Jiumaojiu International Holdings Limited
九毛九国际控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9922)

INSIDE INFORMATION
TERM SHEET IN RELATION TO POSSIBLE INVESTMENT

POSSIBLE INVESTMENT

The Directors wish to announce that on December 29, 2025, the Company entered into a non-legally binding Term Sheet with the Target Company, pursuant to which the Company intends to acquire and subscribe for certain equity interest in the Target Company.

Pursuant to the Term Sheet, the Company proposes to: (i) acquire shares of the Target Company from certain existing shareholders of the Target Company for an aggregate purchase price of USD15,000,000; and (ii) subscribe for shares of the Target Company for an aggregate subscription price of USD28,000,000.

The Parties and the Selling Shareholders shall execute and deliver the Definitive Agreements with a view to completing the Possible Investment on or before March 31, 2026 or such other date as is mutually agreed to by the Parties and the Selling Shareholders. Completion of the Possible Investment will be subject to the execution of the Definitive Agreements and other formal documentations. The details for the Possible Investment, including the payment terms of the consideration, the identity of the Selling Shareholders, and the details of the shares of the Target Company to be acquired from the Selling Shareholders and subscribed by the Company, will be determined through mutual negotiation between the Parties and the Selling Shareholders, and set out in the Definitive Agreements. If the completion of the Possible Investment has not occurred on or by March 31, 2026, the Term Sheet may be terminated by either Party upon written notice to the other Party.

GENERAL

The Possible Investment remains subject to, among other conditions, the negotiation regarding the execution of the Definitive Agreements. If the Possible Investment materializes, it may constitute a notifiable transaction or a series of notifiable transactions of the Company under Chapter 14 of the Listing Rules. The Company will make further announcement(s) in respect of the Possible Investment in accordance with the applicable requirements of the Listing Rules as and when appropriate.

The Directors wish to emphasize that the Term Sheet is not legally binding, and there is no binding transaction document in relation to the Possible Investment which has been entered into as of the date of this announcement. As such, the Possible Investment may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

POSSIBLE INVESTMENT

The Directors wish to announce that on December 29, 2025, the Company entered into a non-legally binding Term Sheet with the Target Company, pursuant to which the Company intends to acquire and subscribe for certain equity interest in the Target Company.

Term Sheet

Date

December 29, 2025

Parties

(1) the Target Company; and

(2) the Company.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Target Company and its ultimate beneficial owners are independent of and not connected with the Company and its connected persons.

Subject Matter

Pursuant to the Term Sheet, the Company proposes to: (i) acquire shares of the Target Company from certain existing shareholders of the Target Company (the "**Selling Shareholders**") for an aggregate purchase price of USD15,000,000; and (ii) subscribe for shares of the Target Company for an aggregate subscription price of USD28,000,000. The purchase price and subscription price of the shares were determined after arm's length negotiations between the Parties and the Selling Shareholders based on (i) the valuation (the "**Valuation**") of the entire equity interest of the Target Company as at October 31, 2025 (the "**Valuation Date**") conducted by an independent valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, (the "**Valuer**") using market approach; (ii) the long-term prospects of the Target Company and the benefits of the Possible Investment detailed under the section headed "Reasons for and Benefits of the Possible Investment and the Prior Investment" in this announcement, and (iii) the participating right (being the right to receive dividends and other forms of distributions as may be declared by the board of directors of the Target Company) in the Target Company to be acquired by the Company through the Possible Investment, which is expected to increase from approximately 10% before the Possible Investment to approximately 49% upon completion of the Possible Investment as detailed under the paragraph headed "Information on the Parties – The Target Company" in this announcement. The Company intends to fully settle the consideration in cash with the internal resources and bank loans of the Group.

Shareholders' Agreement

The Target Company, the Company and the existing shareholders of the Target Company will enter into a shareholders' agreement, pursuant to which, among other things, (i) the Company shall be entitled to nominate one of the three directors of the Target Company, with the remaining two directors to be nominated by Xinzhong Yao, one of the ultimate beneficial owners of the Target Company as of the date of this announcement; and (ii) the Company shall have the right which requires subsequent approval of the Company for certain corporate actions, including any material change to the core business of the Target Company.

