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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**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 shares in **Chuanglian Holdings Limited** (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

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### **Chuanglian Holdings Limited**

### **創聯控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2371)**

- (1) PROPOSED SHARE CONSOLIDATION;  
(2) PROPOSED CHANGE IN BOARD LOT SIZE;  
(3) PROPOSED SUBSCRIPTION OF NEW CONSOLIDATED SHARES  
UNDER SPECIFIC MANDATE;  
(4) PROPOSED ISSUE OF NEW CONSOLIDATED SHARES  
UNDER SPECIFIC MANDATE FOR CAPITALIZATION OF  
SHAREHOLDER’S LOANS;  
AND  
(5) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser to  
the Independent Board Committee and the Independent Shareholders**



**紅日資本有限公司**

**RED SUN CAPITAL LIMITED**

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Capitalized terms used in this cover have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 11 to 46 of this circular. A letter from the Independent Board Committee is set out on pages 47 to 48 of this circular.

A letter from Red Sun Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, is set out on pages 49 to 70 of this circular.

Resolutions will be proposed at the extraordinary general meeting of the Company to be held at Rooms 2009-18, 20/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Monday, 29 December 2025 at 3:00 p.m. (the “EGM”) to approve the matters referred to in this circular.

A form of proxy for the EGM is enclosed in this circular. Whether or not you are able to attend the EGM in person, you are requested to complete the form of proxy and return it to the Company at Rooms 2009-18, 20/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong, or the Company’s Hong Kong Share registrar and transfer office, Boardroom Share Registrar (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of a form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish.

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## CONTENTS

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	<i>Page</i>
<b>DEFINITIONS .....</b>	<b>1</b>
<b>EXPECTED TIMETABLE .....</b>	<b>9</b>
<b>LETTER FROM THE BOARD .....</b>	<b>11</b>
<b>LETTER FROM THE INDEPENDENT BOARD COMMITTEE .....</b>	<b>47</b>
<b>LETTER FROM THE INDEPENDENT FINANCIAL ADVISER .....</b>	<b>49</b>
<b>APPENDIX – GENERAL INFORMATION .....</b>	<b>App-1</b>
<b>NOTICE OF THE EGM .....</b>	<b>EGM-1</b>

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## DEFINITIONS

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

“AMLO”	the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong)
“Articles of Association”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday and any day on which a tropical cyclone warning No. 8 or above is hoisted or on which a “black” rainstorm warning is hoisted between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Capitalization Share(s)”	a total of 13,157,893 new Consolidated Shares to be issued pursuant to the Loan Settlements
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 4,000 Existing Shares to 8,000 Consolidated Shares conditional upon the Share Consolidation becoming effective
“Company”	Chuanglian Holdings Limited (創聯控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Consolidated Share(s)”	ordinary share(s) HK\$0.1 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Creditors”	collectively, Mr. Lu and Mr. Gao, and a “Creditor” means any or each of them

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## DEFINITIONS

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“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened on Monday, 29 December 2025 for the purpose of considering and, if thought fit, approving, <i>inter alia</i> , (a) the Share Consolidation; (b) each of the Subscription Agreements and the transactions contemplated thereunder, including the allotment and issue of the Subscription Shares under the Specific Mandate (Subscription); and (c) each of the Loan Settlement Agreements and the transactions contemplated thereunder, including the allotment and issue of the Capitalization Shares under the Specific Mandate (Capitalization Issue)
“Encumbrance”	a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or any other type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect
“Existing Share(s)”	ordinary share(s) of HK\$0.01 each in the existing share capital of the Company prior to the Share Consolidation becoming effective
“General Rules of HKSCC”	the terms and conditions regulating the use of HKSCC’s services, as may be amended, supplemented and/or otherwise modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“HKMA”	Hong Kong Monetary Authority
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time in force

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## DEFINITIONS

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“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, established to advise the Independent Shareholders in relation to each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder
“Independent Financial Adviser”	Red Sun Capital Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder
“Independent Shareholder(s)”	Shareholder(s) other than those who are required under the Listing Rules to abstain from voting on the resolution(s) to be proposed at the EGM
“Independent Third Party(ies)”	any party who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquires, is a third party independent of the Company and the connected person(s) of the Company
“Issue Price”	the issue price of HK\$0.38 per Capitalization Share
“Latest Practicable Date”	5 December 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 Committee”	has the meaning ascribed to it in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Capitalization Completion”	completion of the Loan Settlements in accordance with the terms and conditions of the Loan Settlement Agreements
“Loan Capitalization Completion Date”	the Loan Capitalization Completion Date 1 and the Loan Capitalization Completion Date 2, as the case may be

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## DEFINITIONS

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“Loan Capitalization Completion Date 1”	the date on which 7,894,736 Capitalization Shares will be allotted and issued to Mr. Lu by the Company, i.e. the fifth Business Day upon all the conditions precedent as set out in the paragraph headed “Conditions of the Loan Settlements” in the “Letter from the Board” have been fulfilled or such other date as agreed by the parties to the Loan Settlement Agreement 1 and in any event no later than the Long Stop Date (Capitalization) unless otherwise agreed between the Company and Mr. Lu
“Loan Capitalization Completion Date 2”	the date on which 5,263,157 Capitalization Shares will be allotted and issued to Mr. Gao by the Company, i.e. the fifth Business Day upon all the conditions precedent as set out in the paragraph headed “Conditions of the Loan Settlements” in the “Letter from the Board” have been fulfilled or such other date as agreed by the parties to the Loan Settlement Agreement 2 and in any event no later than the Long Stop Date (Capitalization) unless otherwise agreed between the Company and Mr. Gao
“Loan from Mr. Gao”	the interest-free loan in the principal amount of HK\$2,000,000 provided by Mr. Gao to the Company which is due to mature on 1 December 2025
“Loan from Mr. Lu”	the interest-free loan in the principal amount of HK\$3,000,000 provided by Mr. Lu to the Company which is due to mature on 28 November 2025
“Loan Settlements”	collectively, the Loan Settlement 1 and the Loan Settlement 2
“Loan Settlement 1”	the capitalization of the principal amount of HK\$3,000,000 under the Loan from Mr. Lu through the allotment and issue of the 7,894,736 Capitalization Shares according to the terms of the Loan Settlement Agreement 1
“Loan Settlement 2”	the capitalization of the principal amount of HK\$2,000,000 under the Loan from Mr. Gao through the allotment and issue of the 5,263,157 Capitalization Shares according to the terms of the Loan Settlement Agreement 2

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## DEFINITIONS

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“Loan Settlement Agreement 1”	the loan settlement agreement dated 24 October 2025 entered into between the Company and Mr. Lu in relation to the Loan Settlement 1, as amended and supplemented by a supplemental agreement dated 4 December 2025
“Loan Settlement Agreement 2”	the loan settlement agreement dated 24 October 2025 entered into between the Company and Mr. Gao in relation to the Loan Settlement 2, as amended and supplemented by a supplemental agreement dated 4 December 2025
“Loan Settlement Agreements”	collectively, the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2, and a “Loan Settlement Agreement” means any or each of them
“Long Stop Date (Capitalization)”	20 January 2026 or such other date as may be mutually agreed between the Company and Mr. Lu and Mr. Gao (as the case may be)
“Long Stop Date (Subscription)”	20 January 2026 or such other date as may be mutually agreed between the Company and Subscriber 1 and Subscriber 2 (as the case may be)
“Mr. Gao”	Mr. Gao Yongzhi (高永志), an executive Director, a Shareholder who is interested in approximately 9.53% Shares as at the Latest Practicable Date and a connected person of the Company
“Mr. Lu”	Mr. Lu Xing (路行), a Shareholder who is interested in approximately 21.02% Shares as at the Latest Practicable Date and a connected person of the Company
“PRC”	the People’s Republic of China, for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Refundable Deposit”	the deposit paid by a Subscriber to the Company in an amount equal to 10% of the total subscription price for the Subscription Shares concerned, which shall only be refundable pursuant to the terms of the relevant Subscription Agreement

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## DEFINITIONS

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“Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	Existing Share(s) and/or Consolidated Share(s), as the case may be
“Share Consolidation”	the proposed share consolidation on the basis that every ten (10) issued and unissued Existing Shares be consolidated into one (1) Consolidated Share and to round down the number of Consolidated Shares in the share capital of the Company to the nearest whole number by disregarding each and every fractional Consolidated Share which would otherwise arise therefrom
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders’ Loans”	collectively, the Loan from Mr. Lu and the Loan from Mr. Gao
“Specific Mandate (Capitalization Issue)”	the specific mandate to be obtained from the Shareholders at the EGM to allot and issue the Capitalization Shares to the Creditors pursuant to the Loan Settlement Agreements
“Specific Mandate (Subscription)”	the specific mandate to be obtained from the Shareholders at the EGM to allot and issue the Subscription Shares to the Subscribers pursuant to the Subscription Agreements
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber 1”	Modern Alpha Group Company Limited 現代安華集團有限公司, a company incorporated in Hong Kong with limited liability
“Subscriber 2”	Ms. Xuan Xiuli (軒秀麗)



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## DEFINITIONS

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“Subscribers”	collectively, Subscriber 1 and Subscriber 2, and a “Subscriber” means any or each of them
“Subscription Agreement 1”	the subscription agreement dated 24 October 2025 and entered into between the Company and Subscriber 1 in relation to the Subscription 1, as amended and supplemented by a supplemental agreement dated 4 December 2025
“Subscription Agreement 2”	the subscription agreement dated 24 October 2025 and entered into between the Company and Subscriber 2 in relation to the Subscription 2, as amended and supplemented by a supplemental agreement dated 4 December 2025
“Subscription Agreements”	collectively, the Subscription Agreement 1 and the Subscription Agreement 2, and a “Subscription Agreement” means any or each of them
“Subscription Completion”	completion of the Subscriptions in accordance with the terms and conditions of the Subscription Agreements
“Subscription Completion Date”	the Subscription Completion Date 1 and the Subscription Completion Date 2, as the case may be
“Subscription Completion Date 1”	the date on which 78,947,368 Subscription Shares will be allotted and issued to Subscriber 1 by the Company, i.e. the fifth Business Day upon all the conditions precedent as set out in the paragraph headed “Conditions of the Subscriptions” in the “Letter from the Board” have been fulfilled or such other date as agreed by the parties to the Subscription Agreement 1 and in any event no later than the Long Stop Date (Subscription) unless otherwise agreed between the Company and Subscriber 1

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## DEFINITIONS

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“Subscription Completion Date 2”	the date on which 15,789,473 Subscription Shares will be allotted and issued to Subscriber 2 by the Company, i.e. the fifth Business Day upon all the conditions precedent as set out in the paragraph headed “Conditions of the Subscriptions” in the “Letter from the Board” have been fulfilled or such other date as agreed by the parties to the Subscription Agreement 2 and in any event no later than the Long Stop Date (Subscription) unless otherwise agreed between the Company and Subscriber 2
“Subscription Price”	HK\$0.38 per Subscription Share
“Subscription Share(s)”	a total of 94,736,841 new Consolidated Shares to be issued pursuant to the Subscriptions
“Subscription 1”	the subscription by Subscriber 1 of 78,947,368 Subscription Shares pursuant to the Subscription Agreement 1
“Subscription 2”	the subscription by Subscriber 2 of 15,789,473 Subscription Shares pursuant to the Subscription Agreement 2
“Subscriptions”	collectively, the Subscription 1 and the Subscription 2
“%”	per cent.

*References to time and dates in this circular are to Hong Kong time and dates.*

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## EXPECTED TIMETABLE

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*Set out below is the expected timetable for the Share Consolidation and the Change in Board Lot Size. The expected timetable is subject to the results of the EGM and is therefore for indicate purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to Hong Kong local times and dates.*

Event	Time and date
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM . . . . .	4:30 p.m. on Friday, 19 December 2025
Closure of the register of members for determining the entitlements to attend and vote at the EGM . . . . .	Monday, 22 December 2025 to Monday, 29 December 2025 (both days inclusive)
Latest time for lodging forms of proxy for the EGM . . . . .	3:00 p.m. on Saturday, 27 December 2025
Record date for attendance and voting at the EGM . . . . .	Monday, 29 December 2025
Date and time of the EGM . . . . .	3:00 p.m. on Monday, 29 December 2025
Publication of the announcement of the poll results of the EGM . . . . .	Monday, 29 December 2025

**The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation as set out in this circular:**

Event	Time and date
Effective date of the Share Consolidation . . . . .	Friday, 2 January 2026
Dealing in the Consolidated Shares commences . . . . .	9:00 a.m. on Friday, 2 January 2026
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares . . . . .	Friday, 2 January 2026
Original counter for trading in the Existing Shares in board lots of 4,000 Existing Shares (in the form of existing share certificates) temporarily closes . . . . .	9:00 a.m. on Friday, 2 January 2026

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## EXPECTED TIMETABLE

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Event	Time and date
Temporary counter for trading in the Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) opens . . . . .	9:00 a.m. on Friday, 2 January 2026
Effective date of the new board lot size of 8,000 Consolidated Shares . . . . .	Friday, 16 January 2026
Original counter for trading in the Consolidated Shares in new board lots of 8,000 Consolidated Shares (in the form of new share certificates for the Consolidated Shares) re-opens . . . . .	9:00 a.m. on Friday, 16 January 2026
Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) commences . . . . .	9:00 a.m. on Friday, 16 January 2026
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares . . . . .	9:00 a.m. on Friday, 16 January 2026
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares . . . . .	4:00 p.m. on Thursday, 5 February 2026
Temporary counter for trading in the Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) closes . . . . .	4:10 p.m. on Thursday, 5 February 2026
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) ends . . . . .	4:10 p.m. on Thursday, 5 February 2026
Last day and time for free exchange of existing share certificates for new share certificates for the Consolidated Shares . . . . .	4:30 p.m. on Monday, 9 February 2026



**Chuanglian Holdings Limited**

**創聯控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2371)**

*Executive Directors:*

Mr. Gao Yongzhi (*Chief Executive Officer*)

Mr. Li Jia

Mr. Zhang Jie

*Independent Non-executive Directors:*

Mr. Leung Siu Kee

Mr. Wu Yalin

Ms. Wang Shuping

*Registered Office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Principal Place of Business in Hong Kong:*

Rooms 2009-18, 20/F.

Shui On Centre

6-8 Harbour Road

Wanchai

Hong Kong

11 December 2025

*To the Shareholders*

Dear Sir or Madam,

- (1) PROPOSED SHARE CONSOLIDATION;  
(2) PROPOSED CHANGE IN BOARD LOT SIZE;  
(3) PROPOSED SUBSCRIPTION OF NEW CONSOLIDATED SHARES  
UNDER SPECIFIC MANDATE;  
(4) PROPOSED ISSUE OF NEW CONSOLIDATED SHARES  
UNDER SPECIFIC MANDATE FOR CAPITALIZATION OF  
SHAREHOLDER'S LOANS;  
AND  
(5) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**I. INTRODUCTION**

References are made to the announcements of the Company dated 24 October 2025, 4 December 2025 and 8 December 2025 in relation to, the proposed Share Consolidation, the proposed Change in Board Lot Size, the Subscriptions and the Loan Settlements.

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## LETTER FROM THE BOARD

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The purpose of this circular is to provide you with information on the resolutions to be proposed at the EGM relating to the proposed Share Consolidation, the Subscriptions and the Loan Settlements.

### II. PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every ten (10) Existing Shares of par value of HK\$0.01 each in the issued and unissued share capital of the Company will be consolidated into one (1) Consolidated Share of par value of HK\$0.1.

#### Effects of the Share Consolidation

As at the Latest Practicable Date, 6,752,210,578 Existing Shares were issued and outstanding, and the Company held no treasury shares. Upon the Share Consolidation becoming effective and assuming that no further Existing Shares are issued or bought back and cancelled from the Latest Practicable Date until the effective date of the Share Consolidation, no more than 675,221,057 Consolidated Shares will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares which will not be allocated to the Shareholders who may otherwise be entitled.

#### Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

- (i) passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation;
- (ii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Consolidated Shares; and
- (iii) compliance with the relevant procedures and requirements under the laws of the Cayman Islands (where applicable) and the Listing Rules to implement the Share Consolidation.

