
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Jutal Offshore Oil Services Limited, you should at once hand the Prospectus Documents to the purchaser(s) or the transferee(s), or to the bank manager, licensed securities dealer, registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed "15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG" in Appendix III to this Prospectus have been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, the Stock Exchange and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of the Prospectus Documents.

The attention of Shareholders with registered addresses in, and investors who are located or residing in, any of the jurisdictions outside Hong Kong or holding Shares on behalf of beneficial owners of Shares with such addresses is drawn to the paragraph headed "Non-Qualifying Shareholders" in the "Letter from the Board" in this Prospectus.

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. 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 HKSCC and HKSCC Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.



JUTAL OFFSHORE OIL SERVICES LIMITED

巨濤海洋石油服務有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3303)

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY SIX (6) EXISTING SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Financial adviser to the Company



Placing Agent to the Company



Unless the context requires otherwise, capitalised terms used in this cover shall have the same meanings as those defined in this Prospectus.

The Latest Time for Acceptance of and payment for the Rights Shares is 4:00 p.m. on Thursday, 26 February 2026. The procedures for acceptance and payment and/or transfer are set out on pages 26 to 28 of this Prospectus.

The Rights Issue is on a non-underwritten basis. Pursuant to the Company's constitutional documents, the applicable laws in Hong Kong and the Cayman Islands and the Listing Rules, there is no requirement for a minimum subscription level in respect of the Rights Issue. Nevertheless, the Rights Issue is subject to fulfilment of the conditions of the Rights Issue as set out in the section headed "Letter from the Board – Conditions of the Rights Issue" in this Prospectus at or prior to the latest time for the Rights Issue to become unconditional (which is currently expected to be Friday, 13 March 2026). If the conditions of the Rights Issue are not fulfilled at or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

Dealings in the Shares have been dealt on an ex-rights basis from Wednesday, 28 January 2026. Dealings in the Rights Shares in their nil-paid form will take place from Tuesday, 10 February 2026 to Monday, 23 February 2026 (both days inclusive).

Any Shareholder or other person dealing in Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders or other persons contemplating any dealing in the Shares and/or nil-paid Rights Shares are recommended to consult their professional advisers.

6 February 2026

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DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“2016 Share Option Scheme”	the share option scheme adopted by the Company on 8 June 2016
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Announcement”	the announcement of the Company dated 14 January 2026 in relation to, among other things, the Rights Issue
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Company”	Jutal Offshore Oil Services Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange (stock code: 3303)
“Compensatory Arrangements”	the arrangement involving the placing of the Unsubscribed Rights Shares, if any, by the Placing Agent on a best effort basis pursuant to the Placing Agreement in accordance with Rule 7.21(1)(b) of the Listing Rules
“Completion”	completion of the Rights Issue and/or the Placing, as the case may be
“Conditions of the Rights Issue”	each and all of the conditions of the Rights Issue as specified in the section headed “Conditions of the Rights Issue” in this Prospectus
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Director(s)”	the director(s) of the Company
“General Rules of HKSCC”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	the Company and the subsidiaries
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“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 amended from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, are independent of and not acting in concert or connected with the Company and any of its connected persons or any of their respective associates
“Last Trading Day”	Wednesday, 14 January 2026, being the last trading day for the Shares on the Stock Exchange immediately prior to the date of the Announcement
“Latest Practicable Date”	Friday, 30 January 2026, being the latest practicable date prior to the publication of this Prospectus for the purpose of ascertaining certain information contained herein
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 26 February 2026 (or such other time or date as may be determined by the Company), being the latest time for acceptance and payment for, the Rights Shares, as described in the Prospectus Documents
“Listing Committee”	has the meaning as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the placees after deducting the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares placed by the Placing Agent under the Placing Agreement) pursuant to the Unsubscribed Arrangements
“No Action Shareholder(s)”	those Qualifying Shareholder(s) who do not subscribe for the Right Shares (whether partially or fully) in their assured entitlements, or Non-Qualifying Shareholders (as the case may be)
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either restrictions under the laws of the relevant place or the requirements of a relevant regulatory body or stock exchange in that place
“Overseas Letter”	a letter from the Company to the Non-Qualifying Shareholders explaining the circumstances in which the Non-Qualifying Shareholders are not permitted to participate in the Rights Issue
“Overseas Shareholder(s)”	the Shareholder(s) whose name(s) appear on the register of members of the Company on the Record Date and whose address(es) as shown on such register is/are in a place(s) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placee(s)”	professional, institutional, corporate or other investor(s), procured by the Placing Agent to subscribe for any of the Unsubscribed Rights Shares pursuant to the Placing Agreement
“Placing”	the offer by way of private placing of the Unsubscribed Rights Shares on a best effort basis by the Placing Agent to the independent placee(s) during the Placing Period on the terms and conditions set out in the Placing Agreement

DEFINITIONS

“Placing Agent”	Orient Securities Limited, a licensed corporation carrying out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO, being the placing agent appointed by the Company pursuant to the Placing Agreement
“Placing Agreement”	the placing agreement dated 14 January 2026 (after trading hours of the Stock Exchange) entered into between the Company and the Placing Agent in respect of the Unsubscribed Arrangements, pursuant to which the Placing Agent has agreed to procure placees on a best effort basis to subscribe for the Unsubscribed Rights Shares
“Placing Long Stop Date”	Friday, 13 March 2026, or such other date as may be agreed between the Company and the Placing Agent in writing as the latest date for the satisfaction of the conditions precedent under the Placing Agreement
“Placing Period”	the period from Wednesday, 4 March 2026 up to Wednesday, 11 March 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Unsubscribed Arrangements
“Placing Price”	the placing price of the unsubscribed Rights Shares shall be at least equal to the Subscription Price, and the final price determination will depend on the demand for and the market conditions of the Unsubscribed Rights Shares during the placement process
“Posting Date”	Friday, 6 February 2026 or such other date as the Company may announce, being the date of despatch of the Prospectus Documents
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus to be despatched to the Shareholders by the Company containing details of the Rights Issue
“Prospectus Documents”	collectively, the Prospectus and the PAL

DEFINITIONS

“Qualifying Shareholder(s)”	Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Thursday, 5 February 2026, or such other date as the Company may announce, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined
“Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed issue of the Rights Shares on the basis of one (1) Rights Share for every six (6) existing Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents
“Rights Share(s)”	Share(s) to be issued and allotted under the proposed Rights Issue on the basis of one (1) Rights Share for every six (6) existing Shares in issue on the Record Date, being 355,547,898 existing Shares based on the Company’s issued share capital as at the Latest Practicable Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.16 per Rights Share
“substantial shareholder”	has the meaning as ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

DEFINITIONS

“Unsubscribed Rights Share(s)”	those Rights Share(s) that are not subscribed by the Qualifying Shareholders and Rights Shares which would otherwise have been allotted to the Non-Qualifying Shareholders (as the case may be)
“%”	per cent.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue set out below is for indicative purposes only and has been prepared assuming that all the conditions of the Rights Issue will be fulfilled.