Exclusivity Period

From the date of the Term Sheet until the earlier of the date of the closing of the Possible Investment or March 31, 2026, the Target Company has agreed that it will not, and will cause its representatives, affiliates, shareholders and subsidiaries not to, solicit, encourage, provide information regarding, or engage in discussions or negotiations relating to any third-party proposal concerning any investment in, or sale, licensing or transfer of assets, business or securities of the Target Company or its subsidiaries, or any other transactions that may impede or delay the Possible Investment.

Definitive Agreements

The Parties and the Selling Shareholders shall execute and deliver the definitive agreements (the "**Definitive Agreements**") with a view to completing the Possible Investment on or before March 31, 2026 or such other date as is mutually agreed to by the Parties and the Selling Shareholders. Completion of the Possible Investment will be subject to the execution of the Definitive Agreements and other formal documentations. The details for the Possible Investment, including the payment terms of the consideration, the identity of the Selling Shareholders, and the details of the shares of the Target Company to be acquired from the Selling Shareholders and subscribed by the Company, will be determined through mutual negotiation between the Parties and the Selling Shareholders, and set out in the Definitive Agreements. If the completion of the Possible Investment has not occurred on or by March 31, 2026, the Term Sheet may be terminated by either Party upon written notice to the other Party.

Binding Effect

The Term Sheet does not create, imply or infer legally binding obligations until the Definitive Agreements are executed and delivered by the Parties and the Selling Shareholders, save for the provisions relating to governing law, exclusivity period, fees and expenses in the Term Sheet.

BASIS OF CONSIDERATION FOR THE POSSIBLE INVESTMENT

The Company has engaged the Valuer to evaluate the market value of the entire equity interest of the Target Company as at the Valuation Date.

Selection of Valuation method

In the valuation report dated December 26, 2025 issued by the Valuer (the "**Valuation Report**"), the Valuer have considered three generally accepted approaches, namely market approach, cost approach and income approach in arriving at the market value of the entire equity interest in the Target Company.

The market approach considers prices recently paid for similar assets, with adjustments made to market prices to reflect condition and utility of the appraised assets relative to the market comparative. Assets for which there is an established secondary market may be valued by this approach. Benefits of using this approach include its simplicity, clarity, speed and the need for few or no assumptions. It also introduces objectivity in application as publicly available inputs are used.

The cost approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation or obsolescence present, whether arising from physical, functional or economic causes. The cost approach generally furnishes the most reliable indication of value for assets without a known secondary market.

The income approach is the conversion of expected periodic benefits of ownership into an indication of value. It is based on the principle that an informed buyer would pay no more for the project than an amount equal to the present worth of anticipated future benefits (income) from the same or a substantially similar project with a similar risk profile.

To select the most appropriate approach, the Valuer has considered the purpose of the valuation engagement and the resulting basis of value as well as the availability and reliability of information provided to it to form perform an analysis. The Valuer has also considered the relative advantages and disadvantages of each approach to the nature and circumstances of the Target Company.

In the Valuer's opinion, the cost approach was inappropriate for valuing the Target Company, as it does not directly incorporate information about the economic benefits contributed by the Target Company. The income approach was inappropriate as this approach requires detailed operational information and accurate long-term financial projection of the Target Company and it also requires many subjective assumptions and unobservable inputs. The Valuer has therefore relied on the market approach in determining its opinion of value.

The Valuer then considered the two common methods under the market approach, namely guideline public company method and guideline transaction method. Guideline public company method requires identifying suitable guideline public companies and selection of appropriate trading multiples, while guideline transaction method takes reference to recent mergers and acquisitions transaction between unrelated parties and ratio of transaction price to Target Company's financial metrics. Due to the lack of sufficient recent market transactions with similar nature as the Target Company, the guideline transaction method was not applicable. Therefore, the guideline public company method was adopted for the Valuation.