Subject to the satisfaction of all the above conditions, it is expected that the Share Consolidation will become effective on Friday, 2 January 2026, being the second full business day immediately after the date of passing of the ordinary resolution approving the Share Consolidation at the EGM.

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## LETTER FROM THE BOARD

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### **Listing application**

An application will be made by the Company to the Listing Committee for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and HKSCC Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS.

None of the Existing Shares or any other equity or debt securities in issue of the Company are listed or dealt in on any stock exchange other than the Stock Exchange. Upon the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is currently proposed to be sought.

### **III. PROPOSED CHANGE IN BOARD LOT SIZE**

As at the Latest Practicable Date, the Existing Shares were traded on the Stock Exchange in board lot size of 4,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 4,000 Existing Shares to 8,000 Consolidated Shares subject to and upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.030 per Existing Share (equivalent to HK\$0.300 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the market value of each board lot of 8,000 Consolidated Shares, assuming the Share Consolidation and the Change in Board Lot Size had become effective, would be HK\$2,400.

The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders.

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## LETTER FROM THE BOARD

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### IV. OTHER ARRANGEMENTS

#### **Fractional entitlement to Consolidated Shares**

The number of Consolidated Shares will be rounded down to the nearest whole number.

Any fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded, not issued to the Shareholders, but instead aggregated and, if possible, sold in the market for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of share certificates held by such holder.

#### **Arrangement on odd lots trading and matching services**

To facilitate the trading of odd lots in the Consolidated Shares arising from the Share Consolidation, the Company has appointed RuiLian Financial Group Company Limited to provide matching services on a best-efforts basis to those Shareholders who wish to acquire odd lots to form a full board lot, or to dispose of their odd-lot holdings, during the period from 9:00 a.m. on Friday, 16 January 2026 to 4:00 p.m. on Thursday, 5 February 2026 (both days inclusive). Shareholders who wish to take advantage of this facility should contact Mr. Lawson Lok at Suites 2009-18, 20/F., Shui On Centre, 608 Harbour Road, Wan Chai, Hong Kong or at telephone number: +852 3582 5200 during office hours (i.e. 9 a.m. to 5 p.m.) of such period. Shareholders who would like to match odd lots are recommended to make an appointment in advance by dialling the telephone number of +852 3582 5200 set out above.

Holders of odd lots of the Consolidated Shares should note that matching of the sale or purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about this arrangement should consult their professional advisers.

**Shareholders or potential investors should note that (i) odd lots will be created after the Share Consolidation and the Change in Board Lot Size; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price.**



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## LETTER FROM THE BOARD

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### **Free exchange of share certificates for the Consolidated Shares**

Subject to the Share Consolidation becoming effective, which is currently expected to be on Friday, 2 January 2026, being the second full business day immediately after the date of the EGM, the Shareholders may, during the specified period from Friday, 2 January 2026 to Monday, 9 February 2026 (both dates inclusive), submit existing share certificates in light green color for the Existing Shares to the Registrar, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, in exchange for new share certificates in light red color for the Consolidated Shares at the expense of the Company. Thereafter, share certificates of the Existing Shares will only be accepted for exchange upon payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever number of share certificates involved is higher.

Subject to the Share Consolidation becoming effective, after 4:10 p.m. on Thursday, 5 February 2026, trading will occur exclusively in Consolidated Shares, and existing share certificates for the Existing Shares will only remain effective as title documents and may be exchanged for share certificates for Consolidated Shares at any time, but will not be accepted for delivery, trading or settlement purposes.

### **Other securities of the Company**

As at the Latest Practicable Date, the Company had no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

## **V. REASONS FOR THE PROPOSED SHARE CONSOLIDATION AND PROPOSED CHANGE IN BOARD LOT SIZE**

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or proceed with a consolidation or splitting of securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and last updated in September 2024 states that (i) market price of the share at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

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## LETTER FROM THE BOARD

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The recent trading price of the Existing Shares is at a level below HK\$0.10 and the existing board lot value of the Company has been constantly less than HK\$2,000. Based on the closing price of HK\$0.030 per Existing Share as quoted on the Stock Exchange as at the Latest Practicable Date, with a board lot size of 4,000 Existing Shares, the Company was trading at HK\$120 per board lot, which is substantially less than HK\$2,000 per board lot. In view of this, the Board proposes to implement the Share Consolidation in order to comply with the trading requirements of the Listing Rules such that upon the Share Consolidation and the Change in Board Lot Size becoming effective, the expected board lot value will be HK\$2,400, which will be greater than HK\$2,000.

In view of the above, it is considered that the Share Consolidation and the Change in Board Lot Size will enable the Company to comply with the trading requirements under the Listing Rules and reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks or securities houses will charge minimum transaction costs for each securities trade. With a corresponding upward adjustment in the trading price of the Consolidated Shares, it is believed that the Share Consolidation will maintain the trading amount for each board lot at a reasonable level and make investing in the Shares more attractive to a broader range of investors, and thus further broadening the shareholder base of the Company.

Save for the relevant expenses, including but not limited to professional fees and printing charge to be incurred by the Company, the Board believes that the Share Consolidation and the Change in Board Lot Size will not have any material adverse effect on the consolidated net asset value of the Group, nor alter the underlying assets, business operations, management or the financial position of the Company or the proportionate interests of the Shareholders.

Although the Share Consolidation and the Change in Board Lot Size may lead to the creation of odd lots of Shares, the Company will appoint a securities firm as agent to provide matching services for odd lots of Shares for a period of not less than three weeks, which will alleviate the difficulties caused by the creation of odd lots of Shares.

As at the Latest Practicable Date, the Company had no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation and the Change in Board Lot Size.

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## LETTER FROM THE BOARD

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### VI. PROPOSED SUBSCRIPTION OF NEW CONSOLIDATED SHARES UNDER SPECIFIC MANDATE

#### Subscription Agreement 1

Date: 24 October 2025, as amended and supplemented by a supplemental agreement dated 4 December 2025

Parties: (1) The Company, as issuer  
(2) Subscriber 1, as subscriber

Subscriber 1 is a company incorporated in Hong Kong with limited liability and wholly owned by Gao Jiajian (高嘉健). Subscriber 1 is principally engaged in conducting investments in the PRC and Hong Kong capital markets, asset restructuring and asset management. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date:

- (i) neither Subscriber 1 nor any of its associates had any interest in the Shares. Upon completion of the Subscription 1, Subscriber 1 will be interested in 78,947,368 Consolidated Shares, representing approximately 10.25% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Subscription Shares immediately upon Subscription Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Subscription Completion, save for the Share Consolidation and the allotment and issue of the Subscription Shares);
- (ii) each of Subscriber 1 and its ultimate beneficial owner was an Independent Third Party; and
- (iii) each of Subscriber 1 and its ultimate beneficial owner was independent of and not connected with Subscriber 2 and her associates.

Pursuant to the Subscription Agreement 1, the Company has conditionally agreed to allot and issue, and Subscriber 1 has conditionally agreed to subscribe in cash of HK\$30,000,000 for, a total of 78,947,368 Subscription Shares at the Subscription Price.

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## LETTER FROM THE BOARD

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The 78,947,368 Subscription Shares represent (i) approximately 11.69% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 10.25% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Subscription Shares immediately upon Subscription Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Subscription Completion, save for the Share Consolidation and the allotment and issue of the Subscription Shares).

Subscriber 1 will become a substantial shareholder (as defined under the Listing Rules) of the Company immediately after the completion of the Subscription 1 (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Subscription Completion, save for the Share Consolidation and the allotment and issue of the Subscription Shares).

### **Subscription Agreement 2**

Date: 24 October 2025, as amended and supplemented by a supplemental agreement dated 4 December 2025

Parties: (1) The Company, as issuer  
(2) Subscriber 2, as subscriber

Subscriber 2 is an individual investor focusing on the Hong Kong and PRC capital markets. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date:

- (i) neither Subscriber 2 nor any of her associates had any interest in the Shares. Upon completion of the Subscription 2, Subscriber 2 will be interested in 15,789,473 Consolidated Shares, representing approximately 2.05% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Subscription Shares immediately upon Subscription Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Subscription Completion, save for the Share Consolidation and the allotment and issue of the Subscription Shares);
- (ii) Subscriber 2 was an Independent Third Party; and
- (iii) Subscriber 2 was independent of and not connected with Subscriber 1 and its associates.

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## LETTER FROM THE BOARD

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Pursuant to the Subscription Agreement 2, the Company has conditionally agreed to allot and issue, and Subscriber 2 has conditionally agreed to subscribe in cash of HK\$6,000,000 for, a total of 15,789,473 Subscription Shares at the Subscription Price.

The 15,789,473 Subscription Shares represent (i) approximately 2.34% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 2.05% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Subscription Shares immediately upon Subscription Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Subscription Completion, save for the Share Consolidation and the allotment and issue of the Subscription Shares).

Subscriber 2 will not become a substantial shareholder (as defined under the Listing Rules) of the Company immediately after the completion of the Subscription 2 (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Subscription Completion, save for the Share Consolidation and the allotment and issue of the Subscription Shares). It is expected that as a pure financial investor of the Company, Subscriber 2 will not participate in the management or business operations of the Group upon the Subscription Completion.

### **Subscription Shares**

Pursuant to the Subscription Agreements, an aggregate of 94,736,841 Subscription Shares will be allotted and issued to the Subscribers, which represent (i) approximately 14.03% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 12.30% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Subscription Shares immediately upon Subscription Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Subscription Completion, save for the Share Consolidation and the allotment and issue of the Subscription Shares).

The Subscription Shares are not subject to any lock-up or other disposal restriction under the terms of the Subscription Agreements.

### **Common principal terms of the Subscription Agreements**

Apart from the identities of the Subscribers and the number of Subscription Shares to be subscribed by each of the Subscribers set out above, the principal terms of each of the Subscription Agreements are identical.

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## LETTER FROM THE BOARD

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Set out below are the key terms of the Subscription Agreements:

**(a) *Ranking of the Subscription Shares***

The Subscription Shares will be allotted and issued free of any Encumbrance, and will rank *pari passu* in all respects among themselves and all other issued Consolidated Shares as at the Subscription Completion Date in all respects, including the right to receive all dividends declared or payable or distribution made or proposed to be made at any time by reference to a record date falling on or after the Subscription Completion Date.

**(b) *Subscription Price and Refundable Deposit***

Pursuant to the Subscription Agreements, the Subscribers shall pay to the Company the Subscription Price in the following manner:

<b>Time of payment</b>	<b>Amount</b>
On or before 15 November 2025	The Refundable Deposit, being 10% of the total subscription price payable by the relevant Subscriber
Not later than three Business Days before the Subscription Completion Date	The balance of the total subscription price payable by the relevant Subscriber

The Refundable Deposit is only refundable by the Company to the Subscriber in full if:

- (i) any conditions precedent as set out in (ii) to (v) under the paragraph headed “Conditions of the Subscriptions” below is not fulfilled by the Long Stop Date (Subscription); or
- (ii) there is a material breach of the Subscription Agreement by the Company resulting in the termination of the Subscription Agreement.

The Subscription Price of HK\$0.38 per Subscription Share represents:

- (i) a premium of approximately 8.57% over the theoretical closing price of HK\$0.35 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK\$0.035 per Existing Share as quoted on the Stock Exchange on 24 October 2025, being the date of the Subscription Agreements; and

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## LETTER FROM THE BOARD

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- (ii) a premium of approximately 8.57% over the theoretical average closing price of approximately HK\$0.35 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the average closing price of approximately HK\$0.035 per Existing Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreements.

The market value of the Subscription Shares is HK\$33,158,000, based on the theoretical closing price of HK\$0.35 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK\$0.035 per Existing Share as quoted on the Stock Exchange on 24 October 2025, being the date of the Subscription Agreements.

The aggregate nominal value of the Subscription Shares (with a par value of HK\$0.1 each assuming the Share Consolidation becoming effective) is approximately HK\$9,473,684.1.

The Subscription Price was arrived at after arm's length negotiations between the Company and each of the Subscribers, taking into account (i) the current financial position of the Group; (ii) the expected capital requirements of the Group, taking into account the business plans of the Group as further described in the paragraph headed "Reasons for the Subscriptions and Use of Proceeds" below; and (iii) the recent trading performance of the Shares, in particular the market price of approximately HK\$0.036 for the Existing Shares (equivalent to the theoretical closing price of HK\$0.36 per Consolidated Share) as quoted on the Stock Exchange for the past 50 days prior to the date of the Subscription Agreements. The Directors considered that the Subscription Agreements were entered into on normal commercial terms, and that their terms (including the Subscription Price) are fair and reasonable as far as the Company is concerned.

The gross proceeds and the net proceeds of the Subscriptions will be HK\$36,000,000 and approximately HK\$35,500,000, respectively. The net issue price (after deduction of all professional fees and related expenses) is estimated to be approximately HK\$0.38 per Subscription Share.

***(c) Conditions of the Subscriptions***

The conditions precedent under each of the Subscription Agreements are as follows:

- (i) the Refundable Deposit being duly received by the Company on or before 15 November 2025;

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## LETTER FROM THE BOARD

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- (ii) the passing of the resolution(s) by the Shareholders at the EGM to approve the relevant Subscription Agreement and the transactions contemplated thereunder, including the granting of the Specific Mandate (Subscription) to allot and issue the Subscription Shares;
- (iii) the Listing Committee granting the listing of, and permission to deal in, the Subscription Shares;
- (iv) the Share Consolidation having become effective and the dealing in the Consolidated Shares having commenced; and
- (v) (if required) all relevant approvals and consents from governmental or other competent authority or in accordance with applicable laws have been obtained for the relevant Subscription Agreement.

As at the Latest Practicable Date, the condition precedent as set out in (i) above had been fulfilled. Save as aforesaid, none of the condition precedents as set out above had been fulfilled.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

In the event that any conditions precedent as set out in (ii) to (v) under the paragraph headed “Conditions of the Subscriptions” above is not fulfilled in full by the Long Stop Date (Subscription):

- (i) the Company shall repay the Refundable Deposit, if any, without interest, to the relevant Subscriber; and
- (ii) the relevant Subscription Agreement shall terminate and no party shall be liable to the other party save for antecedent breaches.

**(d) Termination**

Under the Subscription Agreement, an innocent party may after consultation with the defaulting party (to the extent that the same is reasonably practicable) terminate the Subscription Agreement without liability to defaulting party by giving notice in writing to the defaulting party if at any time prior to 3:00 p.m. on the Subscription Completion Date, there occurs any material breach of any provision of the Subscription Agreement.

In the event that the innocent party terminates the Subscription Agreement:

- (i) as a result of the default of the Company alone, the Company shall repay the Refundable Deposit, if any, without interest, to the Subscriber; and



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## LETTER FROM THE BOARD

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- (ii) all the obligations of the parties under the Subscription Agreement shall cease and determine and no party shall be liable to the other party save for antecedent breaches.

***(e) Completion***

Completion under the Subscription Agreements shall take place on the Subscription Completion Date, i.e. the fifth Business Day upon all the conditions precedent as set out in the paragraph headed “Conditions of the Subscriptions” above have been fulfilled or such other date as agreed by the parties to the relevant Subscription Agreement. Completion of any of the Subscriptions is not inter-conditional upon each other.

***(f) Specific Mandate (Subscription)***

The Subscription Shares will be allotted and issued under the Specific Mandate (Subscription) which will be sought from the Shareholders at the EGM.

### **Reasons for the Subscriptions and Use of Proceeds**

***Background***

The Group is principally engaged in engaged in the provision of educational consultancy and online training and education services, and financial services.

RuiLian Financial Group Company Limited (“**RuiLian**”), a subsidiary of the Company licensed under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities), and Type 9 (asset management) regulated activities, has played a pivotal role in the Group’s business positioning. Its core strength lies in designing and managing fund products that resonate with investor preferences and market demands, as evidenced by its oversight of diversified funds such as Premier Global Investment Fund SPC, Premier Frontier IPO Fund, CCBT Global Navigation Fund, and CCB Frontier Fortune Fund, with total assets under management (AUM) reaching approximately HK\$2.0 billion as at 30 June 2025.