Events	Time and Date
Last day of dealings in the existing Shares on a cum-rights basis	Tuesday, 27 January 2026
First day of dealings in the existing Shares on an ex-rights basis relating to the Rights Issue	Wednesday, 28 January 2026
Latest time for lodging transfers of existing Shares to qualify for the Rights Issue	4:30 p.m. on Thursday, 29 January 2026
Closure of register of members of the Company for determination of entitlements to the Rights Issue (both dates inclusive)	Friday, 30 January 2026 to Thursday, 5 February 2026
Record Date for the Rights Issue	Thursday, 5 February 2026
Register of members of the Company re-opens.	Friday, 6 February 2026
Expected despatch date of the Prospectus Documents (including the PAL and the Prospectus), and in case of the Non-Qualifying Shareholders, the Prospectus only	Friday, 6 February 2026
First day of dealings in nil-paid Rights Shares	Tuesday, 10 February 2026
Latest time for splitting of PAL	4:30 p.m. on Thursday, 12 February 2026
Last day of dealings in nil-paid Rights Shares	Monday, 23 February 2026
Latest time for acceptance and payment for the Rights Shares.	4:00 p.m. on Thursday, 26 February 2026
Latest time for lodging transfer documents of nil-paid Rights Shares to qualify for the payment of Net Gain	4:00 p.m. on Thursday, 26 February 2026

EXPECTED TIMETABLE

Events	Time and Date
Announcement of the number of Unsubscribed Rights Shares subject to the Compensatory Arrangements	Tuesday, 3 March 2026
Commencement of the placing of Unsubscribed Rights Shares by the Placing Agent	Wednesday, 4 March 2026
Latest time for placing of Unsubscribed Rights Shares	4:00 p.m. on Wednesday, 11 March 2026
Placing Long Stop Date	Friday, 13 March 2026
Announcement of the allotment results of the Rights Issue to be published on the websites of the Stock Exchange and the Company	Thursday, 19 March 2026
Despatch of share certificates for fully-paid Rights Shares and completion of Placing to take place	Friday, 20 March 2026
Despatch of refund cheques, if any, if the Rights Issue is terminated	Friday, 20 March 2026
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Monday, 23 March 2026
Designated broker commences to provide matching services for odd lots of Shares	Monday, 23 March 2026
Payment of Net Gain to relevant No Action Shareholders (if any) or Non-Qualifying Shareholders (if any)	Thursday, 26 March 2026
Designated broker ceases to provide matching services for odd lots of Shares	Wednesday, 15 April 2026

All times and dates in this Prospectus refer to local times and dates in Hong Kong. Dates or deadlines specified in the expected timetable above or other parts of this Prospectus are indicative only and may be extended or varied. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate in accordance with the Listing Rules.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS SHARES

The Latest Time for Acceptance will not take place if a tropical cyclone warning signal no. 8 or above, or “extreme conditions” caused by super typhoons as announced by the Government of the Hong Kong Special Administrative Region or a “black” rainstorm warning:

- (i) is/are in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
- (ii) is/are in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day, which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in this section headed “Expected timetable” above may be affected. The Company will notify the Shareholders through announcements on any change to the expected timetable as soon as practicable.

LETTER FROM THE BOARD

JUTAL

JUTAL OFFSHORE OIL SERVICES LIMITED

巨濤海洋石油服務有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3303)

Executive Directors:

Mr. Wang Lishan (*Chairman*)

Mr. Tang Hui (*President*)

Independent non-executive Directors:

Ms. Choy So Yuk, *B.B.S., J.P.*

Mr. Cheung Ngar Tat Eddie

Mr. Tam Kin Yip

Mr. Zhang Hua

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

*Head office and principal place
of business in PRC:*

18th Floor

No. 9 Queen's Road Central

Hong Kong

6 February 2026

To the Shareholders

Dear Sir/Madam,

**RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY SIX (6) EXISTING SHARES
HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS**

INTRODUCTION

Reference is made to the announcement dated 14 January 2026, and the Announcement in relation to, among other things, the Rights Issue.

The purpose of this Prospectus is to provide you with further information on, among other things, the Rights Issue, including procedures for acceptance, transfer and splitting of provisional allotments of the Rights Shares and certain financial information and other information in respect of the Group.

LETTER FROM THE BOARD

RIGHTS ISSUE

The Board proposes, subject to the fulfilment of the Conditions of the Rights Issue, to raise gross proceeds of up to approximately HK\$56.9 million before expenses by way of the Rights Issue of 355,547,898 Rights Shares at the Subscription Price of HK\$0.16 per Rights Share on the basis of one (1) Rights Share for every six (6) existing Shares held by the Qualifying Shareholders on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be available to Non-Qualifying Shareholders.

Subject to the fulfilment of the Conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

Further details of the Rights Issue are set out below:

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every six (6) existing Shares held by the Qualifying Shareholders as of the close of business on the Record Date
Subscription Price	:	HK\$0.16 per Rights Share
Net Subscription Price	:	HK\$0.155 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	2,133,287,389 Shares
Maximum number of Rights Shares	:	Up to 355,547,898 Rights Shares (assuming there is no change to the total issued share capital of the Company on or before the Record Date and no fractional Shares will be issued)
Gross proceeds from the Rights Issue	:	Up to approximately HK\$56.9 million before expenses (assuming there is no change to the total issued share capital of the Company on or before the Record Date and all Rights Shares have been taken up by the Qualifying Shareholders or the Unsubscribed Rights Shares are successfully placed by the Placing Agent under the Placing)

Assuming there is no change to the total issued capital of the Company on or before the Record Date, 355,547,898 Rights Shares will be issued pursuant to the terms of the Rights Issue represents (i) approximately 17% of the total issued share capital of the

LETTER FROM THE BOARD

Company as at the Latest Practicable Date; and (ii) approximately 14% of the total issued share capital of the Company as enlarged by the allotment and issuance of all the Rights Shares immediately upon Completion.

As of the Latest Practicable Date, there are outstanding 149,400,000 share options entitling the holders thereof to subscribe for up to an aggregate of 149,400,000 Shares under the 2016 Share Option Scheme. Save as disclosed, as of the Latest Practicable Date, the Company has no outstanding share options, warrants, options, convertible securities, or other similar rights that are convertible or exchangeable into Shares.

Undertakings

The Company has not received any information or irrevocable undertaking from any substantial shareholder of the Company of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue as at the Latest Practicable Date.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Overseas Letter with the Prospectus, for information only, to the Non-Qualifying Shareholders.

To qualify for the Rights Issue, the Shareholders must, at the close of business on the Record Date: (i) be registered on the registers of members of the Company; and (ii) not be the Non-Qualifying Shareholders.

In order to be registered as members of the Company on the Record Date, the Shareholders must lodge any transfer of the Shares (with the relevant share certificates) for registration with the Registrar by 4:30 p.m. on Thursday, 29 January 2026.

Shareholders whose Shares are held by nominee companies (or which are deposited in CCASS) should note that the Board will regard a nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company.

The Qualifying Shareholders who take up their pro-rata entitlement in full will not experience any dilution to their interests in the Company.

Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted.

LETTER FROM THE BOARD

Closure of the register of members

The register of members will be closed from Friday, 30 January 2026 to Thursday, 5 February 2026 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

Subscription Price

The Subscription Price of HK\$0.16 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares and, where applicable, when a transferee of the nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 69.23% to the closing price of HK\$0.520 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 69.23% to the closing price of HK\$0.520 per Share as quoted on Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 69.35% to the closing price of HK\$0.522 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 69.35% to the average closing price of approximately HK\$0.522 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 66.10% to the theoretical ex-rights price of approximately HK\$0.472 per Share as adjusted for the effect of the Rights Issue, based on the closing price of HK\$0.524 as quoted on the Stock Exchange for five (5) previous consecutive trading days prior to the date of Placing Agreement;
- (vi) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 9.92%, which is calculated based on the theoretical diluted price of approximately HK\$0.472 per Share (as defined under Rule 7.27B of the Listing Rules, taking account the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the Last Trading Day); and

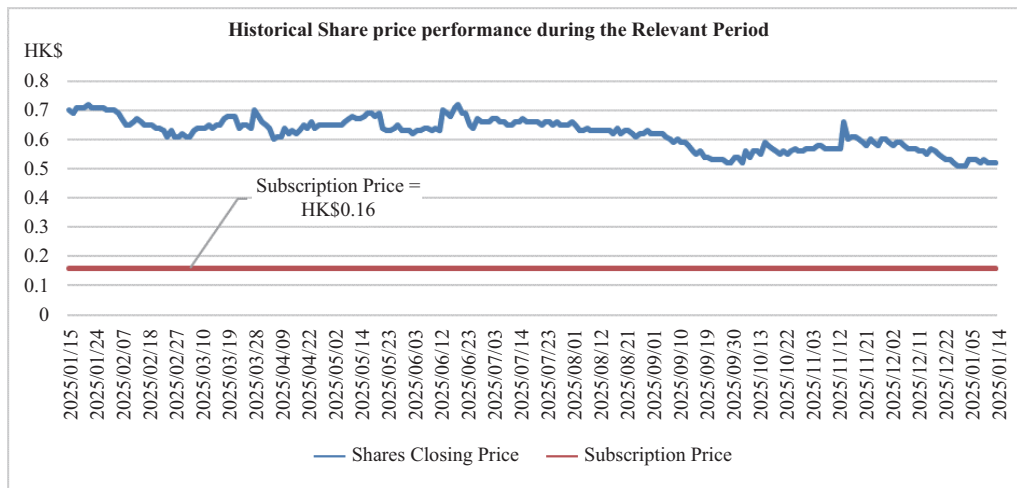
LETTER FROM THE BOARD

- (vii) a discount of approximately 85.13% to the audited net asset value per Share of approximately HK\$1.143 based on the latest unaudited consolidated net asset value of the Group of approximately HK\$2,438.2 million as at 30 June 2025 and the number of Shares in issue as at the Last Trading Day (i.e. 2,133,287,389 Shares).