Selection of Valuation multiple

The guideline public company method requires the research of comparable companies' benchmark multiples and selection of an appropriate multiple. The Valuer considered the following commonly used benchmark multiples when applying the guideline public company method, namely (i) price to earnings (P/E), (ii) price to book (P/B), (iii) price to sales and enterprise value to sales (P/S and EV/S), and (iv) enterprise value to earnings before interest and tax ("**EBIT**") (EV/EBIT).

P/E multiple was not selected as it does not capture the financial leverage and other related risk feature across the companies. P/B multiple was not selected as it fails to capture the intangible company-specific competencies of the Target Company. P/S and EV/S multiples were also not adopted as P/S and EV/S do not take into account a company's profitability.

EV/EBIT ratio is suitable for profitable companies and can factor in differences in balance sheet positions between the subject and the comparable companies. It is a capital structure neutral ratio since it takes into account the debt and earnings before interest expenses. As EV/EBIT ratio allowed the Valuer to compare the Target Company against the comparable companies without considering how each comparable company finances its operations, the Valuer selected EV/EBIT ratio, which was defined as the current enterprise value to the trailing 12 months earnings before interest and tax of the Target Company as at the Valuation Date in the Valuation, in market approach to value the entire equity interest in the Target Company.

Assumptions

The Valuer have adopted the following general assumptions as at the Valuation Date:

(i) there would be no material change in the existing political, legal, technological, fiscal or economic conditions, which might adversely affect the business of the Target Company;

(ii) the operational and contractual terms stipulated in the relevant contracts and agreements would be honored;

(iii) the facilities and systems proposed would be sufficient for future expansion in order to realize the growth potential of the business and maintain a competitive edge;

(iv) the financial and operational information provided to the Valuer by the Target Company was accurate; and

(v) there were no hidden or unexpected conditions associated with the Target Company that might adversely affect the reported values.

Market multiple

Under the guideline public company method, in determining the financial multiple, a list of comparable companies was identified. The selection criteria include the followings:

(i) the companies were chain restaurant operators which mainly operate in North America (the percentage of North American restaurants was over 80%);

(ii) the companies mainly operated company-owned restaurants (the percentage of company-owned restaurants was over 80%);

(iii) the companies were publicly listed in the stock exchange of Canada or the US;

(iv) the companies had been actively traded for no less than six months as at the Valuation Date; and

(v) the companies recorded trailing 12 months ("**T12M**") revenue growth rate higher than 10% and positive enterprise value ("**EV**"), EBIT, net operating profit after tax ("**NOPAT**") and net income.

These criteria were mainly used to match the business activities and operating status of the Target Company. In view of the above, the selection criteria were considered by the Valuer to be suitable and feasible.

As sourced from Capital IQ, the comparable companies satisfying the aforementioned criteria and their relevant information are listed as below:

Comparable company	Ticker	Listing date	Business description	North American restaurant percentage	Company-owned restaurant percentage	T12M revenue growth rate	Market capitalization	EV	EBIT	NOPAT	Net income
Texas Roadhouse, Inc.	NASDAQ: TXRH	October 4, 2004	Texas Roadhouse Inc. is an American steakhouse chain that specializes in steaks in a Texan and Southwestern cuisine style.	92.6%	84.9%	14.4%	10,870	11,711	517	441	437
CAVA Group, Inc.	NYSE: CAVA	June 14, 2023	CAVA Group, Inc. is an American Mediterranean fast casual restaurant chain with locations across the US.	100%	100%	23.9%	6,230	6,286	62	125	137
First Watch Restaurant Group, Inc.	NASDAQ: FWRG	September 30, 2021	First Watch Restaurant Group, Inc. is an American daytime dining concept restaurant chain that serve made-to-order breakfast, brunch and lunch.	100%	85.5%	17.3%	1,006	1,969	30	17	5

Note: Financial and operating information was retrieved from Capital IQ or annual reports of the comparable companies. Market capitalization and financial numbers are in USD millions.