***The evolving financial landscape***

In light of Hong Kong’s evolving financial landscape and the rapid development of global financial technology, traditional investment vehicles are increasingly giving way to fintech-driven and digital asset innovations whereby the virtual asset (“**VA**”) trading market and the tokenization of real-world assets (“**RWA**”) have exhibited great growth potential.

Tokenization of RWA involves the creation of blockchain-based tokens that represent ownership or income rights in certain assets and/or rights which has value in the real world. Each token represents a specific share or right in the underlying RWA.

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## LETTER FROM THE BOARD

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In general, assets providers will provide the assets and/or rights which has value in real world (i.e. the RWA) for tokenization. Once the RWA is properly identified and valued, a special purpose vehicle (“SPV”) will be established whereby the assets providers will transfer the assets to the SPV which will own the assets. Then, the ownership rights or income rights of the SPV will be translated into digital tokens and issued on a blockchain.

In order to capture the market opportunities, the Group intends to leverage on RuiLian’s positioning and existing licenses to expand its footprint into the VA and RWA markets in Hong Kong.

### ***Expansion of RuiLian’s footprint into Hong Kong’s VA and RWA’s markets***

While RuiLian is licensed to conduct Type 1 (dealing in securities) regulated activity, in order for RuiLian to provide cryptocurrency and tokenized securities trading services to its clients, RuiLian is required to complete an upgrade to its existing Type 1 license to virtual asset status such that it could deal in virtual assets such as cryptocurrencies and digital tokens.

In addition to leveraging on the Type 1 license, RuiLian also intends to utilize its Type 9 (asset management) license to cover virtual assets exposure such that RuiLian will be able to introduce innovative financial derivative products based on digital financial assets (i.e. tokenized RWA) via the setting up and management of limited partnership funds (“LPFs”) which invested in tokenized RWA. Towards this end, in August 2024, RuiLian has successfully expanded its Type 9 license to cover virtual assets exposure. With the expansion of the Type 9 license, in addition to traditional assets, RuiLian is now able to manage closed-end funds and portfolios with more than 10% exposure in virtual assets (including tokenized RWA) and providing virtual assets advisory services to assets providers.

It is emphasised that RuiLian’s intended VA and RWA operations as described above and its expansion into Hong Kong’s VA and RWA’s markets represent a natural and essential evolution of its existing Type 1, 4 and 9 licenses as the services to be offered by RuiLian to its clients in its intended VA and RWA operations are substantially the same as its existing services offered by RuiLian to its clients under the Type 1, 4 and 9 licenses where the only difference lies in the type of assets involved, i.e. traditional securities or assets vis-à-vis virtual assets (e.g. cryptocurrencies, digital tokens or tokenized RWA). As RuiLian’s intended VA and RWA operations will be conducted within the Type 1 and 9 licenses, such operations will be subject to the SFC’s regulatory framework as well as other applicable laws, rules and regulations, including but not limited to the SFO and the AMLO.

The income structure and cost structure of RuiLian’s intended VA and RWA operations are largely similar to its existing Type 1, 4 and 9 licensed operations.

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## LETTER FROM THE BOARD

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It is expected that RuiLian will generate commission income from its VA and RWA operations conducted under the Type 1 license and consultancy income, asset management fees and subscription fees from its activities conducted under the Type 9 license.

The cost structure of RuiLian's VA and RWA's operations comprises (a) fixed costs such as infrastructure development and maintenance costs, staff costs and office rental), etc.; and (b) variable costs such as regulatory and compliance expenses, marketing expenses, transaction settlement costs, etc.

### ***Use of proceeds from the Subscriptions***

In light of the aforementioned expansion of RuiLian's footprint into Hong Kong's VA and RWA's markets and based on the current prevailing market conditions and regulatory regimes, the Company proposes to apply (1) 80% of the net proceeds from the Subscriptions (equivalent to approximately HK\$28,400,000) to the Group's financial service business segment; and (2) 20% of the net proceeds from the Subscriptions (equivalent to approximately HK\$7,100,000) shall be used as general working capital for the Group's operations in Hong Kong and headquarter expenses.

The Company intends to apply 80% of the net proceeds from the Subscriptions (equivalent to approximately HK\$28,400,000) which is allocated to the Group's financial service business segment to the following initiatives:

<b>Intended use</b>	<b>Intended amount of net proceeds from the Subscriptions</b>
(a) Completing the upgrade of RuiLian's Type 1 license to VA status	Approximately HK\$4.2 million
(b) Utilizing RuiLian's Type 9 license to (i) set up and manage LPFs with more than 10% exposure in virtual assets (including tokenized RWA); and (ii) provide virtual assets advisory services to assets providers	Approximately HK\$6.8 million
(c) Upgrading the Group's infrastructure to improve RuiLian's provision of post-investment services to its clients under Type 9 regulated activities	Approximately HK\$9.6 million
(d) Forming a specialized RWA investment banking team	Approximately HK\$7.8 million

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## LETTER FROM THE BOARD

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*(a) Completing the upgrade of RuiLian's Type 1 license to VA status*

This initiative involves applying to the SFC to extend RuiLian's existing Type 1 (dealing in securities) license to include virtual asset status. Following the upgrade of RuiLian's Type 1 license, RuiLian will be able to trade in mainstream non-security cryptocurrencies such as Bitcoin and Ethereum, as well as tokenized securities like Hong Kong government bonds, listed stocks, fund units and real asset income rights that meet seasoning requirements.

With the upgrade of RuiLian's Type 1 license, the targeted clientele of RuiLian will be professional investors whereby RuiLian will provide them with full scope of services while the services provided to retail clients will be of a limited scope subject to individual risk assessments.

It is currently intended that RuiLian will initially focus on targeting institutions and family offices as their clients and generating commission income.

Implementation begins with compliance preparation, followed by application submission, system development, and a pilot launch for select assets. Upon the successful upgrade of RuiLian's Type 1 license, RuiLian will be subject to, among others, capital adequacy, asset segregation, and regular reporting requirements under the SFO and AMLO.

Subject to the Subscription Completion, it is currently expected that RuiLian will proceed with hiring relevant experts to assist its upgrade of Type 1 license in the first quarter of 2026 and submit the application to the SFC in the fourth quarter of 2026, with an aim to provide services under the upgraded Type 1 license (i.e. dealing in virtual assets) by the second quarter of 2027.

*(b) Utilizing RuiLian's Type 9 license to (i) set up and manage LPFs with more than 10% exposure in virtual assets (including tokenized RWA); and (ii) provide virtual assets advisory services to assets providers*

As mentioned above, RuiLian has successfully expanded its Type 9 license to cover virtual assets exposure in August 2024. Hence, RuiLian is now able to manage closed-end funds (i.e. LPFs) and invest in both traditional assets as well as virtual assets (including tokenized RWA).

Similar to RuiLian's existing asset management services provided under the Type 9 license, the services provided by RuiLian in closed-end funds (i.e. LPFs) involving investments in tokenized RWA include consultancy and advisory services, professional portfolio management and fund management.

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## LETTER FROM THE BOARD

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As the first step to tap into the VA and RWA markets, RuiLian intends to set up specialized LPFs whereby RuiLian, as the fund manager, will act as the general partner of the LPFs, and at the same time RuiLian will solicit investors (e.g. institutional investors, funds, family offices and professional investors) to invest in the LPFs as limited partners. Such specialized LPFs will then invest in SPVs which own the RWA where the ownership rights or income rights of the SPV will be translated into digital tokens and issued on a blockchain. Under such structure, the LPF's investment will include the trust units in the SPV as well as the respective digital tokens on the blockchain. The underlying assets (i.e. the RWA) which are owned by the SPVs will be provided by enterprises involved in green energy, manufacturing, biomedicine, agricultural consumption and real estate industries, etc. (i.e. the assets providers) and mainly comprise revenue-generating assets with income rights attached thereto and have clear legal titles and ownerships.

It is proposed that RuiLian will utilize its Type 9 license to provide consultancy and advisory services to the assets providers in relation to assets screening and valuation, RWA product design, issuance and regulatory filings. In return, RuiLian will be able to generate consultancy income calculated based on a per project or per hour basis for providing consultancy and advisory services to the assets providers.

Once suitable investable underlying assets are identified, RuiLian will assist the assets providers to tokenize the RWA. Upon the tokenization of the RWA, RuiLian will set up specialized LPF and invest in the digital tokens via its investment in the SPV. RuiLian will market and solicit investors (e.g. institutional investors, funds, family offices and professional investors) to invest in the LPF as limited partners while RuiLian, as the fund manager, will act as the general partner of the LPF. RuiLian is expected to receive asset management fees and subscription fees (calculated based on the value of assets under management) for providing asset management services to the investors.

As at the Latest Practicable Date, RuiLian has identified four potential RWA, covering shipping industries, agricultural products such as tea leaves and eggs, film and animation broadcasting rights, etc which are suitable for tokenization. Subject to the Subscription Completion and further due diligence and LPF set-up logistics, it is currently expected that RuiLian will be able set up the first LPF which invests in tokenized RWA by the second quarter of 2026.

It is expected that approximately HK\$6.8 million of the proceeds from the Subscriptions will be used as RuiLian's capital contribution to act as a general partner in LPFs which invest in tokenized RWA.

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## LETTER FROM THE BOARD

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*(c) Upgrading the Group's infrastructure to improve RuiLian's provision of post-investment services to its clients under Type 9 regulated activities*

Blockchain technology is a decentralized digital ledger that records transactions across a network of computers in a way that is secure, transparent and immutable. In the process of RWA tokenization, smart contracts are used for title confirmation, revenue distribution and automated liquidation.

With RuiLian's offering of LPFs which invest in virtual assets (including tokenized RWA) under its Type 9 license, it is necessary for the Group to upgrade its existing infrastructure to encompass blockchain technologies and adopt the use of smart contracts which in turn improves RuiLian's provision of post-investment services to its clients and enhances RuiLian's competitiveness.

The upgraded infrastructure will enable RuiLian to track real-time post-investment data, dynamically manage asset returns and implement automated accounting and allocation. The upgraded infrastructure will also assist RuiLian in establishing a multi-dimensional risk warning mechanism to monitor risks in assets operations, revenue realization and other key risk areas on a real-time basis, which in turn enables post-investment risks will be promptly identified and quickly managed so as to safeguard the legal rights and interests of the investors and the assets providers.

The upgrade of RuiLian's existing infrastructure involves architecture design, technical building, sandbox testing with pilot issuances, and full operations.

Subject to the Subscription Completion, it is currently expected that the Group will be able to substantially complete the upgrading its infrastructure by the second or third quarter of 2026.

It is expected that approximately HK\$9.6 million of the proceeds from the Subscriptions will be applied to upgrading the Group's infrastructure to improve RuiLian's provision of post-investment services to its clients under Type 9 regulated activities and the ongoing maintenance and upgrade of the infrastructure in the coming three years.

*(d) Forming a specialized RWA investment banking team*

The Group will dedicate a specialized RWA investment banking team comprising experienced directors, lawyers, blockchain specialists and compliance experts to manage and operate the Group's RWA operations.

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## LETTER FROM THE BOARD

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It is currently intended that the RWA investment banking team shall initially comprise 14 personnel including the existing directors of RuiLian, namely, Mr. Gao, Mr. Ao Tong (“**Mr. Ao**”), Dr. Jiang Guan (“**Dr. Jiang**”), Mr. Lok Chiu Chan (“**Mr. Lok**”) and Mr. Han Lijun (“**Mr. Han**”), Ms. Ji Yewei (“**Ms. Ji**”), RuiLian’s business manager, and Mr. Tse Wai Man (“**Mr. Tse**”), RuiLian’s director of technology and research, their biographical details are set out in the paragraph headed “The Group’s management expertise in expansion of RuiLian’s footprint into Hong Kong’s VA and RWA’s markets” below. In addition to the aforementioned existing team members, RuiLian intends to recruit an additional seven personnel, such that the entire RWA investment banking team will consist of:

Role	Existing personnel of RuiLian	New recruits	Total
(a) Senior management members responsible for formulating the business strategy, monitoring and supervising the RWA operations and regulatory compliance	3 (i.e. Mr. Gao, Mr. Ao and Dr. Jiang)	1	4
(b) Legal and compliance team responsible for ongoing compliance of RuiLian’s RWA operations	2 (i.e. Mr. Lok and Mr. Han)	–	2
(c) Business team responsible for providing comprehensive services to assets providers and investors within the Type 1 and 9 licenses, including but not limited to identifying potential RWA for tokenization, asset screening and valuation, setting up of the LPFs, regulatory filings, sourcing potential investors as well as developing and maintenance of the blockchain infrastructure	2 (i.e. Ms. Ji and Mr. Tse)	6	8

Subject to the Subscription Completion, it is currently expected that the Group will proceed with hiring suitable personnel to strengthen the existing RWA investment banking team in the first quarter of 2026.

It is expected that approximately HK\$7.8 million of the proceeds from the Subscriptions will be applied to the recruitment of qualified individuals for the RWA investment banking team and training and development initiatives for the coming three years.

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## LETTER FROM THE BOARD

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### ***The Group's management expertise in expansion of RuiLian's footprint into Hong Kong's VA and RWA's markets***

As illustrated above, RuiLian's intended VA and RWA operations and its expansion into Hong Kong's VA and RWA's markets represent a natural and essential evolution of its existing Type 1, 4 and 9 licenses as the services offered by RuiLian to its clients are substantially the same as its existing services offered by RuiLian to its clients under the Type 1, 4 and 9 licenses. RuiLian, being a licensed corporation engaging in Type 1, 4 and 9 regulated activities since 2017, has substantive experience in dealing in securities as well as provision of asset management services. RuiLian's core management and operations team comprises the following key personnel:

*(a) Mr. Gao, executive Director, the Chief Executive Officer of the Company and RuiLian's director*

Mr. Gao has been an executive Director, Chief Executive Officer of the Company and RuiLian's director since 2022. Mr. Gao oversees the Group's financial services business segment and has managed RuiLian's operations in Hong Kong for years. Mr. Gao has extensive knowledge and years of experience in investment markets of the PRC and Hong Kong. He has rich experience in business negotiation and project management, and is familiar with the relevant investment environment and policies in PRC and Hong Kong as well as overseas.

*(b) Mr. Ao Tong, RuiLian's director*

Mr. Ao joined RuiLian as a director in November 2025. Mr. Ao is a renowned domestic industry strategy expert and the management partner for private equity funds with over 20 years of consulting experience and 8 years of private equity investment experience. Mr. Ao obtained a bachelor's degree from Shenzhen University and an EMBA from the Hong Kong University of Science and Technology. He has previously served in Shenzhen Urban Planning and Land Bureau and was the chief executive officer of Kotler China City Development Centre. Since 2018, Mr. Ao partnered with China Electronics Corporation (中國電子集團) on industrial funds and has successfully assisted four companies on their listing on the stock exchange. Since 2023, Mr. Ao has been focusing on the Hong Kong digital assets and RWA sector and mainly responsible for driving encrypted asset RWA business development.

*(c) Dr. Jiang Guan, RuiLian's director*

Dr. Jiang joined RuiLian as a director in 2024. Dr. Jiang obtained his PhD in Finance from Fudan University and is a former finance professor and doctoral supervisor, specializing in international finance and digital finance. Dr. Jiang founded Qianhai Kunrun industrial fund (前海坤潤產業資金) and CECT Xinze industrial fund (中電鑫澤產業基金) and is currently overseeing the Group's overall RWA operations advancement.



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## LETTER FROM THE BOARD

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*(d) Mr. Lok Chiu Chan, RuiLian's director and responsible officer for Type 1, 4 and 9 regulated activities*

Mr. Lok joined RuiLian in 2020 and has been the responsible officer of RuiLian for Type 1, 4 and 9 regulated activities since March 2020. Prior to joining RuiLian, Mr. Lok has served as a licensed representative in various licensed corporations and has accumulated over 10 years of industry experience. Under Mr. Lok's guidance and supervision, RuiLian has successfully obtained the license uplift in Type 4 and 9 regulated activities such that RuiLian is now able to manage portfolios with more than 10% exposure in virtual assets. Mr. Lok plays various active roles and positions in the Hong Kong financial market. Mr. Lok served as an independent non-executive director of Datang Group Holdings Limited (2117.HK) from January 2023 to July 2025, and as an independent non-executive director of China Investment and Development Limited (204.HK) from July 2021 to July 2022.