The Subscription Price was arrived at after arm's-length negotiation, with reference, among other things, to the prevailing market price of the Shares and the financial conditions of the Group. When assessing the Subscription Price, the Directors have considered the following key factors:

- (i) the Directors conducted a thorough review of the closing price movements of the Shares on the Stock Exchange from 15 January 2025 to 14 January 2026 (the “**Review Period**”), which represents the 12 months preceding the Last Trading Day. The Directors believe that this one-year timeframe effectively reflects the prevailing market sentiment.

The chart below shows the movement of the closing price of the Shares during the Review Period:



During the Review Period, the Shares reached a peak closing price of HK\$0.72 on 22 January 2025 and 19 June 2025, while the lowest closing price was recorded at HK\$0.51 on 30 December 2025, 31 December 2025, and 2 January 2026. Following a thorough review of all announcements issued by the Company throughout the Review Period, the Directors did not identify any specific factors contributing to the observed fluctuations in Share price. The Directors opine that the market price of the Shares has accurately reflected prevailing market conditions and the current sentiment regarding the Group's business performance. However, due to the volatile market environment characterised by a declining Share price during the Review Period, the Directors believe it is imperative to consider additional factors when determining the Subscription Price;

LETTER FROM THE BOARD

- (ii) the Directors conducted a review of the trading volume and liquidity of the Shares during the Review Period. During the Review Period, the monthly trading volume of the Shares varied significantly. It ranged from a low of 7,286,350 Shares traded in November 2025 to a peak of 55,628,000 Shares traded in June 2025. This represents approximately 0.34% of the total issued Shares for the lowest volume and approximately 2.61% for the highest volume.

Based on the observations presented, the Directors have determined that the low trading volume may pose challenges for Shareholders in selling their Shares on time and at a more favorable price. Furthermore, the Company may encounter difficulties in raising equity funds from external parties without necessitating a substantial discount to the current Share price. As a result, the Directors believe that the limited liquidity of the Shares observed during the Review Period suggests the potential for a significant discount to the Subscription Price. This adjustment may serve the same purposes to encourage Qualifying Shareholders to accept the allotment under the Rights Issue;

- (iii) the Directors identified an exhaustive list of 75 transactions conducted by companies listed on the Stock Exchange (the “**Comparables**”) using information available from the Stock Exchange’s website. The criteria for selecting these Comparables were as follows: (a) the companies are listed issuers on the Stock Exchange; (b) rights issue transactions of A-Shares and H-Shares were excluded; and (c) the proposed rights issues had been announced during the Review Period.

LETTER FROM THE BOARD

The Directors believe that the Comparables serve as a reliable reference for recent rights issues because enough transactions occurred within this timeframe, resulting in a reasonable sample size. The table below presents the findings from this analysis:

Date of initial announcement	Company name	Stock code	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing price for the five consecutive trading days up to and including the last trading day	Premium/ (Discount) of subscription price over/ to the theoretical ex-right price	Premium/ (Discount) of the subscription price over/to the latest net asset value per share	Theoretical dilution effect
17/01/2025	Wan Kei Group Holdings Limited	1718	1 for 1	(29.82%)	(31.97%)	(17.53%)	(75.00%)	17.64%
27/01/2025	Colour Life Services Group Co., Limited	1778	1 for 4	0.00%	(2.14%)	N/A	N/A	0.43%
02/02/2025	CSI Properties Limited	497	18 for 10	5.88%	5.14%	2.04%	(93.54%)	N/A
07/02/2025	Stream Ideas Group Limited	8401	2 for 1	(15.00%)	(16.50%)	(5.56%)	N/A	11.58%
14/02/2025	China Saftower International Holding Group Limited	8623	1 for 2	(6.78%)	(2.83%)	(4.62%)	(82.79%)	2.26%
14/02/2025	Yues International Holdings Group Limited	1529	4 for 1	(7.14%)	(20.25%)	(1.52%)	(88.68%)	21.47%
18/02/2025	China Baoli Technologies Holdings Limited	164	4 for 1	6.67%	2.30%	1.27%	N/A	N/A
27/02/2025	TIMELESS RESOURCES HOLDINGS LIMITED	8028	1 for 2	(9.64%)	(8.72%)	(6.81%)	(23.28%)	3.21%
03/03/2025	China Zenith Chemical Group Limited	362	2 for 1	(17.90%)	(18.40%)	(7.10%)	N/A	13.05%
07/03/2025	Volcano Spring International Holdings Limited	1715	3 for 1	47.06%	47.06%	8.70%	N/A	N/A
14/03/2025	Good Fellow Healthcare Holdings Limited	8143	1 for 1	(12.28%)	(19.35%)	(7.41%)	233.33%	10.94%
19/03/2025	Pacific Legend Group Limited	8547	1 for 2	(13.79%)	(13.79%)	(9.64%)	(53.99%)	4.60%
11/04/2025	ISP Holdings Limited	2340	1 for 2	(74.50%)	(73.38%)	(66.07%)	(85.59%)	24.85%

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Date of initial announcement	Company name	Stock code	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Theoretical dilution effect
16/04/2025	Bonjour Holdings Limited	653	3 for 1	(25.93%)	(27.93%)	(8.05%)	(75.91%)	20.95%	
16/04/2025	AustAsia Group Ltd.	2425	2 for 5	(29.11%)	(29.11%)	(22.76%)	(80.95%)	8.23%	
25/04/2025	Melco International Development Limited	200	1 for 2	(72.93%)	(71.03%)	(64.28%)	3,328.67%	24.31%	
29/04/2025	C Cheng Holdings Limited	1486	1 for 2	(67.21%)	(66.44%)	(57.75%)	(92.75%)	22.40%	
07/05/2025	SEEC Media Group Limited	205	1 for 2	(23.61%)	(26.17%)	(17.29%)	(51.54%)	N/A	
09/05/2025	China Sci-Tech Industrial Investment Group Limited	339	1 for 2	(43.10%)	(47.40%)	(38.60%)	N/A	16.20%	
13/05/2025	Shougang Century Holdings Limited	103	3 for 20	12.30%	14.30%	10.60%	(40.10%)	N/A	
13/05/2025	Capital Realm Financial Holdings Group Limited	204	3 for 1	4.17%	21.36%	1.01%	(86.28%)	N/A	
15/05/2025	Zhongzheng International Company Limited	943	1 for 2	0.00%	0.00%	N/A	(54.50%)	N/A	
22/05/2025	China Health Group Limited	673	3 for 10	(28.60%)	(37.10%)	(23.70%)	12.40%	23.60%	
23/05/2025	Grand Talents Group Holdings Limited	8516	5 for 2	(33.00%)	(33.00%)	(12.34%)	(38.15%)	23.57%	
02/06/2025	Lvji Technology Holdings Inc.	1745	1 for 2	(32.10%)	(33.10%)	(24.10%)	(72.60%)	11.30%	
04/06/2025	Howkingtech International Holding Limited	2440	1 for 2	(49.70%)	(50.00%)	N/A	50.20%	N/A	
10/06/2025	Pinestone Capital Limited	804	3 for 2	(40.71%)	(41.55%)	(22.14%)	(75.64%)	24.93%	
10/06/2025	Greenheart Group Limited	94	1 for 2	(9.25%)	(4.97%)	(6.44%)	(88.80%)	N/A	
17/06/2025	Risecomm Group Holdings Limited	1679	5 for 1	(22.48%)	(21.63%)	(4.62%)	N/A	18.73%	
25/06/2025	Sino Splendid Holdings Limited	8006	3 for 2	(11.10%)	(12.10%)	(4.80%)	(52.40%)	6.67%	