Comparable companies are often of significantly different sizes from the Target Company. Larger companies generally have lower expected returns that translate into higher values. On the other hand, small companies are generally perceived as riskier in relation to business operation and financial performance, and therefore the expected returns are higher and resulting in lower multiples. Therefore, the EV/EBIT multiples of the comparable companies were adjusted to reflect their differences in company size from the Target Company.

The adjusted EV/EBIT ratio was calculated using the following formula:

Adjusted EV/EBIT ratio = $1/((1/M) + \alpha * \varepsilon * \theta)$

Where:

M = EV/EBIT ratio before adjustment

α = The scale factor, which converts the base measure of the benefits to an alternative measure of benefits for the comparable companies

ε = The ratio of the equity value to the enterprise value of the comparable company

θ = Required adjustment for difference in size risk

M was the base EV/EBIT ratio and the Valuer took the reciprocal of M to come up with 1/M. The logic behind the pricing multiple adjustments was that the reciprocal of the base multiple represents a capitalization rate. In the Valuation, the reciprocal of the base EV/EBIT multiple represented a capitalization rate of the enterprise value.

The ratio of sales to NOPAT was used as a scale factor α, which was applied in the adjustment of the EV/EBIT multiple. It was considered that the base measure of the benefits for enterprise value to be NOPAT, which is a financial measure that shows how well a company performed through its core operations net of taxes and it excludes tax savings from existing debt and one-time losses or charges. As EV/EBIT was adopted as the pricing multiple in the Valuation, sales became an alternative measure of the benefits for enterprise value in the pricing multiple adjustment formula. Hence, α was used as a scale factor for the alternative measure of benefit. Sales and NOPAT of comparable companies were obtained from Capital IQ.

The ratio of the market capitalization to enterprise value ε was adopted as a weighting factor. As aforesaid, the logic behind this formula was that a pricing multiple is the reciprocal of the capitalization rate. In the case of an enterprise value multiple, the capitalization rate is driven by the weighted average cost of capital ("**WACC**") of the valuation subject. Since the size and country risk premium differentials "θ" are applicable only to the equity portion (for a listed company, market capitalization represents the market value of its equity) but not to the debt portion of the WACC, the Valuer only adjusted the equity portion of the capitalization rate in this pricing multiple adjustment formula. The ratio ε was used to apply an appropriate weighting on the parameter θ so that the capitalization rate was adjusted only to the extent of its equity portion. In other words, the ratio ε took into account of the varying capital structures among the comparable companies. Market capitalization and enterprise value of comparable companies were obtained from Capital IQ.

For the parameter θ, it was used as a desired adjustment to reflect the difference in natures between the comparable companies and the Target Company. With reference to 2025 Kroll Cost of Capital Navigator, an interactive, web-based platform which is a widely used source by valuation analysts to determine the size premium differentials, the size premium differentials of 1.64%-2.14% were adopted to capture how much the market capitalization of each of the comparable companies was larger than the market value of the Target Company.

The detail adjustments of the comparable companies and the adjusted EV/EBIT are as follows:

Comparable company	Ticker	EV/EBIT before adjustment	EBIT/NOPAT (α)	Market capitalization/ EV (ε)	Size premium differentials (θ)	Total adjustment (α * ε * θ)	Adjusted EV/ EBIT
Texas Roadhouse, Inc.	NASDAQ: TXRH	22.65	1.17	0.93	2.14%	2.33%	14.83
CAVA Group, Inc.	NYSE: CAVA	102.04	0.49	0.99	2.14%	1.04%	49.40
First Watch Restaurant Group, Inc.	NASDAQ: FWRG	66.64	1.70	0.51	1.64%	1.43%	34.16

The average of the adjusted EV/EBIT ratio was calculated at 32.80 and was adopted as the EV/EBIT ratio for the valuation on the market value of the entire equity interest in the Target Company.