*(e) Mr. Han Lijun, RuiLian's responsible officer for Type 1, 4 and 9 regulated activities*

Mr. Han joined RuiLian in May 2025 and has been the responsible officer of RuiLian for Type 1, 4 and 9 regulated activities since July 2025. Mr. Han obtained his bachelor's degree in philosophy from Xiamen University and an EMBA from China Europe International Business School (中歐國際工商學院). Prior to joining RuiLian, Mr. Han has been a lecturer of Xiamen University; board secretary, deputy director of the president's office and senior management of an investment company of Xiamen ITG Group Corp., Ltd. (廈門國貿集團股份有限公司)(600755.SH); director and general manager of Zhengqi Capital (Hong Kong) Limited (正奇資本(香港)有限公司), a subsidiary of Legend Holdings Corp (3396.HK); director and general manager of Zhengqi International Asset Management Company (正奇國際資產管理有限公司), a licensed corporation engaging in Type 1, 4 and 9 regulated activities; director and general manager of Zhengqi Green Energy (Hong Kong) Limited (正奇新能源(香港)有限公司); the independent director of Fujian Jinlin Forestry Co., Ltd. (福建金森林業股份有限公司)(002679.SZ). Mr. Han has accumulated vast resources and practical experience in PE investment, capital market investment, distressed assets investment, asset management and domestic and international financing. Mr. Han has also conducted in-depth research on virtual assets such as stable coins and RWA.

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## LETTER FROM THE BOARD

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*(f) Ms. Ji Yewei, business manager of RuiLian*

Ms. Ji joined RuiLian in 2023 and has assisted in RuiLian's uplift of its Type 4 and 9 licenses such that RuiLian is now able to manage portfolios with more than 10% exposure in virtual assets. Ms. Ji obtained a bachelor's degree from the University of Auckland and a master degree in finance from Xiamen University. Ms. Ji has ample experience in private banking and has a deep understanding of cryptocurrency as a transformative alternative asset class. Ms. Ji has also actively participated in the DeFi ecosystem including the joint launch of experimental tokens, in particular, she volunteered to support the operations of Token 2049 in Singapore whereby she gained a global perspective on the industry trajectory through direct interaction with developers and project founders. Ms. Ji has also participated in the tokenization project of GPU DePin and contributed to the early design of tokenomics.

*(g) Mr. Tse Wai Man, director of technology and research of RuiLian*

Mr. Tse joined RuiLian in 2023 and is currently RuiLian's director of technology and research and serves as a finance professor. Mr. Tse previously taught in Hong Kong Chu Hai College and served as the head of Hong Kong Chu Hai College's department of finance. He has also taught in The Chinese University of Hong Kong and The University of Hong Kong. Mr. Tse obtained PhD in economics from the University of Southern California, specializing in macroeconomic fluctuations and national policy research. Mr. Tse also holds a master of philosophy in electrical and electronic engineering from the Hong Kong University of Science and Technology. Mr. Tse's recent research achievements cover several cutting-edge financial topics such as: the proposal of precise formulas for pricing American and Asian options (the only recognized accurate methods in nearly half a century) in derivative pricing; the establishment of a business cycle asset pricing model in asset pricing; and the systemic reconstruction of theoretical frameworks in areas such as high-frequency trading, international finance fundamentals, fintech, artificial intelligence, and risk management.

As elaborated above, RuiLian's intended VA and RWA operations are not novel operations but represent an expansion of the types of products which could be offered by RuiLian utilizing its existing licenses to cover VA, tokenized securities and digital tokens. Hence, RuiLian is able to leverage on the expertise and qualifications of the Group's existing management to conduct the VA and RWA operations.

In addition, RuiLian proposes to utilize a portion of the net proceeds from the Subscriptions to hire suitable personnel to join the RWA investment banking team who would be able to bring market insights and expertise to the Group's management of the VA and RWA operations.

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## LETTER FROM THE BOARD

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The director and shareholder of Subscriber 1 (collectively, the “**Subscriber 1 Executives**”) are founders and senior executives of a leading PRC non-performing assets restructuring and operations management group with over 20 years of non-performing asset management. The Subscriber 1 Executives have established long-term relationships with PRC enterprises who could act as assets providers to provide RWA for tokenization. On the other hand, the Subscriber 1 Executives have also maintained business relationships with institutional investors, funds, family offices and professional investors which are potential investors for RuiLian’s LPFs.

It is envisaged that Subscriber 1 Executives’ established networks with enterprises engaging in green energy, manufacturing, biomedicine, agricultural consumption and real estate industries will provide a steady pipeline of viable assets for tokenization. The expertise and market experience of Subscriber 1 Executives also facilitate efficient due diligence and accurate valuation of the RWA to be tokenized.

### ***Risk management and internal control***

The key risks faced by the Group in its proposed VA and RWA operations are largely the same as those faced by its existing Type 1, 4 and 9 regulated activities, which include

- (a) ***money laundering and fraud risks*** – there has been an upward trend where criminals exploit licensed corporations to carry out layered money laundering activities, typically by depositing funds into client accounts frequently, quickly and systematically and immediately transferring them out. Such illegal activities pose a direct threat to the Group’s reputation and increased the Group’s compliance costs.
- (b) ***legal and compliance risks*** – as a licensed corporation, RuiLian must adhere to the applicable laws, rules and regulations in conducting Type 1, 4 and 9 regulated activities. Furthermore, RuiLian’s VA and RWA operations are intended to be conducted within the Type 1 and 9 licenses and subject to the SFC regulatory framework. Any non-compliance with the prevailing regulatory regime may lead to significant fines and reputational damage to the Group.
- (c) ***cross-border regulatory risks*** – the LPFs set up by RuiLian may invest in SPVs where the underlying assets are located in the PRC. Since the PRC has put in place regulations over cross-border capital flows, RuiLian is required to comply with both Hong Kong and PRC laws and regulations in the setting up and management of LPFs.
- (d) ***price volatility risks*** – comparing with traditional assets, virtual assets (including tokenized RWA) are more volatile and their value may be affected by market sentiment, policy changes more easily, leading to significant fluctuations in portfolio valuations.

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## LETTER FROM THE BOARD

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- (e) **operational risks** – security vulnerabilities in the custody process of virtual assets, such as private key management, platform security may lead to significant loss in value of the LPFs which invested in virtual assets.

RuiLian will strictly adhere to the Group's existing internal control compliance manual applicable to its existing Type 1, 4 and 9 regulated activities when conducting VA and RWA operations within the Type 1 and 9 licenses. Furthermore, the Group will put in place further internal controls and risk mitigation measures to monitor its VA and RWA operations to ensure effective operation and strict compliance with applicable laws, rules and regulations. These measures include:

- (i) establishment of a dedicated compliance team for VA and RWA operations with clear protocols that RuiLian could only conduct its VA and RWA operations within the scope approved by the SFC and within the Type 1 and 9 licenses;
- (ii) submitting regular compliance reports to the SFC including business operations and risk control measures;
- (iii) the Group's employees, in particular, RuiLian's RWA investment banking team, will be kept up to date with all regulatory developments relevant to RuiLian's VA and RWA operations via internal communication and trainings;
- (iv) the Group's senior management (such as business heads and compliance officers) are required to participate in webinars organized by the SFC to ensure they are familiar with the latest regulatory requirements such as trading platform monitoring and RWA classification supervision;
- (v) in accordance with the applicable SFC's requirements, RuiLian has also reserve funds to address potential losses caused by price volatility;
- (vi) thorough due diligence will be conducted on the virtual assets which the LPFs intended to invest in to ensure such assets have clear legal titles and ownerships. Third-party credit ratings will also be obtained to assess the value and investment potential;
- (vii) in order to diversify risk, the LPFs set up by RuiLian will invest in RWAs across a wide spectrum of industries instead of overly focusing on a particular industry or jurisdiction;
- (viii) the Group will only partner with SFC-approved third party custodians to strengthen private key management and platform security, thereby reducing custody-related risks;

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## LETTER FROM THE BOARD

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- (ix) the Group will use regulatory sandboxes such as the HKMA's ensemble sandbox to test RWA cross-border capital flows and business processes so as to ensure any associated risks will be controllable before the setting up of the LPFs;
- (x) the Group's internal audit department will conduct special review on a quarterly basis to assess the effectiveness of risk control measures (including compliance implementation, risk warning and operational procedures) and the review report together with rectification measures will be submitted to the Board for review;
- (xi) regular assessments will be conducted to assess the effectiveness of the internal control measures (e.g. the AML/CFT framework and transaction monitoring systems); and
- (xii) a risk management committee will be established by the Board comprising an executive Director, the Company's chief financial officer, the risk control officer, the compliance officer, the anti-money laundering officer and an external independent adviser. The risk management committee, which shall be responsible for approving the setting up of each LPF, monitoring the performance and ongoing regulatory of the RWA operations. Reports on the operational and financial data as well as compliance matters in relation to the Group's VA and RWA operations will be presented to the Board on a monthly basis.

### ***The Group's current cash position***

As at 30 June 2025, the Group's total bank balances and cash amounted to approximately RMB102,230,000, of which approximately RMB96,414,000 was held in the PRC and approximately RMB5,816,000 was held in Hong Kong. Given that the Group's primary liquidity is denominated in RMB and held within the PRC, any large-scale remittance to Hong Kong would incur significant tax burdens and capital control frictions, rendering such transfers financially inefficient and value-dilutive.

Moreover, RuiLian's ambitious expansion into virtual asset portfolio management, cryptocurrency-linked fund products, and fintech-driven asset management demands substantial upfront working capital covering regulatory compliance, technology infrastructure, talent acquisition, and product development so as to achieve meaningful scale and competitive positioning.

In this context, the Group's management considers that issuing new Subscription Shares under a specific mandate is deemed prudent and shareholder-aligned as it enables the Group to:

- secure HKD-denominated funding directly in Hong Kong without cross-border tax leakage;

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## LETTER FROM THE BOARD

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- preserve PRC-based RMB liquidity for domestic operations and education services;
- avoid depleting existing cash reserves, which are critical for operational stability; and
- align growth financing with the Hong Kong financial ecosystem, where RuiLian operates and where digital asset opportunities are regulated and expanding.

The Subscriptions will enable the Group to strengthen its financial position (in particular the working capital and cash flow position). Whilst the majority of the proceeds from the Subscriptions will be applied to expand the footprint of the Group's financial service business segment, in particular to expand RuiLian's footprint into the VA and RWA markets in Hong Kong, the Group will continue to pursue its existing education business, insurance brokerage business and asset management business (details of which are set out on Pg. 14 to 16 of the Company's 2025 Annual Report) such that the Group would be able to have a more diversified business portfolio and broadened income sources to guard against any unexpected downturn in a particular business segment.

Based on the above, the Directors consider that the Subscriptions are in the interests of the Company and the Shareholders as a whole.

### **VII. PROPOSED ISSUE OF NEW CONSOLIDATED SHARES UNDER SPECIFIC MANDATE FOR CAPITALIZATION OF SHAREHOLDER'S LOANS**

#### **Loan Settlement Agreement 1**

Date: 24 October 2025, as amended and supplemented by a supplemental agreement dated 4 December 2025

Parties: (1) The Company  
(2) Mr. Lu

As at the date of the Loan Settlement Agreement 1, the outstanding principal amount of the Loan from Mr. Lu owed by the Company to Mr. Lu amounted to HK\$3,000,000.

Pursuant to the Loan Settlement Agreement 1, the Company has conditionally agreed to allot and issue, and Mr. Lu has conditionally agreed to subscribe for, 7,894,736 Capitalization Shares at the Issue Price for the capitalization of the Loan from Mr. Lu.

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## LETTER FROM THE BOARD

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The 7,894,736 Capitalization Shares represent (i) approximately 1.17% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 1.15% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Capitalization Shares immediately upon Loan Capitalization Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Loan Capitalization Completion, save for the Share Consolidation and the allotment and issue of the Capitalization Shares).

Upon completion of the Loan Settlement 1, the principal amount of HK\$3,000,000 under the Loan from Mr. Lu shall be deemed to have been repaid in full by the Company.

### **Loan Settlement Agreement 2**

Date: 24 October 2025, as amended and supplemented by a supplemental agreement dated 4 December 2025

Parties: (1) The Company  
(2) Mr. Gao

As at the date of the Loan Settlement Agreement 2, the outstanding principal amount of the Loan from Mr. Gao owed by the Company to Mr. Gao amounted to HK\$2,000,000.

Pursuant to the Loan Settlement Agreement 2, the Company has conditionally agreed to allot and issue, and Mr. Gao has conditionally agreed to subscribe for, 5,263,157 Capitalization Shares at the Issue Price for the capitalization of the Loan from Mr. Gao.

The 5,263,157 Capitalization Shares represent (i) approximately 0.78% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 0.76% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Capitalization Shares immediately upon Loan Capitalization Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Loan Capitalization Completion, save for the Share Consolidation and the allotment and issue of the Capitalization Shares).

Upon completion of the Loan Settlement 2, the principal amount of HK\$2,000,000 under the Loan from Mr. Gao shall be deemed to have been repaid in full by the Company.

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## LETTER FROM THE BOARD

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### **Capitalization Shares**

Pursuant to the Loan Settlement Agreements, an aggregate of 13,157,893 Capitalization Shares will be allotted and issued to the Creditors, which represent (i) approximately 1.95% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 1.91% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Capitalization Shares immediately upon Loan Capitalization Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Loan Capitalization Completion, save for the Share Consolidation and the allotment and issue of the Capitalization Shares).

The Capitalization Shares are not subject to any lock-up or other disposal restriction under the terms of the Loan Settlement Agreements.

### **Common principal terms of the Loan Settlement Agreements**

Apart from the identities of the parties to the Loan Settlement Agreements, the amount of loan owed by the Company and the number of Capitalization Shares to be issued by the Company to each of the Creditors as set out above, the principal terms of each of the Loan Settlement Agreements are identical.

Set out below are the key terms of the Loan Settlement Agreements:

#### **(a) *Ranking of the Capitalization Shares***

The Capitalization Shares will be allotted and issued free of any Encumbrance, and will rank *pari passu* in all respects among themselves and all other issued Consolidated Shares as at the Loan Capitalization Completion Date in all respects, including the right to receive all dividends declared or payable or distribution made or proposed to be made at any time by reference to a record date falling on or after the Loan Capitalization Completion Date.

#### **(b) *Issue Price***

The Issue Price of HK\$0.38 per Capitalization Share represents:

- (i) a premium of approximately 8.57% over the theoretical closing price of HK\$0.35 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK\$0.035 per Existing Share as quoted on the Stock Exchange on 24 October 2025, being the date of the Loan Settlement Agreements; and



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## LETTER FROM THE BOARD

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- (ii) a premium of approximately 8.57% over the theoretical average closing price of approximately HK\$0.35 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the average closing price of approximately HK\$0.035 per Existing Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Loan Settlement Agreements.

The market value of the Capitalization Shares is approximately HK\$4,605,000, based on the theoretical closing price of HK\$0.35 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK\$0.035 per Existing Share as quoted on the Stock Exchange on 24 October 2025, being the date of the Loan Settlement Agreements.

The aggregate nominal value of the Capitalization Shares (with a par value of HK\$0.1 each assuming the Share Consolidation becoming effective) is approximately HK\$1,315,789.3.

The Issue Price is arrived at on an arm's length basis between the Company and the Creditors with reference to (i) the recent trading performance of the Shares; and (ii) the Subscription Price as agreed between the Company and the Subscribers.