LETTER FROM THE BOARD

Date of initial announcement	Company name	Stock code	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the latest net asset value per share	Theoretical dilution effect
07/07/2025	SANERGY GROUP LIMITED	2459	1 for 2	(55.60%)	(56.30%)	(45.50%)	(89.00%)	18.80%
08/07/2025	Alco Holdings Limited	328	4 for 1	(19.00%)	(19.00%)	N/A	N/A	15.52%
23/07/2025	Future Machine Limited	1401	1 for 2	(72.28%)	(72.28%)	(63.48%)	(28.61%)	24.09%
25/07/2025	Shin Hwa World Limited	582	1 for 1	(34.21%)	(33.07%)	(17.11%)	(97.12%)	17.11%
30/07/2025	XJ International Holdings Co., Ltd.	1765	1 for 12	(1.96%)	(0.50%)	(1.82%)	(83.74%)	0.15%
30/07/2025	Da Yu Financial Holdings Limited	1073	1 for 2	(16.67%)	(18.92%)	(11.76%)	(45.45%)	6.67%
04/08/2025	Tomo Holdings Limited	6928	1 for 2	(62.10%)	(63.20%)	(52.20%)	25.00%	21.30%
06/08/2025	Value Convergence Holdings Limited	821	2 for 1	(4.26%)	(5.86%)	(1.53%)	(71.06%)	3.11%
13/08/2025	China Information Technology Development Limited	8178	3 for 8	(55.05%)	(55.24%)	(47.11%)	(63.00%)	15.12%
13/08/2025	Capital VC Limited	2324	1 for 1	(27.30%)	(24.80%)	N/A	(82.00%)	13.60%
14/08/2025	China Energy Development Holdings Limited	228	1 for 2	(19.90%)	(19.90%)	N/A	(73.34%)	6.63%
04/09/2025	Aeso Holding Limited	8341	2 for 1	(25.70%)	(23.10%)	(10.35%)	(83.00%)	17.12%
04/09/2025	Many Idea Cloud Holdings Limited	6696	6 for 1	(22.08%)	(24.56%)	(4.94%)	(90.53%)	20.63%
10/09/2025	China Automotive Interior Decoration Holdings Limited	48	3 for 2	(29.73%)	(29.27%)	(14.47%)	(88.13%)	17.84%
15/09/2025	Zhong Jia Guo Xin Holdings Company Limited	899	2 for 1	(33.64%)	(35.23%)	(14.45%)	(97.87%)	24.78%
19/09/2025	Immunotech Biopharm Ltd	6978	1 for 5	(47.70%)	(47.79%)	(43.18%)	802.50%	8.05%
22/09/2025	Gameone Holdings Limited	8282	1 for 2	1.69%	(0.99%)	1.12%	(3.23%)	0.55%

LETTER FROM THE BOARD

Date of initial announcement	Company name	Stock code	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the latest net asset value per share	Theoretical dilution effect
26/09/2025	Perfectech International Holdings Limited	765	1 for 2	(18.06%)	(20.70%)	(12.72%)	152.14%	6.99%
02/10/2025	China New Economy Fund Limited	80	1 for 2	(29.29%)	(27.23%)	(21.70%)	775.00%	9.70%
04/09/2025	Aeso Holding Limited	8341	2 for 1	(25.70%)	(23.10%)	(10.35%)	(83.00%)	17.12%
03/10/2025	Macau Legend Development Limited	1680	1 for 2	(45.45%)	(44.44%)	(36.17%)	(88.46%)	15.79%
05/10/2025	Fire Rock Holdings Limited	1909	1 for 2	(20.20%)	(27.85%)	(14.59%)	195.74%	9.13%
09/10/2025	Hao Bai International (Cayman) Limited	8431	4 for 1	(19.23%)	(27.08%)	(4.55%)	59.09%	23.24%
09/10/2025	CCIAM Future Energy Limited	145	1 for 2	(18.62%)	(19.05%)	(13.07%)	(6.13%)	6.63%
15/10/2025	Synertone Communication Corporation	1613	2 for 1	(35.71%)	(35.71%)	(15.63%)	(43.75%)	23.81%
15/10/2025	Winshine Science Company Limited	209	7 for 1	(23.50%)	(24.30%)	(4.10%)	N/A	21.10%
17/10/2025	World Super Holdings Limited	8612	3 for 1	23.46%	19.05%	5.26%	669.23%	N/A
22/10/2025	Crocodile Garments Limited	122	1 for 2	(22.68%)	(22.44%)	(16.34%)	(92.46%)	7.56%
24/10/2025	IRC Limited	1029	1 for 1	(16.39%)	(17.21%)	(12.17%)	(61.10%)	9.76%
24/10/2025	Sandmartin International Holdings Limited	482	1 for 2	2.70%	(9.00%)	N/A	N/A	5.99%
24/10/2025	Jiading International Group Holdings Limited	8153	1 for 2	(38.78%)	(37.11%)	(29.69%)	N/A	12.93%
02/11/2025	KNT Holdings Limited	1025	1 for 2	(9.09%)	(10.71%)	(4.76%)	48.15%	9.39%
04/11/2025	Zhongshi Minan Holdings Limited	8283	1 for 1	(23.91%)	(25.69%)	(4.89%)	(64.68%)	21.67%
06/11/2025	Winto Group (Holdings) Limited	8238	5 for 1	(6.98%)	(6.10%)	(1.96%)	N/A	5.12%

LETTER FROM THE BOARD

Date of initial announcement	Company name	Stock code	Basis of entitlement	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/to the closing share price on the last trading day	Premium/ (Discount) of subscription price over/ theoretical price over/ ex-right price	Premium/ (Discount) of the subscription price over/to the latest net asset value per share	Theoretical dilution effect
12/11/2025	Domaine Power Holdings Limited	442	3 for 1	(17.44%)	(15.88%)	(12.35%)	65.12%	5.81%
19/11/2025	SILKWAVE INC	471	3 for 1	(31.06%)	(32.29%)	(10.13%)	(62.81%)	24.51%
21/11/2025	Crown International Corporation Limited	727	3 for 1	(19.75%)	(26.14%)	(5.80%)	(44.85%)	19.53%
11/12/2025	Hang Yick Holdings Company Limited	1894	1 for 2	(28.13%)	(27.67%)	(7.26%)	(84.67%)	22.50%
12/12/2025	Shun Wo Group Holdings Limited	1591	1 for 3	(6.70%)	(3.40%)	N/A	(54.80%)	1.67%
19/12/2025	China Castson 81 Finance Company Limited	810	5 for 2	(26.62%)	(30.80%)	(9.41%)	(27.14%)	22.73%
23/12/2025	Mindtell Technology Limited	8611	1 for 2	(32.40%)	(29.70%)	(24.20%)	8,100.00%	10.80%
30/12/2025	Wanjia Group Holdings Limited	401	1 for 1	(31.62%)	(27.27%)	(18.78%)	(33.33%)	15.81%
02/01/2026	HKC International Holdings Limited	248	1 for 2	(25.50%)	(25.50%)	(18.60%)	(79.10%)	8.50%
13/01/2026	EPI (Holdings) Limited	689	2 for 1	(17.10%)	(21.57%)	(8.57%)	(76.88%)	14.38%
14/01/2026	Anchorstone Holdings Limited	1592	4 for 1	(42.86%)	(39.81%)	(8.57%)	N/A	24.00%
			maximum	47.06%	47.06%	10.60%	8,100.00%	24.93%
			average	(22.94%)	(23.71%)	(15.69%)	182.94%	14.02%
			median	(22.48%)	(24.56%)	(10.35%)	(57.95%)	14.38%
			minimum	(74.50%)	(73.38%)	(66.07%)	(97.87%)	0.15%
14/1/2026	The Company	3303	1 for 6	(69.23%)	(69.35%)	(66.10%)	(85.13%)	9.92%

The table above provides a detailed overview of the subscription prices of the Comparables relative to their respective closing prices on or before the last trading day. These prices varied, ranging from a discount of approximately 74.50% to a premium of approximately 47.06%, with average and median discounts of approximately 22.94% and approximately 22.48%, respectively.