Discount for Lack of Marketability ("DLOM")

The concept of marketability deals with the liquidity of an ownership interest, that is how quickly and easily it can be converted to cash if the owner chooses to sell. The lack of marketability discount reflects the fact that there is no ready market for shares in privately held companies which are typically not readily marketable compared to similar interest in public companies. Therefore, a share of stock in a privately held company is usually worth less than an otherwise comparable share in a publicly held company. For this exercise, the indicated discount for lack of marketability adopted was 13.2% as at the Valuation Date, with reference to DLOM data for the industry of retail trade in 2024 Stout restricted stock study companion guide.

Calculations

Under the guideline public company method, the market value depends on the adjusted market multiples of the comparable companies as at the Valuation Date. Based on the financial data extracted from the management accounts of the Target Company as at October 31, 2025, the calculation of the market value of the 100% equity interest in the Target Company as at the Valuation Date is as follows:

Trailing 12 months EBIT of the Target Company	CAD3,655,327
Adjusted EV/EBIT ratio	32.80
Enterprise value	**CAD119,879,536**
Add: Cash and Cash Equivalents	CAD4,475,252
Less: Debt	CAD(589,858)
Market value (marketable, non-controlling)	**CAD123,764,930**
Less: DLOM	CAD(16,336,971)
Market value (non-marketable, non-controlling)	**CAD107,428,000**
USD/CAD Exchange Rate	1.3955
Market value (non-marketable, non-controlling)	**USD76,983,000**

Qualification and independence of the Valuer

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, (i) the Valuer has no conflict of interest as regards the Company, the Target Company, the Selling Shareholders and their respective connected persons, and has no personal interest in the success of the Possible Investment; and (ii) the responsible person of the Valuer is Mr. Simon M.K. Chan ("**Mr. Chan**"). Mr. Chan is a fellow (FCPA) of the Hong Kong Institute of Certified Public Accountants (HKICPA) and CPA Australia. He is also fellow of the Royal Institution of Chartered Surveyors (FRICS). He is an International Certified Valuation Specialist (ICVS) and a Chartered Valuer and Appraiser (Singapore). He oversees the business valuation services of Jones Lang LaSalle Corporate Appraisal and Advisory Limited and has over 20 years of accounting, auditing, corporate advisory and valuation experiences. He has provided a wide range of valuation services to numerous listed and listing companies of different industries in the PRC, Hong Kong, Singapore and the US. The Directors are of the view that the Valuer is independent and properly qualified and has sufficient experience to carry out the Valuation.

Based on the foregoing, the Directors are of the view that the Valuation (including the valuation methodology adopted by the Valuer and the adjustments made by the Valuer) is fair and reasonable.

INFORMATION OF THE PARTIES

The Group

The Company is an investment holding company and the Group is a leading Chinese cuisine restaurant brand manager and operator in the PRC, focusing on serving cuisines with high-quality services and unique dining ambience in restaurants with modern decoration primarily located in shopping malls.

The Target Company

The Target Company is a North American restaurant chain operating under the brand of "Big Way Hot Pot", which offers a build-your-own hot pot dining experience featuring a wide selection of premium meats, seafood, fresh vegetables and a variety of condiments, all cooked in a savory broth served individually. As of the date of this announcement, Big Way Hot Pot operated 21 restaurants across Greater Vancouver, Toronto and California.

On July 18, 2025, the Group entered into a legally binding contract with the Target Company to acquire 10% of equity interest in the Target Company (the "**Prior Investment**"). As the highest applicable percentage ratio calculated under Rule 14.07 of the Listing Rules is below 5%, the Prior Investment does not constitute a notifiable transaction.