***(c) Conditions of the Loan Settlements***

The conditions precedent under each of the Loan Settlement Agreements are as follows:

- (i) the Share Consolidation having become effective and the dealing in the Consolidated Shares having commenced;
- (ii) the Listing Committee granting the listing of, and permission to deal in, the Capitalization Shares (and such listing approval has not been subsequently revoked when the Capitalization Shares are allotted and issued);
- (iii) the passing of the resolution(s) by the Independent Shareholders at the EGM to approve the relevant Loan Settlement Agreement and the transactions contemplated thereunder, including the granting of the Specific Mandate (Capitalization Issue) to allot and issue the Capitalization Shares; and
- (iv) (if required) all relevant approvals and consents from governmental or other competent authority or in accordance with applicable laws have been obtained for the Loan Settlement Agreements.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, none of the condition precedents as set out above had been fulfilled.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Capitalization Shares.

In the event that any conditions precedent as set out in (i) to (iv) under the paragraph headed “Conditions of the Loan Settlements” above is not fulfilled in full on or before the Long Stop Date (Capitalization) (i.e. 20 January 2026), the relevant Creditor may terminate the relevant Loan Settlement Agreement by serving a written notice on the Company and no party shall be liable to the other party save for antecedent breaches.

***(d) Completion***

Completion under the Loan Settlement Agreements shall take place on the Loan Capitalization Completion Date, i.e. the fifth Business Day upon all the conditions precedent as set out in the paragraph headed “Conditions of the Loan Settlements” above have been fulfilled or such other date as agreed by the parties to the relevant Loan Settlement Agreement. Completion of any of the Loan Settlements is not inter-conditional upon each other.

***(e) Specific Mandate (Capitalization Issue)***

The Capitalization Shares will be allotted and issued under the Specific Mandate (Capitalization Issue) which will be sought from the Independent Shareholders at the EGM.

### **Reasons for the Loan Settlements**

As at the date of the Loan Settlement Agreements, the outstanding principal amount of the Loan from Mr. Lu and the Loan from Mr. Gao amounted to HK\$3,000,000 and HK\$2,000,000, respectively.

Upon the Loan Capitalization Completion, the gross proceeds of HK\$3,000,000 and HK\$2,000,000 will be used for setting off against the outstanding principal amount of HK\$3,000,000 and HK\$2,000,000 under the Loan from Mr. Lu and the Loan from Mr. Gao, respectively, as at the Loan Capitalization Completion.

The net Issue Price (after deducting all professional fees and related expenses) is estimated to be approximately HK\$0.361 per Capitalization Share. The professional fees and related expenses for the Loan Settlements, which amounted to approximately HK\$250,000 will be settled by the Group’s internal financial resources.

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## LETTER FROM THE BOARD

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As disclosed in the section headed “Reasons for the Subscriptions and Use of Proceeds” above, the Group’s primary liquidity is denominated in RMB and only approximately RMB5,816,000 cash was held in HKD in Hong Kong as at 30 June 2025. Whilst the Group will receive HKD denominated proceeds from the Subscriptions, such proceeds will primarily be applied to the Group’s development of its financial service business segment.

Having taking into consideration (a) the aggregate value of the Shareholders’ Loans (i.e. HK\$5,000,000); (b) the amount of the Group’s HKD denominated cash as at 30 June 2025 (i.e. approximately RMB5,816,000, equivalent to approximately HK\$6,281,000); (c) the interest expense to be incurred for replacing the current interest-free Shareholders’ Loans with third-party borrowings; (d) the costs and timing required for other fund raising activities such as rights issue and open offer, the Directors (excluding (i) Mr. Gao who is required under the Listing Rules and the Articles of Association to abstain from voting at the relevant Board meeting for approving the Loan Settlement 2; and (ii) the independent non-executive Directors whose view is set out in the section headed “Letter from the Independent Board Committee” in this circular) considered that it would be in the interests of the Company and the Shareholders as a whole to enter into the Loan Settlements which enable the Group to reduce its indebtedness in a comparatively cost and time efficient way as compared with rights issue and open offer preserve cash on hand for the Group’s operations in Hong Kong and minimize any transaction cost for remitting RMB to Hong Kong to settle the HKD denominated loans.

## LETTER FROM THE BOARD

### VIII. CHANGES IN SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the Share Consolidation becoming effective, assuming that the Company has a total of 675,221,057 Consolidated Shares upon the Share Consolidation becoming effective; (iii) immediately after the Share Consolidation becoming effective and completion of the Subscriptions, assuming that save for the Share Consolidation and the allotment and issue of the Subscription Shares, there being no other change in the issued share capital and shareholding structure of the Company from the Latest Practicable Date up to the Subscription Completion; and (iv) immediately after the Share Consolidation becoming effective and completion of the Subscriptions and the Loan Settlements, assuming that save for the Share Consolidation, the allotment and issue of the Subscription Shares and Capitalization Shares, there being no other change in the issued share capital and shareholding structure of the Company from the Latest Practicable Date up to the Loan Capitalization Completion:

Shareholders	As at the Latest Practicable		Immediately after the Share Consolidation becoming effective		Immediately after the Share Consolidation becoming effective and completion of the Subscriptions		Immediately after the Share Consolidation becoming effective and completion of the Subscriptions and the Loan Settlements	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Mr. Lu (Note 1)	629,544,000	9.32	62,954,400	9.32	62,954,400	8.18	70,849,136	9.05
Ascher Group Limited (Note 1)	109,628,323	1.62	10,962,832	1.62	10,962,832	1.42	10,962,832	1.40
Headwind Holdings Limited (Note 1)	680,000,000	10.07	68,000,000	10.07	68,000,000	8.83	68,000,000	8.68
Mr. Gao (Note 2)	38,888,000	0.58	3,888,800	0.58	3,888,800	0.51	9,151,957	1.17
Easy Team Investment Limited (Note 2)	604,916,000	8.96	60,491,600	8.96	60,491,600	7.86	60,491,600	7.72
Li Jia (Note 3)	7,936,000	0.12	793,600	0.12	793,600	0.10	793,600	0.10
Zhang Jie (Note 4)	9,000,000	0.13	900,000	0.13	900,000	0.12	900,000	0.11
Subscriber 1	0	0.00	0	0.00	78,947,368	10.25	78,947,368	10.08
Subscriber 2	0	0.00	0	0.00	15,789,473	2.05	15,789,473	2.02
Other public Shareholders	4,672,298,255	69.20	467,229,825	69.20	467,229,825	60.68	467,229,825	59.66
<b>Total:</b>	<b>6,752,210,578</b>	<b>100.00</b>	<b>675,221,057</b>	<b>100.00</b>	<b>769,957,898</b>	<b>100.00</b>	<b>783,115,791</b>	<b>100.00</b>

Notes:

- (1) Each of Ascher Group Limited and Headwind Holdings Limited is a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Lu.
- (2) Easy Team Investment Limited is a company incorporated in Hong Kong with limited liability and wholly-owned by Mr. Gao, an executive Director.
- (3) Mr. Li Jia is an executive Director.
- (4) Mr. Zhang Jie is an executive Director.

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## LETTER FROM THE BOARD

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### IX. FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not raised any funds by way of issue of Shares in the past twelve (12) months before the Latest Practicable Date.

### X. THE EGM

The EGM will be held at Rooms 2009-18, 20/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Monday, 29 December 2025 at 3:00 p.m. A notice of the EGM is set out on pages EGM-1 to EGM-5 of this circular. At the EGM, ordinary resolutions will be proposed to approve, *inter alia*, the proposed Share Consolidation, the Subscriptions and the Loan Settlements.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website at ([www.chinahrt.com](http://www.chinahrt.com)). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and delivered to the Company at Rooms 2009-18, 20/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong, or the Company's Hong Kong share registrar and transfer office, Boardroom Share Registrar (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong, together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. The completion and return of the form of proxy will not preclude any Shareholder from attending and voting at the meeting if so wish.

### XI. VOTING BY POLL AT THE EGM

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must 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. The chairman of the EGM will therefore demand a poll for every resolution put to the vote of the EGM pursuant to article 66 of the Articles of Association. The results of poll will be published on the websites of the Stock Exchange and the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

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## LETTER FROM THE BOARD

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### **XII. CLOSURE OF REGISTER OF MEMBERS AND ELIGIBILITY FOR ATTENDING AND VOTING AT THE EGM**

The record date for attending and voting at the EGM is Monday, 29 December 2025. For determining the entitlement to attend and vote at the EGM, the transfer books and register of members of the Company will be closed from Monday, 22 December 2025 to Monday, 29 December 2025, both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending and voting at the EGM, all share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar and transfer office, Boardroom Share Registrar (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Friday, 19 December 2025.

### **XIII. GENERAL**

As at the date of the Loan Settlement Agreement 1, Mr. Lu was a Shareholder who was interested in approximately 21.02% Shares. As such, Mr. Lu is a substantial shareholder and a connected person of the Company and accordingly, the Loan Settlement 1 constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the date of the Loan Settlement Agreement 2, Mr. Gao was an executive Director and a Shareholder who was interested in approximately 9.53% Shares. As such, Mr. Gao is a connected person of the Company and accordingly, the Loan Settlement 2 constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder.

Red Sun Capital Limited has been appointed as an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder.

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## LETTER FROM THE BOARD

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Shareholders who have a material interest are required to abstain from voting in respect of the resolutions in respect of the Share Consolidation, each of the Subscriptions and each of the Loan Settlements. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, except that each of Mr. Lu and Mr. Gao, being deemed to have a material interest in the Loan Settlement 1 and the Loan Settlement 2, respectively, and his associates shall abstain from voting on the resolution approving the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2, respectively, and the transactions contemplated thereunder and the resolution on the allotment and issue of the Capitalization Shares under the Specific Mandate (Capitalization Issue), no other Shareholders shall be required to abstain from voting on the resolutions relating to the Share Consolidation, the Subscriptions and the Loan Settlements.

The Board confirms that except for Mr. Gao, who is deemed to have a material interest in the Loan Settlement 2, none of the Directors has any material interest in the Share Consolidation, the Subscriptions and the Loan Settlements. Accordingly, none of the Directors (except for Mr. Gao who abstained from voting on matters relating to the Loan Settlement 2) was required to abstain from voting on the Board resolutions in relation to the Share Consolidation, the Subscriptions and the Loan Settlements.

### **XIV. RECOMMENDATIONS**

#### **The Share Consolidation**

The Board considered that the Share Consolidation and the Change in Board Lot Size are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all eligible Shareholders should vote in favour of the relevant resolution to be proposed at the EGM.

#### **The Subscriptions**

The Board considered that the Subscription Agreements were entered into on normal commercial terms, and that their terms (including the Subscription Price) are fair and reasonable as far as the Company is concerned. The Directors also considered that the Subscriptions are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all eligible Shareholders should vote in favour of the relevant resolutions to be proposed at the EGM.

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## LETTER FROM THE BOARD

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### **The Loan Settlements**

The Directors (including the independent non-executive Directors whose view is set out in the section headed “Letter from the Independent Board Committee” in this circular after taking into consideration the advice of the Independent Financial Adviser) consider that the terms of the Loan Settlement Agreement 1 (including the Issue Price) are fair and reasonable and the Loan Settlement 1 is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board (including the independent non-executive Directors whose view is set out in the section headed “Letter from the Independent Board Committee” in this circular after taking into consideration the advice of the Independent Financial Adviser) recommends that all eligible Shareholders should vote in favour of the relevant resolutions to be proposed at the EGM.

The Directors (excluding Mr. Gao who is required under the Listing Rules and the Articles of Association to abstain from voting at the relevant Board meeting for approving the Loan Settlement 2, but including the independent non-executive Directors whose view is set out in the section headed “Letter from the Independent Board Committee” in this circular after taking into consideration the advice of the Independent Financial Adviser) consider that the terms of the Loan Settlement Agreement 2 (including the Issue Price) are fair and reasonable and the Loan Settlement 2 is in the interests of the Company and the Shareholders as a whole. According, the Board (excluding (a) Mr. Gao who is required under the Listing Rules and the Articles of Association to abstain from voting at the relevant Board meeting for approving the Loan Settlement 2, but including the independent non-executive Directors whose view is set out in the section headed “Letter from the Independent Board Committee” in this circular after taking into consideration the advice of the Independent Financial Adviser) recommends that all eligible Shareholders should vote in favour of the relevant resolutions to be proposed at the EGM.

### **XV. ADDITIONAL INFORMATION**

Your attention is drawn to the additional information contained in the appendix to this circular.

Yours faithfully,

On behalf of the Board

**Chuanglian Holdings Limited**

**Gao Yongzhi**

*Chief Executive Officer and executive Director*





**Chuanglian Holdings Limited**

**創聯控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2371)**

11 December 2025

*To the Independent Shareholders*

Dear Sir or Madam

**PROPOSED ISSUE OF NEW CONSOLIDATED SHARES  
UNDER SPECIFIC MANDATE FOR CAPITALIZATION OF  
SHAREHOLDER'S LOANS**

We refer to the circular issued by the Company to its Shareholders dated 11 December 2025 (the “**Circular**”), of which this letter forms part. Terms defined in the Circular shall bear the same meanings when used herein unless the context requires otherwise.

We have been appointed by the Board as the Independent Board Committee to advise you as to whether, in our opinion, each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned. Details of each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder are set out in the letter from the Board contained in the Circular. Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder. Details of its advice and the principal factors taken into consideration in arriving at its recommendations are set out in the letter from the Independent Financial Adviser contained in the Circular.

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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Having considered the terms of each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder and taking into account the information contained in the Circular and the advice of the Independent Financial Adviser, we are of the opinion that while each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder are not conducted in the ordinary and usual course of business of the Group, each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be put forward at the EGM to approve each of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder.

Yours faithfully

For and on behalf of  
the Independent Board Committee

**Mr. Leung Siu Kee**  
*Independent Non-executive  
Director*

**Mr. Wu Yalin**  
*Independent Non-executive  
Director*

**Ms. Wang Shuping**  
*Independent Non-executive  
Director*

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*The following is the full text of the letter from the Independent Financial Adviser which sets out its advice to the Independent Board Committee and the Independent Shareholders regarding the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 for the purpose of inclusion in the circular.*



**红日资本有限公司**  
**RED SUN CAPITAL LIMITED**

Room 2703, 27/F.,  
China Insurance Group Building,  
141 Des Voeux Road Central,  
Hong Kong  
Tel: (852) 2857 9208  
Fax: (852) 2857 9100

11 December 2025

To: The Independent Board Committee and the Independent Shareholders of  
Chuanglian Holdings Limited

Dear Sirs,

**CONNECTED TRANSACTION**  
**PROPOSED ISSUE OF NEW CONSOLIDATED SHARES**  
**UNDER SPECIFIC MANDATE FOR CAPITALIZATION OF**  
**SHAREHOLDER'S LOANS**

### INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 (together with the transactions contemplated thereunder, including the issue of the Capitalization Shares under specific mandate), details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company to the Shareholders dated 11 December 2025 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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On 24 October 2025 (after trading hours), the Company entered into two separate conditional Loan Settlement Agreements with two Creditors. Pursuant to the Loan Settlement Agreements, the Company has conditionally agreed to allot and issue an aggregate of 13,157,893 Capitalization Shares to the Creditors to settle an aggregate amount of HK\$5,000,000 debt owed by the Company to the Creditors. The Issue Price per Capitalization Share is HK\$0.38. The Capitalization Shares represent (i) approximately 1.95% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 1.91% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Capitalization Shares immediately upon Loan Capitalization Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Loan Capitalization Completion, save for the Share Consolidation and the issue and allotment of the Capitalization Shares).

### LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Mr. Lu is a Shareholder who is interested in approximately 21.02% Shares. As such, Mr. Lu is a substantial shareholder and a connected person of the Company and accordingly, the Loan Settlement 1 constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, Mr. Gao is an executive Director and a Shareholder who is interested in approximately 9.53% Shares. As such, Mr. Gao is a connected person of the Company and accordingly, the Loan Settlement 2 constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Capitalization Shares will be issued by the Company under a specific mandate. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Capitalization Shares.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors namely, Mr. Leung Siu Kee, Mr. Wu Yalin and Ms. Wang Shuping, has been formed to advise the Independent Shareholders as to whether the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, are in the ordinary and usual course of business of the Group and are in the interests of the Company and its Shareholders as a whole, and how to vote at the EGM. Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

### OUR INDEPENDENCE

As at the Latest Practicable Date, we are independent from and not connected with Mr. Lu, Mr. Gao, the Company or its shareholders, directors or chief executives, or any other parties that could reasonably be regarded as relevant to our independence, and accordingly, are qualified to give independent advice to the Independent Board Committee and the Independent Shareholders regarding the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2, including the proposed issue of new shares under specific mandate. During the past two years, Red Sun Capital has not acted as an independent financial adviser to the Company under the Listing Rules. Apart from the normal advisory fee payable to us in connection with this engagement as the Independent Financial Adviser, no arrangement exists whereby we shall receive any other fees or benefits from the Group that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent from the Group pursuant to Rule 13.84 of the Listing Rules.

### BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the representations made to us by the Directors and the management of the Company (“**Management**”). We have assumed that all statements, information and representations provided by the Directors and the Management of the Company, for which they are solely responsible, are true and accurate at the time when they were provided and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Our review and analysis were based upon, among other things, including, (i) the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2; (ii) the announcement in relation to the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 (the “**Announcement**”); (iii) information set out in the Letter from the Board; (iv) the annual report of the Company for the year ended 30 June 2025 (“**2025 Annual Report**”). We consider that we have reviewed sufficient information, including relevant information and documents provided by the Company, to enable us to reach an informed view and to provide a reasonable basis for our advice. We have not, however, carried out any independent verification of the information provided, nor have we conducted any independent investigation into the business and affairs of the Group. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, the Management or the Directors, which have been provided to us.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, there are no other facts not contained in this letter, the omission of which would make any statement contained in the Circular, including this letter, incorrect or misleading.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely for their consideration of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2, including the issue of new shares and the transaction contemplated thereunder, and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent.

### **PRINCIPAL FACTORS AND REASONS CONSIDERED FOR THE LOAN SETTLEMENT AGREEMENT 1 AND THE LOAN SETTLEMENT AGREEMENT 2**

In arriving at our opinion in respect of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2, we have taken into consideration the following principal factors and reasons:

#### **(1) Principal business and financial information of the Group**

The Group is principally engaged in engaged in the provision of educational consultancy and online training and education services, and financial services.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Pursuant to a resolution of the Board dated 11 December 2023, the Company's financial year end date had been changed from 31 December to 30 June commencing from the financial period from 1 January 2023 to 30 June 2024 (“**Change of Financial Year End Date**”). Accordingly, the latest audited consolidated financial statements covered a period of twelve months from 1 July 2024 to 30 June 2025 (the “**Reporting Period**”) and the audited comparative figures covered a period of eighteen months from 1 January 2023 to 30 June 2024 (the “**Corresponding Period**”). Due to the difference in length between the Reporting Period and Corresponding Period, the audited comparative figures may not be fully comparable. Set out below are the summarised consolidated statement of profit or loss of the Group for the eighteen months ended 30 June 2025 and the year ended 30 June 2025 as extracted from the 2025 Annual Report.

***Summary of consolidated statement of profit or loss***

	<b>For the year ended 30 June 2025 RMB'000 (audited)</b>	<b>For the eighteen months ended 30 June 2024 RMB'000 (audited)</b>
<b>Revenue</b>	<b>655,074</b>	<b>831,793</b>
Online training and education service	141,262	197,078
On-site training services	18,555	27,789
Educational consultancy services	486	47,758
Financial services	494,771	559,168
 Gross profit	 75,922	 102,403
 Loss for the year/period	 (69,013)	 (161,185)

***Financial performance for the Reporting Period versus the Corresponding Period***

For the Reporting Period, the Group recorded a revenue of approximately RMB655,074,000, representing a decrease of approximately 21% as compared to the Corresponding Period of approximately RMB831,793,000.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Out of the total revenue, approximately RMB494,771,000 (Corresponding Period: approximately RMB559,168,000) was generated from the financial services business, and approximately RMB160,303,000 (Corresponding Period: approximately RMB272,625,000) was generated from education services business for the Reporting Period. For the Reporting Period, financial services business segment weighs more than education services business segment, where financial services business accounted for approximately 76% (Corresponding Period: approximately 67%) and education services business accounted for approximately 24% (Corresponding Period: approximately 33%). The Group has actively expanded the financial services business, especially for the insurance brokerage business in the PRC. The Group has invested more resources to increase the market share and regional coverage of the insurance brokerage business, providing life insurance, property insurance and reinsurance solutions through different promotion channels. Therefore, the insurance brokerage business has been on a steady growth track in the Reporting Period and the management expects that there will be sustainable growth in the Group's financial services business in the future.

Gross profit margin for the Reporting Period was slightly dropped to approximately 11.6% (Corresponding Period: approximately 12.3%), mainly due to the increase in the proportion of revenue from the financial services business, which has a much lower gross profit margin compared to the education services business.

Resulting from (i) the decrease in impairment losses on non-current assets from approximately RMB56,037,000 in the Corresponding Period to approximately RMB585,000 in the Reporting Period; (ii) the decrease in impairment losses on financial assets (net) from approximately RMB17,167,000 in the Corresponding Period to approximately RMB5,137,000 in the Reporting Period; and (iii) the decrease of administrative expenses from approximately RMB121,078,000 in the Corresponding Period to approximately RMB71,600,000 in the Reporting Period due to the decrease in staff costs, depreciation and amortisation, the loss of the Group decreased by approximately RMB92,172,000 from approximately RMB161,185,000 for the Corresponding Period to approximately RMB69,013,000 for the Reporting Period. The loss attributable to owners of the Company for the Reporting Period was approximately RMB71,152,000 (Corresponding Period: approximately RMB158,347,000).



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Summary of consolidated statement of financial position of the Group*

	As at 30 June 2025 RMB'000 (audited)	As at 30 June 2024 RMB'000 (audited)
Non-current assets	135,871	244,445
Current assets	175,565	222,700
<b>Total assets</b>	<b>311,436</b>	<b>467,145</b>
Non-current liabilities	31,155	100,710
Current liabilities	141,955	152,753
<b>Total liabilities</b>	<b>173,110</b>	<b>253,463</b>
Equity attributable to owners of the Company	138,148	215,643
Non-controlling interests	178	(1,961)
<b>Total equity</b>	<b>138,326</b>	<b>213,682</b>

We noted from the 2025 Annual Report, total assets of the Group amounted to approximately RMB311,436,000 as at 30 June 2025, representing a decrease of approximately 33.33% as compared to approximately RMB467,145,000 as at 30 June 2024. Such changes was attributable to (i) decrease in property, plant and equipment to approximately RMB51,992,000 as at 30 June 2025 from approximately RMB93,894,000 as at 30 June 2024; (ii) decrease in right-of-use assets to approximately RMB24,525,000 as at 30 June 2025 from approximately RMB77,544,000 as at 30 June 2024; and (iii) decrease in trade and other receivables to approximately RMB68,206,000 as at 30 June 2025 from approximately RMB104,638,000 as at 30 June 2024.

Total liabilities of the Group amounted to approximately RMB173,110,000 as at 30 June 2025, representing a decrease of approximately 31.7% as compared to approximately RMB253,463,000 as at 30 June 2024. Such was mainly due to the decrease in lease liabilities (current and non-current portion) to approximately RMB27,957,000 as at 30 June 2025 from approximately RMB99,715,000 as at 30 June 2024.

The bank balances and cash of the Group remained stable from approximately RMB109,509,000 as at 30 June 2024 to approximately RMB102,230,000 as at 30 June 2025.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Due to the loss during the Reporting Period, the equity attributable to owners of the Company decreased from approximately RMB215,643,000 as at 30 June 2024 to approximately RMB138,148,000 as at 30 June 2025.

As stated in the 2025 Annual Report, with the increasing demand for education and financial services in the PRC, the Company will continue to utilize its operation experiences to further expand the domestic markets in different cities and the Company remains confident that the Company will be able to maintain sustainable business growth and maximize the shareholders' value in the future. Notwithstanding the Group's bank balances and cash remained stable as at 30 June 2025, in view of the loss during the Reporting Period and the Corresponding Period which results in decrease in the equity attributable to owners of the Company, we consider that the Loan Settlements would preserve the Group's financial resources to develop its business.

### **(2) Principal terms of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2**

#### ***Loan Settlement Agreement 1***

On 24 October 2025 (after trading hours), the Company and Mr. Lu entered into the Loan Settlement Agreement 1.

As at the date of the Loan Settlement Agreement 1, the outstanding principal amount of the Loan from Mr. Lu owed by the Company to Mr. Lu amounted to HK\$3,000,000.

Pursuant to the Loan Settlement Agreement 1, the Company has conditionally agreed to allot and issue, and Mr. Lu has conditionally agreed to subscribe for, 7,894,736 Capitalization Shares at the Issue Price for the capitalization of the Loan from Mr. Lu.

The 7,894,736 Capitalization Shares represent (i) approximately 1.17% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 1.15% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Capitalization Shares immediately upon Loan Capitalization Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Loan Capitalization Completion, save for the Share Consolidation and the allotment and issue of the Capitalization Shares).

Upon completion of the Loan Settlement 1, the principal amount of HK\$3,000,000 under the Loan from Mr. Lu shall be deemed to have been repaid in full by the Company.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### ***Loan Settlement Agreement 2***

On 24 October 2025 (after trading hours), the Company and Mr. Gao entered into the Loan Settlement Agreement 2.

As at the date of the Loan Settlement Agreement 2, the outstanding principal amount of the Loan from Mr. Gao owed by the Company to Mr. Gao amounted to HK\$2,000,000.

Pursuant to the Loan Settlement Agreement 2, the Company has conditionally agreed to allot and issue, and Mr. Gao has conditionally agreed to subscribe for, 5,263,157 Capitalization Shares at the Issue Price for the capitalization of the Loan from Mr. Gao.

The 5,263,157 Capitalization Shares represent (i) approximately 0.78% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 0.76% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Capitalization Shares immediately upon Loan Capitalization Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Loan Capitalization Completion, save for the Share Consolidation and the allotment and issue of the Capitalization Shares).

Upon completion of the Loan Settlement 2, the principal amount of HK\$2,000,000 under the Loan from Mr. Gao shall be deemed to have been repaid in full by the Company.

### ***Capitalization Shares***

Pursuant to the Loan Settlement Agreements, an aggregate of 13,157,893 Capitalization Shares will be allotted and issued to the Creditors, which represent (i) approximately 1.95% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective; and (ii) approximately 1.91% of the total number of issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the allotment and issue of the Capitalization Shares immediately upon Loan Capitalization Completion (assuming there being no other change in the issued share capital of the Company from the Latest Practicable Date and up to the Loan Capitalization Completion, save for the Share Consolidation and the allotment and issue of the Capitalization Shares).

The Capitalization Shares are not subject to any lock-up or other disposal restriction under the terms of the Loan Settlement Agreements.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Common principal terms of the Loan Settlement Agreements*

The Capitalization Shares will be allotted and issued free of any Encumbrance, and will rank *pari passu* in all respects among themselves and all other issued Consolidated Shares as at the Loan Capitalization Completion Date in all respects, including the right to receive all dividends declared or payable or distribution made or proposed to be made at any time by reference to a record date falling on or after the Loan Capitalization Completion Date.

The Issue Price of HK\$0.38 per Capitalization Share represents:

- (i) a premium of approximately 26.67% over the theoretical closing price per Share of HK\$0.30 (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 8.57% over the theoretical closing price of HK\$0.35 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK\$0.035 per Existing Share as quoted on the Stock Exchange on 24 October 2025, being the date of the Loan Settlement Agreements;
- (iii) a premium of approximately 8.57% over the theoretical average closing price of approximately HK\$0.35 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the average closing price of approximately HK\$0.035 per Existing Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Loan Settlement Agreements; and
- (iv) a premium of approximately 70.40% over the consolidated net asset value attributable to the Shareholders of approximately HK\$0.223 per Consolidated Share (equivalent to approximately HK\$0.0223 per Existing Share) as at 30 June 2025, calculated by dividing the Group's audited consolidated net assets attributable to the Shareholders of approximately RMB138,148,000 as at 30 June 2025 (exchange rate: RMB1 versus HK\$1.09) by 675,221,057 Consolidated Shares (after taking into account the effect of the Share Consolidation) in issue as at the date of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The market value of the Capitalization Shares is HK\$4,605,000, based on the theoretical closing price of HK\$0.35 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK\$0.035 per Existing Share as quoted on the Stock Exchange on 24 October 2025, being the date of the Loan Settlement Agreements.

The aggregate nominal value of the Capitalization Shares (with a par value of HK\$0.1 each assuming the Share Consolidation becoming effective) is approximately HK\$1,315,789.3.

The Issue Price is arrived at on an arm's length basis between the Company and the Creditors with reference to (i) the recent trading performance of the Shares; and (ii) the Subscription Price as agreed between the Company and the Subscribers.

We note that the Issue Price is same as the Subscription Price which was arrived at after arm's length negotiations between the Company and each of the Subscribers, taking into account (i) the current financial position of the Group; (ii) the expected capital requirements of the Group, taking into account the business plans of the Group as further described in the paragraph headed "Reasons for and benefits of the Loan Settlements" below; and (iii) the recent trading performance of the Shares, in particular the market price of approximately HK\$0.036 for the Existing Shares (equivalent to the theoretical closing price of HK\$0.36 per Consolidated Share) as quoted on the Stock Exchange for the past 50 days prior to the date of the Subscription Agreements.

### **(3) Reasons for and benefits of the Loan Settlements**

As at the date of the Loan Settlement Agreements, the outstanding principal amount of the Loan from Mr. Lu and the Loan from Mr. Gao amounted to HK\$3,000,000 and HK\$2,000,000, respectively.

Upon the Loan Capitalization Completion, the gross proceeds of HK\$3,000,000 and HK\$2,000,000 will be used for setting off against the outstanding principal amount of HK\$3,000,000 and HK\$2,000,000 under the Loan from Mr. Lu and the Loan from Mr. Gao, respectively, as at the Loan Capitalization Completion.

The net Issue Price (after deducting all professional fees and related expenses) is estimated to be approximately HK\$0.361 per Capitalization Share. The professional fees and related expenses for the Loan Settlements, which amounted to approximately HK\$250,000 will be settled by the Group's internal financial resources.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The Loan Settlements enable the Group to reduce its indebtedness level on one hand and at the same time preserve cash on hand for the Group's operations in Hong Kong.

The Directors consider that the terms of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 (including the Issue Price) are fair and reasonable and the Loan Settlement 1 is in the interests of the Company and the Shareholders as a whole.

We note that the amounts due to Mr. Lu and Mr. Gao were unsecured, non-interest bearing and due on 28 November 2025 and 1 December 2025 respectively. We have discussed with Management for the financing alternative for the settlement of loans due to Mr. Lu and Mr. Gao. In view of debt financing in general would incur interest expenses, the Directors are of the view that using debt financing for the settlement of loans due to Mr. Lu and Mr. Gao would not be in the interests to the Company and its Shareholders. In addition, the proceeds from the Subscriptions have been earmarked for the development of the Group's financial service business segment and general working capital for the Group's operations in Hong Kong and headquarter expenses and as such there would not be proceeds available for the settlement of the loans due to Mr. Lu and Mr. Gao. In view of rights issue and open offer may require a longer period to complete and may need placing agent/underwriter to co-operate with, the Directors consider that the Loan Settlements would be a feasible and quicker way for the settlement of the amount due to Mr. Lu and Mr. Gao.

It is noted from the 2025 Annual Report, the Group's total bank balances and cash amounted to approximately RMB102,230,000 as at 30 June 2025, among of which approximately RMB96,414,000 was held in the PRC and approximately RMB5,816,000 was held in Hong Kong. We understand that the Group's primary liquidity is dominated in RMB and held within the PRC, and any large-scale remittance to Hong Kong may be subject to stringent capital controls, incur significant tax burdens and regulatory hurdles, therefore the Management considers, and we concur that settling the Loan from Mr. Lu and Mr. Gao with the Group's internal resources may not be a financially efficient option.

