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芯智控股有限公司
Smart-Core Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2166)

CHANGE IN USE OF PROCEEDS

References are made to (i) the prospectus (the "**Prospectus**") of Smart-Core Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 27 September 2016 in relation to the global offering (the "**IPO**") of the new shares in the Company for subscription; and (ii) the interim report of the Company for the six months ended June 30, 2025 (the "**Interim Report**"), in which the utilisation of the net proceeds (the "**Proceeds**") from the IPO up to June 30, 2025 was disclosed. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus and the Interim Report.

The board (the "**Board**") of directors (the "**Directors**", and each a "**Director**") of the Company would like to inform the shareholders and investors of the Company that as at the date of this announcement, among all the HK$205.8 million Proceeds, HK$23.9 million originally intended to be used for enhancing, further developing and maintain our e-commerce platform and improving our technology infrastructure remains unused. The Board would like to announce that it has resolved to change the said unutilised Proceeds for the developing solutions for smart terminals, edge computing and other areas, as well as investing in the distributive authorization and marketing of AI-related chips, which is

expected to be fully utilised on or before 31 December 2028. The table below set out the updated use and intended use of the Proceeds:

	Use of Proceeds	**Original allocation** *(in HK$ million)*	**Utilised as at the date of this announcement** *(in HK$ million)*	**Unutilised Net Proceeds as at the date of this announcement** *(in HK$ million)*	**Revised Allocation of Unutilised Net Proceeds** *(in HK$ million)*	**Expected timeline for utilisation after the change of use of proceeds** *(in HK$ million)*
1.	Hiring additional staff for sales and marketing and business development and improvement of warehouse facilities	20.6	20.6	0.0	0.0	–
2.	Advertising and organising marketing activities for the promotion of our e-commerce platform, Smart Core Planet and our new products	41.2	41.2	0.0	0.0	–
3.	Enhancing, further developing and maintain our e-commerce platform and improving our technology infrastructure	41.2	17.3	23.9	0.0	–
4.	For research and development	20.6	20.6	0.0	0.0	–
5.	Funding potential acquisition of, or investment in business or companies in the e-commerce industry or electronics industry	61.7	61.7	0.0	0.0	–
6.	Developing solutions for smart terminals, edge computing and other areas, as well as investing in the distributive authorization and marketing of AI-related chips	N/A	N/A	N/A	23.9	Expected to be fully utilised on or before 31 December 2028
7.	General working capital	20.5	20.5	0.0	0.0	–
		205.8	181.9	23.9	23.9	

REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF PROCEEDS

The Board believes that artificial intelligence (AI) is shaping the future and those businesses related to it will maintain rapid growth. Therefore the Board has decided to allocate funds to the Group's AI-related initiatives. These include expanding the research and development team to develop solutions for smart terminals, edge computing and other areas, as well as investing in the distributive authorization and market promotion of AI-related chips.

The Board is of the view that the change in use of the unutilised Proceeds as set out above is in line with the business strategies of the Group and will allow the Company to deploy its financial resources more effectively. The Board believes that such change in the use of proceeds is fair and reasonable and will not have any material adverse effect on the existing business operation of the Group, and is in the interest of the Company and its shareholders as a whole.

By order of the Board
Smart-Core Holdings Limited
Tian Weidong
Chairman and Executive Director

Hong Kong, 17 December 2025

As at the date of this announcement, the Board comprises Mr. Tian Weidong (Chairman), Mr. Liu Hongbing, Mr. Mak Hon Kai Stanly and Mr. Zheng Gang as executive Directors, Mr. Wong Tsz Leung as non-executive Director, Dr. Tang Ming Je, Ms. Xu Wei and Dr. Lin Chen as independent non-executive Directors.