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In further examining the subscription prices in comparison to the average closing prices over the five trading days before the last trading day, the Directors found that the results showed a comparable range, with the prices varying from a discount of approximately 73.38% to a premium of approximately 47.06%, with an average and median discount of approximately 23.71% and approximately 24.56%, respectively.

As a result, the discount of approximately 69.23% to the closing price of the Share on the Last Trading Day, and the discount of approximately 69.35% to the average closing Share price for the five consecutive trading days immediately preceding the Last Trading Day, fall within the established range of the Comparables and below the average and median discount observed among the Comparables; and

- (iv) Although the Subscription Price is set at a discount to the latest published unaudited consolidated net asset value per Share, the Directors have observed that the Shares have consistently traded at a discount to the Group's latest published unaudited consolidated net asset values per Share as of 31 December 2024 and 30 June 2025, following the release of the relevant financial statements. This suggests that investors may not value the Shares solely on the basis of the Group's net assets.

As a result, the Directors determined that the net asset value per Share may not be a meaningful benchmark for evaluating the fairness and reasonableness of the Subscription Price. To further assess this, the Directors examined several specific quantitative factors:

- (a) the Rights Issue is open to all Qualifying Shareholders, and the discounted Subscription Price will not compromise their interests, as everyone is given an equal opportunity to participate;
- (b) Qualifying Shareholders who do not wish to subscribe to their pro-rata entitlement of the Rights Shares can receive economic benefits by selling their nil-paid Rights Shares in the market; and
- (c) the rationale behind the Rights Issue is further detailed in the section entitled "REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS" below.

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In view of the above, the Directors consider that the benefits derived from the Rights Issue outweigh the discount associated with the Subscription Price. To strike a balance between the Company's cash flow needs and the interests of its Shareholders, the Company has set a substantial discount to encourage participation in the Rights Issue. Accordingly, the Directors believe that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

Status of the Rights Shares

The Rights Shares (when allotted, issued, and fully paid) will rank *pari passu* in all respects with the existing Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the Rights Shares will be entitled to receive all future dividends and distributions, which may be declared, made, or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every six (6) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date.

Qualifying Shareholders may apply for all or any part of their respective provisional allotment by lodging a duly completed PAL(s) and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Rights of the Overseas Shareholders (if any)

The Prospectus Documents are not intended to be, have not been, and will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholder(s) may not be eligible to participate in the Rights Issue.

According to the register of members of the Company, as of the Latest Practicable Date, there is no Overseas Shareholder. As such, based upon the register of members of the Company as of the Latest Practicable Date, there is no Non-Qualifying Shareholder.

In compliance with Rule 13.36(2)(a) of the Listing Rules, the Directors will make inquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any) with registered addresses in the jurisdictions set out above.

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It is the responsibility of the Shareholders, including the Overseas Shareholders, wishing to make an application for the Rights Shares, to satisfy himself/herself/itself before taking up his/her/its provisional allotments under the Rights Issue, as to the observance of the laws and regulations of all relevant jurisdictions, including the obtaining of any governmental or other consents and to pay any taxes and duties required to be paid in such jurisdiction in connection with the taking up and onward sale of the Rights Shares.

The Company reserves the right to treat as invalid any acceptance of or application for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction.

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and before dealings in the nil-paid Rights Shares end, if a premium (net of expenses) can be obtained. The proceeds from such sale, less expenses, of more than HK\$100 will be paid on a pro-rata basis to the relevant Non-Qualifying Shareholders. In view of administrative costs, the Company will retain individual amounts of HK\$100 or less for its own benefit.

Any unsold entitlement of Non-Qualifying Shareholders to the Rights Shares and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders will, if possible, be placed by the Placing Agent under the Compensatory Arrangements to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Fractional entitlement to the Rights Shares

The Company will not provisionally allot fractions of Rights Shares. All fractions of Rights Shares will be aggregated, rounded down to the nearest whole number, and will be disposed of by the Company in the open market if a premium (net of expenses) can be obtained.

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Odd lot arrangement and matching services

In order to facilitate the trading of odd lots of the Shares arising from the Rights Issue, a designated broker will be appointed to match the purchase and sale of odd lots of the Shares at the relevant market price per Share on a best effort basis.

Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers. Further details of the odd lot arrangement will be set out in the Prospectus.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought on any other stock exchanges.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the board lots of 2,000 Rights Shares.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates 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 trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of (i) stamp duty, (ii) the Stock Exchange trading fee, (iii) SFC transaction levy and (iv) any other applicable fees and charges in Hong Kong.

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Share certificates and refund cheques for Rights Issue

Subject to the fulfilment of the Conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Friday, 20 March 2026.

If the Rights Issue does not become unconditional, refund cheques are expected to be despatched on or before Friday, 20 March 2026 by ordinary post at the respective Shareholders' own risk.

Non-underwritten basis

Subject to the fulfilment of the Conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent places under the Compensatory Arrangements. Any Unsubscribed Rights Shares that remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue and no statutory requirement regarding minimum subscription level in respect of the Rights Issue.

In deciding to conduct the Rights Issue on a non-underwritten basis, the Directors carefully considered three key factors:

- (i) the Company faced difficulties in engaging and securing underwriters for the Rights Issue. The Company approached two securities firms to engage their underwriting services, however, both firms declined the offers after reviewing the trading performance of the Shares. This was influenced by several factors, including low trading volume and liquidity in the Shares, uncertainties around shareholder participation, and the large amount of funds being raised;
- (ii) due to the challenges in securing underwriters, the Directors have decided to take a different approach by setting the Subscription Price at a significant discount. This strategy aims to prioritise Shareholder interests and encourage their active involvement in the Rights Issue. As a result, the Directors anticipate a positive outcome for the Rights Issue, even without underwriting; and
- (iii) even if the proceeds do not meet the anticipated maximum net amount, the Company remains committed to effectively reallocating the funds across the planned areas. In addition, the Company is prepared to explore alternative

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fundraising options, such as issuing new shares or attracting subscriptions. Therefore, proceeding with the Rights Issue on a non-underwritten basis is not expected to adversely affect the Company's overall fundraising strategy.

After careful consideration of the relevant factors, the Directors have concluded that proceeding with the Rights Issue on a non-underwritten basis is unlikely to have a significant impact on the Group. Additionally, the Directors have determined that establishing the Subscription Price at a substantial discount not only facilitates active participation from Shareholders in the Rights Issue but also effectively supports the Group's fundraising objectives, thereby enhancing its overall financial performance.

As the Rights Issue will proceed on a non-underwritten basis, the Shareholder who applies to take up all or part of his/her/its entitlements under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down by the Company to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 7.19(5) of the Listing Rules.

Procedures for acceptance, splitting of provisional allotment and payment and/or transfer of the Rights Shares

Qualifying Shareholders will find enclosed with this Prospectus a PAL which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein.

If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PALs, they must lodge the PALs in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Thursday, 26 February 2026 (or, under bad weather and/or extreme conditions, such later date and/or time as mentioned in the section headed "Expected Timetable – Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance of and Payment for the Rights Shares" on the Latest Time for Acceptance in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "**TRICOR INVESTOR SERVICES LIMITED – A/C NO. 069**" and crossed "**ACCOUNT PAYEE ONLY**". Such payment will constitute acceptance of the provisional allotment of Rights Shares on the terms of the Prospectus Documents and subject to the memorandum and articles of association of the Company. Any payments for the Rights Shares should be rounded up to nearest cent.

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It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been lodged with the Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Thursday, 26 February 2026 (or, under bad weather and/or extreme conditions, such later date and/or time as mentioned in the section headed “Expected Timetable – Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance of and Payment for the Rights Shares” on the Latest Time for Acceptance in this Prospectus), whether by the original allottee or any person in whose favour the provisional allotment has been validly transferred, that provisional allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled.