After taking into account that: (i) the financial position of the Group as mentioned above; (ii) the limited amount of the Group's HKD dominated cash as at 30 June 2025 of approximately RMB5,816,000 (equivalent to approximately HK\$6,281,000); (iii) the Loan Settlements through the issuance of the Capitalization Shares will not exert cash outflow burden on the Group, and in turn, alleviate the repayment pressure; and (iv) the Loan Settlements would be a more favourable and appropriate option as compared to other fundraising alternatives, the Directors considers and we concur with their views that the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 and the transactions contemplated thereunder, including the Loan Settlements through the issuance of the Capitalization Shares, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### (4) Evaluation of the principal terms of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2

As set out in the Letter from the Board, the Issue Price was arrived at on an arm's length basis between the Company and each of Mr. Lu and Mr. Gao. In order to assess the fairness and reasonableness of the Issue Price, we have conducted the following assessments:

#### 4.1 Historical Share price performance

We have reviewed the movement in historical closing prices and the chart below reflects the movement in closing prices from 24 October 2024 to the Latest Practicable Date, being approximately a twelve-month trading period from the date of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 (the “**Review Period**”). We consider that the Review Period is adequate and representative to provide the fair comparison between the Issue Price and historical closing price, which allows a sufficient demonstration of the performance of Shares in response to prevailing market sentiment and operating conditions.



Source: The website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk))

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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During the Review Period, the daily closing prices of the shares (after taken into account the effect of the Share Consolidation) of the Company ranged from HK\$0.19 per Share (“**Lowest Closing Price**”) and HK\$0.43 per Share (“**Highest Closing Price**”), respectively, with the average daily closing price recorded at HK\$0.297 per Share (“**Average Closing Price**”).

As illustrated in the above graph, the closing price of the Shares recorded notable increase since mid-June 2025, from HK\$0.28 on 13 June 2025 to HK\$0.43 on 3 July 2025. We have discussed with the Management and they are not aware of any material affairs of the Group that could potentially be related to the increase in the closing price of the Share during the aforesaid period. Since the Highest Closing Price on 3 July 2025, the closing price of the Shares has decreased gradually to HK\$0.35 on 24 October 2025, being the date of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2. We have discussed with the Management and save as the announcement of results for the year ended 30 June 2025, they are not aware of any material affairs of the Group that could potentially be related to the decrease in the closing price of the Share during the aforesaid period.

It is noted that the Issue Price of HK\$0.38 is within the range of the daily closing prices of the Shares during Review Period and represents (i) a discount of approximately 11.6% over the Highest Closing Price per Share during the Review Period; (ii) a premium of approximately 100.0% over the Lowest Closing Price per Share during the Review Period; and (iii) a premium of approximately 28.0% over the Average Closing Price per Share during the Review Period.

Taken into consideration the Issue Price falls within the range of the aforesaid historical closing price during the Review Period and represents a premium over the Lowest Closing Price and Average Closing Price, we are of the view the Issue Price is fair and reasonable.



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### 4.2 Trading liquidity of Shares

The following table sets out a summary of the average daily trading volume of the Shares with respect to the total number of issued Shares as at the respective month/period, during the Review Period from 24 October 2024 up to the Latest Practicable Date, showing a fair representation of the overall market perception during the past 12 months prior to entering the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2.

Month/period	Number of trading days	Average daily trading volume	Percentage of average trading volume to total number of Shares in issue (Note)
<b>2024</b>			
October (from 24 October 2024)	6	1,792,000	0.03%
November	21	3,373,524	0.05%
December	20	1,517,800	0.02%
<b>2025</b>			
January	19	3,942,526	0.06%
February	20	5,805,100	0.09%
March	21	3,615,238	0.05%
April	19	960,421	0.01%
May	20	1,620,800	0.02%
June	21	6,727,238	0.10%
July	22	4,065,636	0.06%
August	21	2,628,952	0.04%
September	22	4,477,273	0.07%
October	20	3,461,600	0.05%
November	20	5,271,400	0.08%
December (up to and including Latest Practicable Date)	5	2,821,600	0.04%
Minimum			0.01%
Maximum			0.10%
Average			0.05%

Source: The website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk))

Note: Calculated based on the total number of Shares in issue at the end of the respective month/period, where applicable.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As illustrated in the above table, during the Liquidity Review Period, the average daily trading volume for each month as a percentage to the then total number of shares in issue ranged from approximately 0.01% to 0.10% with an average of 0.05%. We note that the trading liquidity of the Shares is relatively thin during the Liquidity Review Period.

### **4.3 Market comparable analysis on the Issue Price**

To further assess the fairness and reasonableness of the terms of the Issue Price, we have identified, to the best of our knowledge, effort and endeavour, an exhaustive list of comparable transactions involving issues of new shares under specific mandate by companies listed on the Stock Exchange.

Based on the following selection criteria (the “**Selection Criteria**”):

- (i) announcement published on the Stock Exchange website in relation to issuance of new shares under specific mandate for loan/debt capitalization purpose, which we consider to be comparable in nature to the Loan Settlements;
- (ii) announcements that were published during the period from 24 April 2025 up to 24 October 2025, being a six-month period prior to the date of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2, due to the sufficient number of transactions identified during the recent six-month period to comprise a representative list for comparable purpose, we consider the said period is sufficient to serve as a general and representative reference and reflect recent market trend of similar transactions under prevailing market conditions;
- (iii) excluding issuance of A-shares or PRC domestic shares or issuance that have been terminated and lapsed as at the Latest Practicable Date;

we have identified a total of 7 comparable transactions (the “**Comparables**”) for the purpose of our analysis.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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It should be noted that the principal terms of the Comparables may vary due to differences in principal business, operations, financial positions and prospects of the respective companies. We have not conducted any in-depth investigation into the size, principal business, operations, financial positions and prospects of the Comparable Issues. Given the Comparables represent recent issuances of shares undertaken for the same purpose as the Loan Settlements and were conducted under broadly similar market conditions on an arm's length basis between the relevant parties, and this analysis is aiming in providing a general reference for the recent market practice in relation to the key terms of the Comparable of a similar nature, we consider that, although no in-depth investigation into the principal business or operations of the Comparables were conducted, the Comparables identified under the aforesaid Selection Criteria are fair and reasonable and useful for Independent Shareholders' reference.

We set out our findings in the table below:

Date of announcement	Company name (Stock Code)	Premium/(discount) of issue price over/to the closing price on the last trading day/on the date of the respective announcement/ agreement (%)	Premium/(discount) of issue price over/to the average closing price of five trading days prior to and including the last trading day/ on the date of the respective announcement/ agreement (%)	Premium/(discount) of issue price over/to the average closing price of ten trading days prior to and including the last trading day/ on the date of the respective announcement/ agreement (%)
20 Oct 2025	Zhonghua Gas Holdings Limited (8246)	8.90	0.41	(7.20)
26 Sept 2025	Sheng Tang Holdings Limited (8305)	(24.00)	(18.10)	(13.10)
25 Aug 2025	New Concepts Holdings Limited (2221)	13.64	14.94	12.36
18 Jun 2025	New City Development Group Limited (456)	(4.95)	(7.53)	(13.00)
15 May 2025	Zhongzheng International Company Limited (943)	0.00	0.00	(1.00)
29 Apr 2025	GoFintech Quantum Innovation Limited (290)	4.92	2.56	1.75
28 Apr 2025	Sunshine Oilsands Ltd. (2012)	2.27	18.11	23.12
	Maximum	13.64	18.11	23.12
	Minimum	(24.00)	(18.10)	(13.10)
	Average	0.11	1.48	0.42
	Median	2.27	0.41	(1.00)
	<b>The Company</b>	<b>8.57</b>	<b>8.57</b>	<b>9.20</b>

Source: The website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk))

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As shown in the above table, we noted that the issue prices of the Comparable ranged from (i) a discount of approximately 24.00% to a premium of approximately 13.64% over the respective closing prices of the shares on the last trading day/the date of the relevant announcement/agreement (the “**Market Range**”), with an average premium of approximately 0.11% (the “**Market Average**”); (ii) a discount of approximately 18.10% to a premium of approximately 18.11% over the respective average closing prices of the shares on the last five trading days up to and including the date of the respective announcement/agreement (the “**5-Day Market Range**”), with an average premium of approximately 1.48% (the “**5-Day Market Average**”); and (iii) a discount of approximately 13.10% to a premium of approximately 23.12% over the respective closing prices of the shares on the last ten trading days up to and including the date of the respective announcement/agreement (“**10-Day Market Range**”), with an average premium of approximately 0.42% (“**10-Day Market Average**”).

We observed that the Issue Price represents, after taking into account the effect of the Share Consolidation: (i) a premium of approximately 8.57% over the theoretical closing price per Share of HK\$0.35 as quoted on the date of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2; (ii) a premium of approximately 8.57% over the theoretical closing price per Share of HK\$0.35 for the last five consecutive trading days immediately preceding the date of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2; and (iii) a premium of approximately 9.20% over the theoretical average closing price per Share of HK\$0.348 for the last ten consecutive trading days immediately preceding the date of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2, which fall within the Market Range, 5-Day Market Range and 10-Day Market Range, respectively and higher than the average and medium of the Market Range, 5-Day Market Range and 10-Day Market Range, we consider that the Issue Price is justifiable.

### *Our view*

Having considered the above, in particular that:

- (i) the Group’s recent loss-making performance recorded a net loss attributable to owners of the Company of approximately RMB69.0 million during the Reporting Period as discussed under the section headed “(1) Principal business and financial information of the Group”;

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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- (ii) the Issue Price is determined on an arm's length basis after taking into account various factors, including among others, the recent trading performance of the Shares, the recent market conditions, the current financial position, business prospects of the Group and the Subscription Price;
- (iii) the historical share price performance has demonstrated a general decreasing trend since early July 2025 and the Issue Price falls within the range of the historical closing price per Share as discussed in under "4.1 Historical share price performance";
- (iv) the Shares demonstrated a relatively thin liquidity during the Review Period preceding the date of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2, as discussed under "4.2 Trading liquidity of Shares", which reflects the recent market perception towards the Shares and pose challenges in conducting equity financing exercise in the open market;
- (v) the Issue Price falls within the Market Range, 5-Day Market Range and the 10-Day Market Range, and represents a premium to the closing price on the date of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2, which aligns with market practice as compared to recent issuance of new shares for the purpose of debt/loan capitalization; and
- (vi) the Issue Price represents a premium over the theoretical closing price per Share reflects the solid confidence of Mr. Lu and Mr. Gao towards the prospects of the Company and their commitment as executive Directors,

we are of the view that the Issue Price is fair and reasonable so far as the Independent Shareholders are concerned.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

### (5) Dilution effect on the shareholding interests of the existing public Shareholders

The following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after the Share Consolidation becoming effective, assuming that the Company has a total of 675,221,057 Consolidated Shares upon the Share Consolidation becoming effective; (iii) immediately after the Share Consolidation becoming effective and completion of the Subscriptions, assuming that, save for the Share Consolidation and the allotment and issue of the Subscription Shares, there being no other change in the issued share capital and shareholding structure of the Company from the Latest Practicable Date up to the Subscription Completion; and (iv) immediately after the Share Consolidation becoming effective and completion of the Subscriptions and the Loan Settlements, assuming that save for the Share Consolidation, the allotment and issue of the Subscription Shares and Capitalization Shares, there being no other change in the issued share capital and shareholding structure of the Company from the Latest Practicable Date up to the Loan Capitalization Completion:

Shareholders	As at the Latest Practicable Date		Immediately after the Share Consolidation becoming effective		Immediately after the Share Consolidation becoming effective and completion of the Subscriptions		Immediately after the Share Consolidation becoming effective and completion of the Subscriptions and the Loan Settlements	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Mr. Lu (Note 1)	629,544,000	9.32	62,954,400	9.32	62,954,400	8.18	70,849,136	9.05
Ascher Group Limited (Note 1)	109,628,323	1.62	10,962,832	1.62	10,962,832	1.42	10,962,832	1.40
Headwind Holdings Limited (Note 1)	680,000,000	10.07	68,000,000	10.07	68,000,000	8.83	68,000,000	8.68
Mr. Gao (Note 2)	38,888,000	0.58	3,888,800	0.58	3,888,800	0.51	9,151,957	1.17
Easy Team Investment Limited (Note 2)	604,916,000	8.96	60,491,600	8.96	60,491,600	7.86	60,491,600	7.72
Li Jia (Note 3)	7,936,000	0.12	793,600	0.12	793,600	0.10	793,600	0.10
Zhang Jie (Note 4)	9,000,000	0.13	900,000	0.13	900,000	0.12	900,000	0.11
Subscriber 1	0	0	0	0	78,947,368	10.25	78,947,368	10.08
Subscriber 2	0	0	0	0	15,789,473	2.05	15,789,473	2.02
Other public Shareholders	4,672,298,255	69.20	467,229,825	69.20	467,229,825	60.68	467,229,825	59.66
<b>Total</b>	<b>6,752,210,578</b>	<b>100.00</b>	<b>675,221,057</b>	<b>100.00</b>	<b>769,957,898</b>	<b>100.00</b>	<b>783,115,791</b>	<b>100.00</b>

Note:

- (1) Each of Ascher Group Limited and Headwind Holdings Limited is a company incorporated in the British Virgin Islands with limited liability and wholly-owned by Mr. Lu.
- (2) Easy Team Investment Limited is a company incorporated in Hong Kong with limited liability and wholly-owned by Mr. Gao, an executive Director.
- (3) Mr. Li Jia is an executive Director.
- (4) Mr. Zhang Jie is an executive Director.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Assuming there is no other change in the issued share capital and shareholding structure of the Company from the Latest Practicable Date and immediately after the Share Consolidation becoming effective and completion of the Subscriptions and the Loan Settlements, the interests of the public shareholders of the Company will be diluted from approximately 69.20% to 59.66%.

Considering that: (i) the Loan Settlements are in the interest of the Company and the Shareholders as a way to alleviate the Group liquidity pressure and reduce financial burden caused by the Group's liabilities; (ii) the Issue Price is on normal commercial terms, fair and reasonable so far as the Shareholders are concerned as discussed above, we consider that the aforesaid dilution effect on the shareholding interest of public shareholders to be acceptable and justifiable.

### **(6) Potential financial effects of the Loan Settlements**

There will be no proceeds arising from the Loan Settlements as the entire aggregate Issue Price will set off against the amount of the Loan from Mr. Lu and the Loan from Mr. Gao. As at the Latest Practicable Date, the outstanding principal amount of the Loan from Mr. Lu and the Loan from Mr. Gao in aggregate amounted to approximately HK\$5,000,000. Upon Loan Capitalization Completion, it is expected that the net assets position of the Group will be increased by HK\$5,000,000 (without taking into account the professional fees and related expenses for the Loan Settlements).

The financial effect of the Loan Settlements as set out in the foregoing paragraph is presented for illustrative purpose only and is subject to change upon completion, review and final audit by the auditor of the Company.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### RECOMMENDATION

In view of the above factors and reasons stated above, we are of the opinion that although the entering into of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 is not in the ordinary and usual course of business of the Group, the terms of the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2 are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

Accordingly, we would recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the relevant resolution(s) to be proposed at the EGM to approve the Loan Settlement Agreement 1 and the Loan Settlement Agreement 2.