As of the date of this announcement, each issued share of the Target Company conferred one voting right and one participating right on its holder. As of the date of this announcement, the Target Company was controlled by Xinzhong Yao and Xiaofang Luo (the spouse of Xinzhong Yao) as to over 60% of its issued shares in aggregate through (i) a trust (the "**LY Trust**"), of which Xinzhong Yao and Xiaofang Luo were the trustees, and of which Xinzhong Yao, Xiaofang Luo, together with their descendants and 1488306 B.C. Ltd. (a company jointly and equally owned by Xinzhong Yao and Xiaofang Luo) were the beneficiaries, holding approximately 53.4% of the issued shares; (ii) 1488306 B.C. Ltd., holding approximately 2.0% of the issued shares; and (iii) the personal shareholdings of Xinzhong Yao and Xiaofang Luo, holding approximately 6.6% of the issued shares in aggregate. The Company held approximately 10% of the issued shares of the Target Company. None of the remaining shareholders of the Target Company controlled 30% or more of the equity interest or voting rights in the Target Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Target Company, its shareholders (excluding the Company) and their respective ultimate beneficial owners were independent third parties of the Company as of the date of this announcement.

Subject to the Definitive Agreements, upon completion of the Possible Investment, the Target Company will have classes of shares carrying different voting rights and participating rights. It is expected that the Company will be entitled to approximately 10.8% of the voting rights and 49.0% of the participating rights in the Target Company through its holding of approximately 49.0% of Class A shares of the Target Company(Note), which carries one voting right and one participating right per share. The Target Company will not become a subsidiary of the Company and its financial results will not be consolidated in the Group's financial statements.

Note: Representing approximately 35.2% of the issued shares of the Target Company upon completion of the Possible Investment (which is expected to comprise Class A shares and Class B shares, with each Class B share carrying weighted voting rights and no participating rights), subject to the Definitive Agreements.

Set out below is a summary of the financial information of the Target Company for the years ended December 31, 2023 and 2024:

	Year ended December 31,	
	2023(1)	**2024(2)**
	(USD in thousands, unaudited)	
Profit before taxation	259.55	1,390.84
Profit after taxation	210.13	983.89

The unaudited consolidated total net assets of the Target Company as of October 31, 2025 was approximately USD5.54 million(3).

The valuation of the entire equity interest in the Target Company as of the Valuation Date based on the Valuation was approximately USD77.0 million.

Notes:

The following exchange rates have been adopted above to translate CAD into USD, which are approximate and for illustrative purposes only:

(1) CAD1.00 = USD0.7434, being the average CAD/USD exchange rate for the year ended December 31, 2023;

(2) CAD1.00 = USD0.7324, being the average CAD/USD exchange rate for the year ended December 31, 2024;

(3) CAD1.00 = USD0.7166, being the CAD/USD exchange rate on October 31, 2025.

REASONS FOR AND BENEFITS OF THE POSSIBLE INVESTMENT AND THE PRIOR INVESTMENT

The Group has been deeply rooted in the Chinese dining industry for three decades, accumulating extensive experience in brand development, chain operations, and scaled management. Since 2021, the Group's flagship brand "Tai Er (太二)" has successively entered the Southeast Asian and North American markets, continuously exploring development opportunities for Chinese cuisine in overseas markets. Throughout this process, the Group has been actively identifying Chinese food brands in overseas markets with strong localization capabilities and growth potential, seeking to participate in their growth through diverse collaboration models to achieve complementary resources and long-term mutual benefits.

The Target Company, as a Chinese restaurant chain brand that has achieved effective localized operations in the North American market and entered an expansion phase, possesses a solid development foundation and strong growth potential. Through this Possible Investment and the Prior Investment, the Group aims to support the Target Company's further development in areas such as standardized replication of chain brands, establishment of operational management systems, and organizational and talent development. Simultaneously, leveraging the Target Company's established business foundation in North America, the Group can solidify its own foothold in the North American market and generate positive synergies within its brand network, thereby delivering corresponding strategic value and economic returns.

The Board believes the benefits of the Possible Investment and the Prior Investment include:

1. Integrating localized resources in the North American market to create complementary effects with existing brands

The North American market possesses a vast and diverse consumer base, representing a crucial strategic region in the global expansion of the Group's Chinese dining brands. However, the development of Chinese cuisine in North America has long faced challenges such as flavor adaptation, differing consumption habits, and brand recognition establishment, presenting significant barriers to successfully penetrating the local non-Chinese customer base.