If the Qualifying Shareholders wish to accept only part of the provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or transfer all or part of their rights to more than one person (not as joint holders), the original PAL must be surrendered for cancellation by no later than 4:30 p.m. on Thursday, 12 February 2026 to the Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, who will cancel the original PAL and issue new PALs in the denominations required. The new PALs will be available for collection from the Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL. It should be noted that Hong Kong ad valorem stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights.

The Company is not obliged to but may (at its sole and absolute discretion) treat PAL(s) as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require the relevant person(s) to complete such incomplete PAL(s) at a later stage.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements.

All cheques or cashier’s orders accompanying completed PALs will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier’s order in payment for the Rights Shares whether by a Qualifying Shareholder or any nominated transferee, will constitute a warranty by such person that the cheque or the cashier’s order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject

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any PAL in respect of which the accompanying cheque or cashier's order is dishonoured on first presentation, and in that event the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. Qualifying Shareholders must pay the exact amount payable upon application for Rights Shares, and any underpaid application will be rejected. In the event of an overpaid application, a refund cheque, without interest, will be made out to such applicant only if the overpaid amount is HK\$100 or above.

No receipt will be given in respect of any PAL and/or relevant application monies received. If any of the conditions of the Rights Issue as set out in the section headed "Letter from the Board – Conditions of the Rights Issue" is not fulfilled at or before 4:00 p.m. on Friday, 13 March 2026 (or such later date as the Company may determine), the Rights Issue will not proceed. Under such circumstances, the remittance received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in the nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person, without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Hong Kong Branch Share Registrar, Tricor Investor Services Limited, on or before Friday, 20 March 2026.

Procedures in respect of the Unsubscribed Rights Shares and the Compensatory Arrangements

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company must make arrangements to dispose of the Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to independent placees for the benefit of the Shareholders to whom they were offered by way of the rights. There will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 7.21(1)(a) of the Listing Rules.

On 14 January 2026, the Company entered into the Placing Agreement with the Placing Agent for the placing of the Unsubscribed Rights Shares to independent placees on a best-effort basis. Pursuant to the Placing Agreement, the Company has appointed the Placing Agent to place the Unsubscribed Rights Shares during the Placing Period to independent placees on a best effort basis, and any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders and Non-Qualifying Shareholders on a pro-rata basis. The Placing Agent will, on a best-effort basis, procure, by not later than 4:00 p.m. on Wednesday, 11 March 2026, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares. Any Unsubscribed Rights Shares that are not placed will not be issued by the Company, and the size of the Rights Issue will be reduced accordingly.

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Net Gain (if any) will be paid (without interest) to the No Action Shareholders and Non-Qualifying Shareholders as set out below on a pro-rata basis (but rounded down to the nearest cent):

- A. the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and
- B. the relevant Non-Qualifying Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders or Non-Qualifying Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholder(s) and Non-Qualifying Shareholders in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit.

The Placing Agreement

Principal terms of the Placing Agreement are summarised as below:

Date	:	14 January 2026
Issuer	:	The Company
Placing Agent	:	Orient Securities Limited

As at the Latest Practicable Date, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Placing Period	:	The period from Wednesday, 4 March 2026 up to 4:00 p.m. on Wednesday, 11 March 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Compensatory Arrangements.
Placing Price	:	The placing price of the Unsubscribed Rights Shares shall be at least equal to the Subscription Price, and the final price determination will depend on the demand for and the market conditions of the Unsubscribed Rights Shares during the placement process.

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Placing commission : Subject to the completion of the Placing, the Company shall pay the Placing Agent a placing commission, being 1% of the amount which is equal to the Placing Price multiplied by the total number of the Unsubscribed Rights Shares which are successfully placed by the Placing Agent.

Placees : The placees shall be professional, institutional and other investors. The Placing Agent shall ensure that the placees, and whose ultimate beneficial owner(s), shall be third party(ies) independent of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates.

Ranking of the Unsubscribed Rights Shares : The placed Unsubscribed Rights Shares (when allotted, issued and fully paid, if any) shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of completion of the Placing.

Conditions of the Placing Agreement : The obligations of the Placing Agent under the Placing Agreement are conditional upon the following conditions being fulfilled:

- (i) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares;
- (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and
- (iii) Placing Agreement not having been terminated in accordance with the provisions thereof, including provisions regarding the force majeure events.

None of the above conditions precedent are capable of being waived by the parties to the Placing Agreement. For the avoidance of doubt, if all the Rights Shares are fully subscribed under the Rights Issue, the Placing will not proceed.

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The Company shall use its best endeavour to procure the fulfilment of the conditions to the Placing and undertakes to inform the Placing Agent promptly of any matter or circumstance which comes to the attention of it and indicating that any of such conditions being unable or fail to fulfil. If any of such conditions have not been fulfilled by the Placing Long Stop Date (as defined below) or become incapable of being fulfilled (unless extended by mutual consent of the Company and the Placing Agent), then all respective rights, obligations and liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine, save in respect of any accrued rights or obligations under the Placing Agreement and none of the parties thereto shall have any claim against any other in respect of the Placing.

Termination : If any of the following events occur at any time prior to 6:00 p.m. on the Placing Long Stop Date, the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the date of completion of the Placing provided that such notice is received by the Company prior to 6:00 p.m. on the Placing Long Stop Date, terminate the Placing Agreement without liability to the other parties and, subject to clauses in the Placing Agreement which survives termination, the Placing Agreement shall thereupon cease to have effect and none of the parties to the Placing Agreement shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the Placing Agreement prior to such termination:

- (a) in the reasonable opinion of the Placing Agent there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or

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- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (c) any material breach of any of the representations and warranties by the Company comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the date of completion of the Placing which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (d) any moratorium, suspension or restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances; or
- (e) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

The Compensatory Arrangements comply with the requirements under Rule 7.21(1)(b) under which the No Action Shareholders may be compensated even if they do nothing (i.e., neither subscribe for Rights Shares nor sell their nil-paid rights), given that the Unsubscribed Rights Shares will be first offered to Independent Third Parties. Any premium over the Subscription Price will be paid to the No Action Shareholders. The commission payable to the Placing Agent and the related fees and expenses in relation to such placing will be borne by the Company.

The Placing Agent confirms that it is an Independent Third Party. The terms of the Placing Agreement, including the placing commission, were determined after arm's length negotiation between the Placing Agent and the Company, with reference to the prevailing market rate, and the Company considers the terms to be normal commercial terms.

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The Company believes the Compensatory Arrangements will provide a compensatory mechanism for the No Action Shareholders, protect the interests of the Shareholders, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Given that the Company has put in place the Compensatory Arrangements as required by Rule 7.21(1)(b) of the Listing Rules, there will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 7.21(1)(a) of the Listing Rules.

Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions:

- (1) the delivery to the Stock Exchange and the filing and registration with the Registrar of Companies in Hong Kong, the Prospectus Documents, in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance, not later than the Posting Date;
- (2) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders (and where applicable, the posting of the Prospectus to the Non-Qualifying Shareholders, if any, for information purposes only) and the publication of the Prospectus Documents on the website of the Stock Exchange on or before the Posting Date;
- (3) the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms) by no later than the first day of their dealings;
- (4) the Placing Agreement not being terminated pursuant to the terms thereof and remain in full force and effect; and
- (5) all other necessary waivers, consents, and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transactions contemplated thereunder having been obtained and fulfilled.

None of the above conditions precedent can be waived. If any of the conditions referred to above are not fulfilled at or before 4:00 p.m. on Friday, 13 March 2026 (or such later date as the Company may determine), the Rights Issue will not proceed.

As at the Latest Practicable Date, none of the conditions abovementioned has been fulfilled.

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.

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REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

Assuming that there will be no change to the total issued share capital of the Company on or before the Record Date and there is full acceptance of the Rights Issue, the maximum net proceeds from the Rights Issues (after deducting the estimated expenses) (the “**Net Proceeds**”) are estimated to be approximately HK\$55.1 million (equivalent to a net price of approximately HK\$0.155 per Rights Share).