Yours faithfully,  
For and on behalf of  
**Red Sun Capital Limited**  
**Robert Siu**  
*Managing Director*

*Note: Mr. Robert Siu is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Red Sun Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 25 years of experience in corporate finance industry.*



## 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

### (i) Interests of Directors and chief executive

As at the Latest Practicable Date, the interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) held by the Directors and chief executives of the Company (the “**Chief Executives**”) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or were recorded in the register maintained by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules were as follows:

#### Long positions in the Shares:

Name of Directors	Nature of interests	Number of Shares held	Aggregate number of Shares held	Approximate aggregate percentage of the issued share capital of the Company
Mr. Gao	Beneficial owner	38,888,000	696,435,570	10.31%
	Beneficial owner	52,631,570		
		(Note 1)		
	Interest of controlled corporation	604,916,000	7,936,000	0.12%
		(Note 2)		
Li Jia	Beneficial owner	7,936,000		
Zhang Jie	Beneficial owner	9,000,000	9,000,000	0.13%

*Notes:*

- (1) Upon the Loan Capitalization Completion, Mr. Gao will be allotted and issued 5,263,157 Consolidated Shares. As at the Latest Practicable Date, assuming that these Consolidated Shares had been issued, they were theoretically represented by 52,631,570 Existing Shares, in which Mr. Gao became interested in pursuant to the SFO by entering into the Loan Settlement Agreement 2.
- (2) These 604,916,000 Shares are held by Easy Team Investment Limited, which is incorporated in Hong Kong with limited liability and wholly owned by Mr. Gao. Therefore, Mr. Gao is deemed to be interested in the 604,916,000 Shares held by Easy Team Investment Limited by virtue of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or Chief Executives 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 notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**(ii) Interests of substantial Shareholders**

So far as the Directors and the Chief Executives were aware, as at the Latest Practicable Date, other than the Directors and the Chief Executives, the following persons/corporations had or were deemed or taken to have an interest and/or short position in the shares or the underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were recorded in the register of the Company required to be kept under section 336 of the SFO, or were, 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 the Company or any other members of the Group:

**Long positions in the Shares:**

Name of Shareholders	Nature of interests	Number of Shares held	Approximate aggregate percentage of the issued share capital of the Company	
			Aggregate number of Shares held	
Mr. Lu	Beneficial owner	629,544,000	1,498,119,683	22.19%
	Beneficial owner	78,947,360		
		(Note 1)		
	Interest of controlled corporations	789,628,323		
		(Note 2)		

Name of Shareholders	Nature of interests	Number of Shares held	Aggregate number of Shares held	Approximate aggregate percentage of the issued share capital of the Company
Headwind Holdings Limited	Beneficial owner	680,000,000 (Note 2)	680,000,000	10.07%
Easy Team Investment Limited	Beneficial owner	604,916,000 (Note 3)	604,916,000	8.96%
Guo Zhen Bao (“ <b>Mr. Guo</b> ”)	Beneficial owner Interest of spouse	184,622,032 196,408,000 (Note 4)	381,030,032	5.64%
He Yingzhou (“ <b>Mr. He</b> ”)	Interest of controlled corporation	434,721,000 (Note 5)	434,724,000	6.44%
HTHTIMES Limited	Beneficial owner	434,721,000 (Note 5)	434,724,000	6.44%
Subscriber 1	Beneficial owner	789,473,680 (Note 6)	789,473,680	11.69%
Gao Jiajian (“ <b>Mr. JJ Gao</b> ”)	Interest of controlled corporation	789,473,680 (Note 6)	789,473,680	11.69%

## Notes:

- (1) Upon the Loan Capitalization Completion, Mr. Lu will be allotted and issued 7,894,736 Consolidated Shares. As at the Latest Practicable Date, assuming that these Consolidated Shares had been issued, they were theoretically represented by 78,947,360 Existing Shares, in which Mr. Lu became interested in pursuant to the SFO by entering into the Loan Settlement Agreement 1.
- (2) Of these 789,628,323 Shares, 109,628,323 Shares are held by Ascher Group Limited and 680,000,000 Shares are held by Headwind Holdings Limited. Ascher Group Limited and Headwind Holdings Limited are companies incorporated in the British Virgin Islands with limited liability and wholly owned by Mr. Lu. Therefore, Mr. Lu is deemed to be interested in the 109,628,323 Shares held by Ascher Group Limited and the 680,000,000 Shares held by Headwind Holdings Limited by virtue of the SFO.
- (3) These 604,916,000 Shares are held by Easy Team Investment Limited, which is incorporated in Hong Kong with limited liability and wholly owned by Mr. Gao.

- (4) These 196,408,000 Shares are held by Ms. Ren Jiying who is the spouse of Mr. Guo. Therefore, Mr. Guo is deemed to be interested in the 196,408,000 Shares held by Ms. Ren Jiying by virtue of the SFO.
- (5) These 434,724,000 Shares are held by HTHTIMES Limited, which is incorporated in the British Virgin Islands with limited liability and wholly owned by Mr. He.
- (6) Upon the Subscription Completion, Subscriber 1 will be allotted and issued 78,947,368 Consolidated Shares. As at the Latest Practicable Date, assuming that these Consolidated Shares had been issued, they were theoretically represented by 789,473,680 Existing Shares, in which Subscriber 1 became interested in pursuant to the SFO by entering into the Subscription Agreement 1. Subscriber 1 is a company incorporated in Hong Kong with limited liability and wholly owned by Mr. JJ Gao. Therefore, Mr. JJ Gao is deemed to be interested in the 789,473,680 Existing Shares in which Subscriber 1 is interested in by virtue of the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any person or corporation (other than the Directors and the Chief Executives) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

### 3. SERVICE CONTRACTS OF DIRECTORS

As at the Latest Practicable Date, none of the Directors had entered into a service contract with any member of the Group which is not determinable by the relevant member of the Group within one year without payment of compensation, other than statutory compensation.

### 4. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has been named in this circular or has given opinions, letters or advice contained in this circular:

Name	Qualification
Red Sun Capital Limited	A licensed corporation under the SFO to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities

Red Sun Capital Limited has given and has not withdrawn its written consent to the issue of this circular with inclusion herein of its letter or report and/or reference to its name, in the form and context in which they appear.

As at the Latest Practicable Date, Red Sun Capital Limited did not have any interest in the share capital of any member of the Group or any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Red Sun Capital Limited did not have any interest, direct or indirect, in any assets which have been, since 30 June 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to or were proposed to be acquired or disposed of or leased to any member of the Group.

As at the Latest Practicable Date, Red Sun Capital Limited was not materially interested in any contract or arrangement subsisting at the date of this circular which is significant in relation to the business of the Group.

#### **5. MATERIAL ADVERSE CHANGE**

So far as is known to the Directors, as at the Latest Practicable Date, the Directors confirmed that they were not aware of any material adverse change in the financial or trading position of the Group since 30 June 2025, being the date to which the latest published audited combined financial statements of the Group were made up.

#### **6. COMPETING INTERESTS**

As at the Latest Practicable Date, none of the Directors, the management, Shareholders or substantial Shareholders or any of their respective close associates has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interests with the Group.

#### **7. INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS**

So far as is known to the Directors, as at the Latest Practicable Date, none of the Directors or chief executive had any interest, direct or indirect, in any assets which have been, since 30 June 2025, being the date to which the latest published audited combined financial statements of the Group were made up, acquired or disposed of by or leased to or were proposed to be acquired or disposed of or leased to any member of the Group.

None of the Directors or chief executive was materially interested in any contract or arrangement subsisting as at the date of this circular which was significant in relation to the business of the Group.

**8. GENERAL**

- (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 principal place of business of the Company in Hong Kong is at Rooms 2009-18, 20/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong.
- (c) The principal share registrar and transfer office of the Company is Suntera (Cayman) Limited at Suite 3204, Unit 2A, Block 3, Building D, P.O. Box 1586, Gardenia Court, Camana Bay, KY1-1110, Cayman Islands.
- (d) The Hong Kong branch share registrar and transfer office of the Company is Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong.
- (e) The company secretary of the Company is Mr. Lam Man Kit (“**Mr. Lam**”). Mr. Lam is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants.
- (f) The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

**9. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company ([www.chinahrt.com](http://www.chinahrt.com)) for a period of not less than 14 days and from the date of this circular up to and including the date of the EGM:

- (a) the letter of recommendation from the Independent Board Committee, the text of which is set out on pages 47 to 48 of this circular;
- (b) the letter of advice from the Independent Financial Adviser, the text of which is set out on pages 49 to 70 of this circular;
- (c) the consent letter referred to in the section headed “4. Qualification and Consent of Expert” in this appendix;
- (d) the Loan Settlement Agreement 1; and
- (e) the Loan Settlement Agreement 2.

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## NOTICE OF THE EGM

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### Chuanglian Holdings Limited

### 創聯控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2371)**

#### NOTICE OF THE EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting of Chuanglian Holdings Limited (the “**Company**”) will be held at Rooms 2009-18, 20/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong on Monday, 29 December 2025 at 3:00 p.m. (the “**EGM**”) for considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

#### ORDINARY RESOLUTIONS

1. “**THAT** subject to and conditional upon, among other things, the Listing Committee (the “**Listing Committee**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below) in issue, with effect from the second full business day immediately following the day of passing of this resolution, being a day on which the shares of the Company are traded on the Stock Exchange:
  - (a) every ten (10) issued and unissued ordinary shares in the share capital of the Company be consolidated into one (1) ordinary share (each a “**Consolidated Share**”), and such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the articles of association of the Company (the “**Share Consolidation**”);
  - (b) any fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to the holders of the same, but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the directors of the Company (the “**Director(s)**”) may think fit; and

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## NOTICE OF THE EGM

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- (c) any one or more Directors and such person or persons authorised by the Directors be and are hereby authorised to take such actions, do all such acts and things and execute all such further documents or deeds (including under seal, where applicable) as they may, in their absolute discretion, consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Share Consolidation.”
2. **“THAT** conditional upon the passing of resolution numbered 1 above and:
- (a) subject to the fulfilment of the terms and conditions set out in the subscription agreement dated 24 October 2025 (as amended and supplemented by a supplemental agreement dated 4 December 2025, collectively, the **“Subscription Agreement 1”**) entered into between the Company and Modern Alpha Group Company Limited 現代安華集團有限公司 (the **“Subscriber 1”**) pursuant to which the Company has agreed to allot and issue, and Subscriber 1 has agreed to subscribe for, 78,947,368 new Consolidated Shares at the subscription price of HK\$0.38 per new Consolidated Share, the Subscription Agreement 1 and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
  - (b) subject to the Listing Committee granting the listing of, and permission to deal in, up to 78,947,36 new Consolidated Shares to be allotted and issued pursuant to the Subscription Agreement 1, the Directors be and are hereby granted a specific mandate for the allotment and issue of up to 78,947,368 Consolidated Shares in accordance with the terms of the Subscription Agreement 1; and
  - (c) any one Director (or any two Directors or one Director and the secretary of the Company, in the case of execution of documents under seal) be and is hereby authorised to do all such acts and things and execute any supplemental agreements or all such documents which he/she consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Subscription Agreement 1 and the transactions contemplated thereunder including the affixing of seal thereon.”



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## NOTICE OF THE EGM

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3. **“THAT** conditional upon the passing of resolution numbered 1 above and:
- (a) subject to the fulfilment of the terms and conditions set out in the subscription agreement dated 24 October 2025 (as amended and supplemented by a supplemental agreement dated 4 December 2025, collectively, the **“Subscription Agreement 2”**) entered into between the Company and Ms. Xuan Xiuli (the **“Subscriber 2”**) pursuant to which the Company has agreed to allot and issue, and Subscriber 2 has agreed to subscribe for, 15,789,473 new Consolidated Shares at the subscription price of HK\$0.38 per new Consolidated Share, the Subscription Agreement 2 and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
  - (b) subject to the Listing Committee granting the listing of, and permission to deal in, up to 15,789,473 new Consolidated Shares to be allotted and issued pursuant to the Subscription Agreement 2, the Directors be and are hereby granted a specific mandate for the allotment and issue of up to 15,789,473 Consolidated Shares in accordance with the terms of the Subscription Agreement 2; and
  - (c) any one Director (or any two Directors or one Director and the secretary of the Company, in the case of execution of documents under seal) be and is hereby authorised to do all such acts and things and execute any supplemental agreements or all such documents which he/she consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Subscription Agreement 2 and the transactions contemplated thereunder including the affixing of seal thereon.”
4. **“THAT** conditional upon the passing of resolution numbered 1 above and:
- (a) subject to the fulfilment of the terms and conditions set out in the loan settlement agreement dated 24 October 2025 (as amended and supplemented by a supplemental agreement dated 4 December 2025, collectively, the **“Loan Settlement Agreement 1”**) entered into between the Company and Mr. Lu Xing (**“Mr. Lu”**) pursuant to which the Company has agreed to allot and issue, and Mr. Lu has agreed to subscribe for, 7,894,736 new Consolidated Shares at the issue price of HK\$0.38 per new Consolidated Share, the Loan Settlement Agreement 1 and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;

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## NOTICE OF THE EGM

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- (b) subject to the Listing Committee granting the listing of, and permission to deal in, up to 7,894,736 new Consolidated Shares to be allotted and issued pursuant to the Loan Settlement Agreement 1, the Directors be and are hereby granted a specific mandate for the allotment and issue of up to 7,894,736 Consolidated Shares in accordance with the terms of the Loan Settlement Agreement 1; and
  - (c) any one Director (or any two Directors or one Director and the secretary of the Company, in the case of execution of documents under seal) be and is hereby authorised to do all such acts and things and execute any supplemental agreements or all such documents which he/she consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Loan Settlement Agreement 1 and the transactions contemplated thereunder, including the affixing of seal thereon.”
5. “**THAT** conditional upon the passing of resolution numbered 1 above and:
- (a) subject to the fulfilment of the terms and conditions set out in the loan settlement agreement dated 24 October 2025 (as amended and supplemented by a supplemental agreement dated 4 December 2025, collectively, the “**Loan Settlement Agreement 2**”) entered into between the Company and Mr. Gao Yongzhi (“**Mr. Gao**”) pursuant to which the Company has agreed to allot and issue, and Mr. Gao has agreed to subscribe for, 5,263,157 new Consolidated Shares at the issue price of HK\$0.38 per new Consolidated Share, the Loan Settlement Agreement 2 and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
  - (b) subject to the Listing Committee granting the listing of, and permission to deal in, up to 5,263,157 new Consolidated Shares to be allotted and issued pursuant to the Loan Settlement Agreement 2, the Directors be and are hereby granted a specific mandate for the allotment and issue of up to 5,263,157 Consolidated Shares in accordance with the terms of the Loan Settlement Agreement 2; and

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## NOTICE OF THE EGM

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- (c) any one Director (or any two Directors or one Director and the secretary of the Company, in the case of execution of documents under seal) be and is hereby authorised to do all such acts and things and execute any supplemental agreements or all such documents which he/she consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Loan Settlement Agreement 2 and the transactions contemplated thereunder, including the affixing of seal thereon.”

On behalf of the Board  
**Chuanglian Holdings Limited**  
**Gao Yongzhi**  
*Chief Executive Officer and executive Director*

Hong Kong, 11 December 2025

*Registered office:*

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

*Principal place of business in Hong Kong:*

Rooms 2009-18, 20/F.  
Shui On Centre  
6-8 Harbour Road  
Wanchai  
Hong Kong

*Notes:*

1. Any Shareholder entitled to attend and vote at the above meeting shall be entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A member who is the holder of two or more shares may appoint more than one proxy to represent him/her/its and vote on his/her behalf at the above meeting. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares of the Company in respect of which each such proxy is so appointed.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of that power of attorney or authority, must be deposited at the Company at Rooms 2009-18, 20/F., Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong or the Company's Hong Kong share registrar and transfer office, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong not less than 48 hours before the time appointed for the meeting.
3. Completion and return of the form of proxy will not preclude a Shareholder from attending and voting in person at the above meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
4. Where there are joint registered holders of any Share(s), any one of such joint holders may vote at the above meeting, either in person or by proxy, in respect of such Share(s) as if he/she is solely entitled thereto, but if more than one of such joint holders are present at the above meeting, the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding of the Share(s).

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## NOTICE OF THE EGM

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5. The record date for attending and voting at the EGM is Monday, 29 December 2025. For determining the entitlement to attend and vote at the EGM, the transfer books and register of members of the Company will be closed from Monday, 22 December 2025 to Monday, 29 December 2025, both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending and voting at the EGM, all share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar and transfer office, Boardroom Share Registrar (HK) Limited, at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Friday, 19 December 2025.
6. Unless otherwise defined, capitalized terms used in this notice shall have the same meaning as those defined in the Company's circular dated 11 December 2025.

*As at the date of this notice, the Board comprises Mr. Gao Yongzhi, Mr. Li Jia and Mr. Zhang Jie as executive Directors; Mr. Leung Siu Kee, Mr. Wu Yalin and Ms. Wang Shuping as independent non-executive Directors.*