendzon1865.com and the Stock Exchange at www.hkexnews.hk to notify the shareholders of the Company of the date, time and place of the rescheduled extraordinary general meeting.