The Directors intend to allocate the Net Proceeds as follows:

- (i) approximately 90% of the Net Proceeds, or approximately HK\$50.0 million, will be allocated for the expansion of the Group’s existing manufacturing facilities; and
- (ii) approximately 10% of the Net Proceeds, or approximately HK\$5.1 million, for general working capital and general corporate purposes.

Expansion of manufacturing facilities and their capacities in Zhuhai

Over the years, the Group has specialised in providing a comprehensive range of services, with a focus on high-end equipment manufacturing and engineering solutions tailored for clients in the energy and refining industries. Currently, the Group operates two major manufacturing facilities located in Penglai and Zhuhai, which provides construction services for large modules, offshore engineering projects, and new energy equipment.

As disclosed in the Company’s annual report for the year ended 31 December 2024, the Directors noted that emerging industry trends and feedback from project tracking suggest that the offshore wind power market is poised to offer significant opportunities in the near future. In response, the Group is committed to actively pursuing business transformation and upgrading initiatives with a strategic focus on manufacturing offshore wind power equipment as a key area for future development.

To support this initiative, the Group has established a dedicated business development team to implement strategic plans to seize business opportunities across regional markets. Additionally, the Group will continue to strengthen the Engineering, Procurement, and Construction (“**EPC**”) capabilities of its existing module business.

In October 2025, the Group entered an EPC contract for offshore modules to be implemented at the Zhuhai site. As the appointed contractor, the Group is responsible for several critical aspects, including the detailed design, procurement, and the construction.

To meet the requirements of this project and the anticipated new contracts, the Group will utilize its existing manufacturing facilities for construction. However, as these facilities are currently engaged in other projects and the existing site conditions and facilities are inadequate to meet the capacity requirements of the new project and upcoming large-scale projects.

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Furthermore, to increase the chance to secure larger projects successfully, it is essential to invest in improvements at the Zhuhai site. The Directors believe that addressing current hardware limitations and operational bottlenecks will enhance client confidence, increase the likelihood of winning bids, and improve the competitiveness of the Zhuhai site in manufacturing wind power equipment and offshore engineering.

In light of the current facilities at the Zhuhai site being insufficient for ongoing operations and future projects, particularly in offshore engineering and offshore wind power, the Group plans to upgrade and renovate its Zhuhai site. The upgrade will involve constructing a new quay, establishing new workshops, and enhancing existing facilities, especially blasting and painting workshop which currently fall short of the requirements in terms of quantity, height, and capacity for upcoming projects. These improvements are expected to enhance production capabilities, integrate innovative production processes, increase operational efficiency, and expand overall capacity.

The construction of the new quay, which is crucial for transporting finished products after manufacturing, commenced in 2025 with a total investment over RMB200 million and currently about 50% complete.

Additionally, the design phase for the new blasting and painting workshops, has begun, with construction expected to commence in 2026. The projected construction cost for the workshops is approximately HK\$80 million, which is expected to be financed entirely from the proceeds of the Rights Issue.

In light of the plans outlined above, the Company intends to allocate approximately HK\$50.0 million from Net Proceeds for establishing the new blasting and painting workshops. Based on the current construction schedule, the Directors anticipate that these infrastructure projects will be completed during 2026 to 2027.

The Group's management is currently engaged in negotiations for additional construction projects in Zhuhai. The Directors expect these negotiations may conclude in 2026.

General working capital and general corporate purposes

In preparation for the expected growth in the Company's business activities, the Directors have acknowledged the likelihood of a significant rise in operating expenses to facilitate this expansion. Consequently, after referencing the financial information of the Group for the six months ended 30 June 2025, including the administrative and other operating expenses, and the cash resources, the Directors have determined to allocate HK\$5.1 million from Net Proceeds specifically to address operating expenses, for employee salaries and related costs.

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Other fund-raising alternatives

Apart from conducting the Rights Issue, the Directors have considered other debt/equity fund-raising alternatives, such as bank borrowings, placements, or an open offer. In view of the recent financial environment, the Directors believe that it might be difficult for the Group to obtain debt financing, including bank borrowings, if any, without paying an above market average interest rate and provision of security. Currently, the Group's interest costs range from approximately 3% to 4.75%. It is anticipated that increasing debt financing may elevate the Group's gearing level. This potential increase could result in higher interest expenses and finance costs, thereby imposing an additional financial burden on the Group's future cash flow. Furthermore, creditors will rank ahead of the Shareholders and placings of new shares will dilute the interests of the Shareholders without allowing them the opportunity to participate in the exercise. For the interests of the Group and its Shareholders as a whole, the Board believes it is prudent to finance the Group's business growth in the form of equity financing which will not increase the costs and interest burden to the Group. As opposed to an open offer, the Rights Issue enables the Shareholders to sell the nil-paid rights in the market. The Rights Issue will allow the Qualifying Shareholders to maintain their respective pro-rata shareholdings in the Company and to continue to participate in the future development of the Company.

Having considered the abovementioned alternatives, the Directors consider raising funds through the Rights Issue is more attractive in the current market conditions. The Rights Issue will enable the Company to strengthen its working capital base and enhance its financial position while at the same time, allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company.

Based on the above, the Board considers that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole. In addition, having considered the capital needs of the Group, the terms of the Rights Issue and the Subscription Price, the Board also considers that it is in the interests of the Company to proceed with the Rights Issue on a non-underwritten basis. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholder(s), if any, should note that their shareholdings will be diluted.

Conclusion

The Group has been conducting a thorough evaluation of its capital requirements. As of 31 December 2025, the estimated cash and cash equivalents amount to approximately RMB664 million. This marks a decrease of approximately RMB303 million from the cash and cash equivalents balance of approximately RMB967 million reported on 30 June 2025, as disclosed in the Company's interim report for the six-month period ended 30 June 2025. The decline in cash levels is primarily due to investments in expanding manufacturing facilities and to meeting the Group's working capital requirements during the second half of 2025.

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The Directors would like to clarify the intended allocation of the remaining cash reserves, which totalling approximately RMB664 million. Specifically, the allocations are as follows: (i) approximately RMB210 million is designated for the advance payments for the Group's business operations; (ii) approximately RMB292 million will be used for construction costs at the Group's sites; (iii) approximately RMB62 million will be allocated for the repayment of bank borrowings; and (iv) the remaining amount of approximately RMB100 million, will be reserved for administrative expenses and for exploring new business opportunities.

Furthermore, the Directors would like to highlight that under the current business model, the Group functions as a contractor or subcontractor, necessitating the execution of projects with reserved funds intended for advance payments. The Group is required to cover most project costs incurred during the engineering, procurement, construction, installation and commissioning phases. Consequently, the Company is exposed to cash-flow risks under its current payment structure. Considering these factors, the Company intends to prudently manage its cash balances to ensure sufficient financial resources are available to capitalise on prospective business opportunities as they arise.

After considering the above factors, the Directors believe that raising additional funds to cover the outstanding construction costs at the Zhuhai site will help alleviate the Group's financial burden. The Directors are confident that this action will not adversely affect the Group's financial performance from its regular business activities and consider that the Rights Issue is in the best interests of the Company and its shareholders.

In the event that the proceeds from the Rights Issue fall short of the estimated maximum Net Proceeds of approximately HK\$55.1 million, the Company will adjust the allocation for the construction of the Group's manufacturing facilities accordingly. Furthermore, the Company will evaluate the possibility of utilising internal resources or exploring alternative financing options, such as debt financing, to address any remaining cash flow requirements.

FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fundraising activities in the past twelve (12) months immediately before the Latest Practicable Date.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out, for illustrative purposes only, the possible changes to the Company's shareholding structure arising from the proposed Rights Issue. Below is the illustration of the Company's shareholding structure, including:

- (i) as of the Latest Practicable Date;

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- (ii) immediately after Completion, assuming (a) all Qualifying Shareholders will take up their respective entitlements of the Rights Issue in full, and (b) there is no change to the total issued share capital of the Company on or before the Record Date (“**Scenario 1**”); and
- (iii) immediately after Completion, assuming (a) none of the Qualifying Shareholders will take up their respective entitlements of the Rights Shares, (b) the Placing Agent will successfully place all the Unsubscribed Rights Shares under the Placing, and (c) there is no change to the total issued share capital of the Company on or before the Record Date (“**Scenario 2**”).