Leveraging its management team's deep understanding of local consumer preferences, product mix, and store models, the Target Company has successfully localized the build-your-own hot pot business, which is a Chinese-style catering concept. It has effectively attracted a broad customer base primarily consisting of non-Chinese consumers, establishing a clear brand positioning and stable customer base in the North American market. The Group believes timely participation in its development will help address the structural limitation of its existing brands primarily targeting Chinese customers in North America, providing a crucial foothold for further expansion into the local mainstream consumer market.

2. ***Converting the Target Company's growth momentum and leveraging synergies to enhance investment returns***

   The Target Company has established a proven business model in the North American market, demonstrating robust growth momentum and expansion potential. As its business enters an accelerated growth phase, store replication efficiency, organizational management capabilities, and operational stability will significantly impact its future development.

   The Group possesses systematic expertise in standardized chain restaurant operations, store model replication, management system establishment, and organizational and talent development. The effective integration of these capabilities will enhance the certainty and operational quality of the Target Company's expansion execution, thereby accelerating its business scale and profitability growth. This will generate stable and growth-oriented investment returns for the Group.

3. ***Unlocking profit growth potential and sharing future growth opportunities***

   At its current development stage, the Target Company's profitability remains in a gradual release phase due to new market expansion and initial investment factors. However, it has established a competitive business model, with mature outlets demonstrating strong profitability and attractive profit models. As its store network continues to expand and operational efficiency improves, its profitability has further room for enhancement.

   Through the Possible Investment and the Prior Investment, the Group can participate in the Target Company's future value growth while managing risks, thereby sharing in the economic benefits derived from its operational outcomes. As the Target Company expands its business scale and progressively enhances profitability, the Possible Investment and the Prior Investment are expected to bolster the Group's overall earnings performance and generate long-term returns for shareholders.

Based on the above, the Directors consider that the basis for determining the consideration of the Possible Investment, the terms of the Term Sheet and the Possible Investment are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

GENERAL

The Possible Investment remains subject to, among other conditions, the negotiation regarding the execution of the Definitive Agreements. If the Possible Investment materializes, it may constitute a notifiable transaction or a series of notifiable transactions of the Company under Chapter 14 of the Listing Rules. The Company will make further announcement(s) in respect of the Possible Investment in accordance with the applicable requirements of the Listing Rules as and when appropriate. Any discrepancies between the totals and the sums of the numerical figures and percentages shown in this announcement are due to rounding.

The Directors wish to emphasize that the Term Sheet is not legally binding, and there is no binding transaction document in relation to the Possible Investment which has been entered into as of the date of this announcement. As such, the Possible Investment may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

"Board"	the Board of Directors
"CAD"	Canadian dollar(s), the lawful currency of Canada
"Company"	Jiumaojiu International Holdings Limited (九毛九国际控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"connected person"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"NASDAQ"	the Nasdaq Stock Market LLC
"NYSE"	The New York Stock Exchange LLC
"Party(ies)"	the party(ies) to the Term Sheet
"Possible Investment"	the possible investment in the Target Company by the Company through acquisition and/or subscription of certain equity interest in the Target Company pursuant to the Term Sheet
"PRC"	the People's Republic of China
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Big Way Group Inc., a company incorporated under the laws of the Province of British Columbia
"Term Sheet"	the term sheet dated December 29, 2025 entered into between the Target Company and the Company with respect to the Possible Investment

“US”	the United States of America
“USD”	United States dollar(s), the lawful currency of the US
“%”	per cent

By order of the Board
Jiumaojiu International Holdings Limited
Guan Yihong
Chairman

Hong Kong, December 29, 2025

As of the date of this announcement, the Board comprises Mr. Guan Yihong as chairman and executive director, Mr. He Chengxiao as chief executive officer and executive director, Ms. Cui Longyu and Mr. Su Danman as executive directors, and Ms. Tang Zhihui, Ms. Zhu Rui and Ms. Wang Xiaomei as independent non-executive directors.