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CAPITAL REALM FINANCIAL HOLDINGS GROUP LIMITED
資本界金控集團有限公司
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 204)

CHANGE IN USE OF PROCEEDS FROM THE RIGHTS ISSUE

Reference is made to the prospectus of Capital Realm Financial Holdings Group Limited (the "**Company**", together with its subsidiaries as, the "**Group**") dated 21 July 2025 relating to the proposed rights issue (the ''**Rights Issue**'') on the basis of three (3) rights shares for every one (1) share held on the record date (the ''**Prospectus**''). Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meaning as those defined in the Prospectus.

The board (the "**Board**") of directors (the "**Directors**") of the Company would like to provide an update on the proposed change in use of proceeds from the Rights Issue in the manner as set out below.

USE OF PROCEEDS FROM THE RIGHTS ISSUE

As disclosed in the Prospectus, the net proceeds of approximately HK$154.5 million (the ''**Net Proceeds**'') from the Rights Issue shall be applied (i) approximately 46.6% of the Net Proceeds (or approximately HK$72.0 million) will be utilized for the repayment of the Group's bonds principal amount and accrued interests; (ii) approximately 44.1% of the Net Proceeds (or approximately HK$68.1 million) will be utilized for future investments pursuant to the investment objectives of the Company; and (iii) approximately 9.3% of the Net Proceeds (or approximately HK$14.4 million) will be utilized as general working capital of the Group which mainly includes directors' emoluments, salaries, legal and professional fees and rental expenses.

CHANGE IN USE OF PROCEEDS

As at the date of this announcement, a total of approximately HK$147.2 million of the Net Proceeds from the Rights Issue had been utilized and the remaining net proceeds from the Rights Issue amount to approximately HK$7.3 million (the ''**Remaining Net Proceeds**'').

Set out below is the utilization of Net Proceeds up to the date of this announcement and the proposed change in use of the Remaining Net Proceeds:

	Intended use of Net Proceeds as disclosed in the Prospectus *HK$M*	Utilized Net Proceeds in accordance with the Prospectus as at the date of this announcement *HK$M*	Remaining Net Proceeds in accordance with the Prospectus as at the date of this announcement *HK$M*	Revised allocation of Remaining Net Proceeds *HK$M*	Revised Remaining Net Proceeds as at the date of this announcement *HK$M*
Use of proceeds from the Rights Issue					
-Repayment of the Group's bonds principal amount and accrued interests	72.0	(66.7)	5.3	(3.0)	2.3
-Investments pursuant to the investment objectives of the Company	68.1	(68.1)	-	10.0	-
-General working capital of the Group	14.4	(2.4)	12.0	(7.0)	5.0
	154.5	(137.2)	17.3	-	7.3

The Company currently expects to fully utilize the Remaining Net Proceeds by 31 March 2026. Save for the disclosed herein, there are no other changes in the use of the Net Proceeds.

REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF PROCEEDS

In order to improve the efficiency of fund utilization and achieve possible capital growth, the Company continuously optimizes its investment strategy, consolidates its core business foundation, and explores diversified investment opportunities across industries. Based on research on opportunities in the medical device industry, the Company intends to invest in this field. The Board has decided to reallocate a portion of the Remaining Net Proceeds for the investment in the medical device industry and expand business as to seize such investment opportunities.

The Board confirms that there are no material changes in the nature of the business of the Group as set out in the Prospectus. Save as disclosed in this announcement, the Board does not anticipate any other change to the plan as to the use of the Remaining Net Proceeds.

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

By Order of the Board
Capital Realm Financial Holdings Group Limited
Deng Dongping
Joint Chairman

Hong Kong, 26 November 2025

As at the date of this announcement, the Board comprises Mr. Chan Cheong Yee and Mr. Chan Yiu Pun Clement as executive Directors; Mr. Deng Dongping (Joint Chairman), Mr. Zhang Zixing (Joint Chairman),Mr. Zhu Zhikun, Ms. Mo Xiuping and Mr. Ge Zhifu as non-executive Directors; and Mr. Shi Zhu, Ms. Chen Shunqing and Mr. Ding Jiasheng as independent non-executive Directors.