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Flowing Cloud Technology Ltd
飛天雲動科技有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6610)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

CNI Securities Group Limited

Reference is made to the announcement (the "**Announcement**") issued by Flowing Cloud Technology Ltd (the "**Company**") dated September 9, 2025 in relation to the placing by CNI Securities Group Limited of up to 433,429,200 new shares of the Company (the "**New Shares**") under the general mandate. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

THE COMPLETION

The Board is pleased to announce that as at the date of this announcement, the Condition Precedent has been fulfilled and the Completion took place on September 30, 2025.

Upon the Completion, a total of 433,429,200 News Shares have been successfully placed by the Placing Agent to not less than six Placees at the placing price of HK$0.174 per Placing Share, in accordance with the terms and conditions of the Placing Agreement.

The New Shares represent (i) approximately 20.00% of the number of issued Shares immediately before the Completion; and (ii) approximately 16.67% of the number of issued Shares as enlarged by the allotment and issue of the New Shares after the Completion. The New Shares, when issued and fully paid up, shall rank *pari passu* in all respects and *inter se* with all other Shares then in issue.

To the best of the Director' knowledge, information and belief, having made all reasonable enquiries, (i) each of the Placees and/or their respective ultimate beneficial owner(s) is an independent third party and is not connected with, or is not acting in concert with the Company and its connected persons; and (ii) immediately after the Placing, none of the Placees will become a substantial shareholder of the Company.

USE OF PROCEEDS

The net proceeds from the Placing (the "**Net Proceeds**"), after deduction of the placing commission and other related expenses, amounted to approximately HK$74.53 million. The Company intends to apply the net proceeds as outlined below:

(i) approximately 60% of the Net Proceeds amounting to approximately HK$44.72 million will be allocated to acquiring advertising traffic from media platforms or their authorised agents, aimed at enhancing the Group's AR/VR marketing services in domestic and overseas markets;

(ii) approximately 30% of the Net Proceeds, amounting to approximately HK$22.36 million, will be directed towards enhancing the Group's research and development (R&D) capabilities and improving its service and product offerings. This allocation will support the following initiatives:

   (a) development and optimization of the Group's algorithms and data analysis capabilities;

   (b) upgrades and iterations of the digital human platform, metaspace platform, and VR engine;

   (c) enhancements to operational capabilities;

   (d) development of artificial intelligence (AI), motion capture technology, location-based VR, extended reality (XR), and other related content; and

   (e) outsourced R&D expenses;

(iii) the remaining approximately 10% of the Net Proceeds, amounting to approximately HK$7.45 million, will be allocated for general working capital purposes, which includes but is not limited to payment of staff cost, rent, legal and professional fees, and other administrative expenses.

EFFECTS OF THE SHAREHOLDING STRUCTURE OF THE COMPANY

Immediately upon the Completion, the number of the total issued Shares of the Company is 2,600,575,200 Shares (excluding treasury Shares).

The following table illustrates the shareholding structure of the Company (i) immediately before the Completion; and (ii) immediately after the Completion:

	Immediately before the Completion		**Immediately after the Completion**	
	Number of Shares	*Approximately Shareholding percentage*	*Number of Shares*	*Approximately Shareholding percentage*
Mr. Wang Lei ("**Mr. Wang**") *(Note 1)*	669,821,900	30.91%	669,821,900	25.75%
The Placees	—	—	433,429,200	16.67%
Public Shareholders	1,497,324,100	69.09%	1,497,324,100	57.58%
Total	**2,167,146,000**	**100.00%**	**2,600,575,200**	**100.00%**

Note:

1. Mr. Wang serves as the executive Director, chairman of the Board, and the chief executive officer of the Company. As of the date of this announcement, Mr. Wang holds an interest in 669,821,900 Shares through Brainstorming Cafe Limited ("**Brainstorming Cafe**"). Brainstorming Cafe is approximately 30% owned by Wanglei Co., Ltd. ("**Wang BVI**") and approximately 70% owned by Cyber Warrior Holdings Limited ("**Cyber Warrior**"). Wang BVI is wholly owned by Mr. Wang, while Cyber Warrior is entirely owned by Moomoo Trustee (Singapore) Pte. Ltd., which functions as the trustee of a discretionary trust established by Mr. Wang for estate planning purposes, in which Mr. Wang acts as the settlor and protector, and Wang BVI is named as the beneficiary.

By order of the Board
Flowing Cloud Technology Ltd
Wang Lei
Chairman

Hong Kong, September 30, 2025

As of the date of this announcement, the Board comprises Mr. Wang Lei, Ms. Xu Bing and Mr. Li Yao as executive Directors and Mr. Jiang Yi, Ms. Chen Yuelin and Mr. Li Shaojie as independent non-executive Directors.