Shareholders	As of the Latest		Scenario 1		Scenario 2 (Note 5)	
	Practicable Date					
	<i>Approximately</i> Number of Shares	<i>Shareholding</i> percentage	<i>Approximately</i> Number of Shares	<i>Shareholding</i> percentage	<i>Approximately</i> Number of Shares	<i>Shareholding</i> Percentage
Sanju Environmental Protection (Hong Kong) Limited (Note 1)	641,566,556	30.07%	748,494,315	30.07%	641,566,556	25.78%
Cheung Hing Investments Limited (Note 2)	396,911,278	18.61%	463,063,157	18.61%	396,911,278	15.95%
Wang Lishan (Note 2)	49,628,000	2.33%	57,899,333	2.33%	49,628,000	1.99%
Golden Talent (HK) Technology Co., Limited (Note 3)	161,995,555	7.59%	188,994,814	7.59%	161,995,555	6.51%
Tang Hui (Note 4)	9,146,000	0.43%	10,670,333	0.43%	9,146,000	0.37%
The Placees	–	–	–	–	355,547,898	14.29%
Public Shareholders	874,040,000	40.97%	1,019,713,335	40.97%	874,040,000	35.11%
Total	2,133,287,389	100.00%	2,488,835,287	100.00%	2,488,835,287	100.00%

Notes:

- Sanju Environmental Protection (Hong Kong) Limited is wholly-owned by Beijing Haixin Energy Technology Co., Ltd. (北京海新能源科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300072).
- Cheung Hing Investments Limited is beneficially and wholly-owned by Mr. Wang Lishan, the executive Director and chairman of the Company.
- Golden Talent (HK) Technology Co., Limited is beneficially and wholly-owned by Mr. Lo Chun Yim, an Independent Third Party.
- Mr. Tang Hui is an executive Director of the Company.

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5. This scenario is for illustrative purposes only. The Company has entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure Placee(s), on a best-effort basis, to subscribe for the Unsubscribed Rights Shares. The Company will take all appropriate steps to ensure that sufficient public float is maintained in compliance with Rule 8.08 of the Listing Rules. If the Rights Issue results in a public float that could not be maintained, the Company and/or the Placing Agent will take necessary action to place down the Shares such that sufficient public float could be maintained in compliance with Rule 8.08 of the Listing Rules.

LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within the 12-month period immediately prior to the Latest Practicable Date and the Rights Issue, in case there is full acceptance of the Rights Issue, will not increase the issued share capital or market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the Shareholders' approval under the Listing Rules. The Rights Issue will be carried out in compliance with Rule 7.19A of the Listing Rules.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

WARNING OF THE RISK OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is subject to the fulfilment of conditions, including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed "Conditions of the Rights Issue" in this letter.

Shareholders and potential investors of the Company should note that if the Conditions of the Rights Issue are not satisfied, the Rights Issue will not proceed. Any dealings in the Shares from the date of the Announcement up to the date on which all the Conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Subject to the fulfilment of conditions, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

LETTER FROM THE BOARD

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares. Any Shareholders or other persons contemplating any dealings in the Shares and/or Rights Shares in nil-paid form are recommended to consult their professional advisers.

Yours faithfully,
For and on behalf of the Board
Jutal Offshore Oil Services Limited
Wang Lishan
Chairman

I. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three years ended 31 December 2022, 2023 and 2024, and the six months ended 30 June 2025 are disclosed in the annual reports of the Company for the three years ended 31 December 2022, 2023 and 2024 and the interim report of the Company for the six months ended 30 June 2025, which have been published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.jutal.com) as follows:

- annual report of the Group for the year ended 31 December 2022 (pages 40 to 121); (<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0428/2023042800919.pdf>)
- annual report of the Group for the year ended 31 December 2023 (pages 42 to 129); (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0430/2024043000517.pdf>)
- annual report of the Group for the year ended 31 December 2024 (pages 46 to 139); and
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0430/2025043000803.pdf>)
- the interim report of the Company for the six months ended 30 June 2025 (pages 3 to 35).
(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0924/2025092401088.pdf>)

II. STATEMENT OF INDEBTEDNESS

At the close of business on 31 December 2025, being the latest practicable date for the purpose of ascertaining this indebtedness statement prior to the printing of this Prospectus, the details of the Group's indebtedness and contingent liabilities were as follows:

	<i>RMB'000</i>
Current lease liabilities	3,887
Non-current lease liabilities	9,288
Bank borrowings – current and secured*	6,486
Bank borrowings – current and unsecured	55,500
Bank borrowings – non-current and secured*	58,378
Bank borrowings – non-current and unsecured	76,816
	210,355
	210,355

* As at 31 December 2025, the Group's secured bank borrowing was secured by the sea area usage rights amounted to approximately RMB381,533.

As at 31 December 2025, bank borrowings of approximately RMB179,164,000 are secured by corporate guarantee executed by a major shareholder of the Company and three subsidiaries of the Company.

The interest rate of the Group's bank borrowings at 31 December 2025 ranged from 2.7% to 4.75% per annum.

As at the close of business on 31 December 2025, the Group had unutilised banking facilities of approximately RMB460,066,000.

The Group has no contingent liabilities or guarantees as at 31 December 2025.

Except for lease liabilities, bank borrowings and banking facilities as disclosed in the table above, and apart from normal trade and other payables and contract liabilities, as at 31 December 2025, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this prospectus, the Group did not have any loan capital issued, any unutilised banking facilities or any outstanding or authorised but unissued debt securities, term loans, other borrowings or indebtedness in the nature of borrowing, acceptance credits, hire purchase commitments, mortgages and charges, contingent liabilities or guarantees outstanding. The Group did not have any plan for material external debt financing.

III. SUFFICIENCY OF WORKING CAPITAL

The Directors are of the opinion that, taking into consideration the Group's present financial resources and the estimated net proceeds from the Rights Issue, the Group has sufficient working capital for its present requirements for at least the twelve (12) months from the date of this Prospectus in the absence of any unforeseen circumstances.

IV. MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, there was no material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up.

V. FINANCIAL AND TRADING PROSPECTS

The Company is an investment holding company. The Group is principally engaged in the fabrication of facilities and the provision of integrated services for the oil and gas industries, new energy, and the refining and chemical industries.

Compared with 2022, the Group recorded substantial growth in 2023, primarily driven by oil and gas projects, followed by a notable decline in 2024 due to reduced construction workload. Revenue from new energy and refining and chemical industries continued to grow steadily, while other businesses contracted significantly.

According to Deloitte China’s report titled Key Issues for China’s Energy Sector during the “15th Five-Year Plan Period”, the global energy structure will undergo profound adjustments, with total energy consumption maintaining moderate growth. Investment in clean energy and demand in emerging markets are expected to continue rising, while traditional and new energy will evolve in tandem to establish a new supply system.

A number of offshore wind power jacket and floating wind power projects undertaken by the Group have received high recognition from customers. Building on the progress made in market development during 2025, the Group will continue to actively pursue construction project opportunities, including those in the new energy equipment sector, explore diverse cooperation models, and secure additional new orders in 2026.

While strengthening business development efforts, the Group will further enhance its technical capabilities, recruit high-end professionals as required, improve both software and hardware facilities and management systems, and strengthen its engineering, procurement and construction capabilities. The Group will also continue to promote the development of floating production, storage and offloading modules and engineering, procurement and construction services for small-to-medium oil and gas platforms.

During 2026, the Group will continue to focus on advancing the construction of the new quay at the Zhuhai site and upgrading related site facilities. Through facility upgrades, hardware improvements, and the adoption of innovative production processes, the Group aims to improve production efficiency and expand capacity.

In light of the impact of international political developments on its operations, the Group will actively coordinate resources, implement relevant countermeasures, and strive to improve its overall operating performance on multiple fronts.

**A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET
TANGIBLE ASSETS**

The following is an illustrative unaudited pro forma statement of adjusted consolidated net tangible assets of the Group which has been prepared by the directors of the Company in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” as issued by the Hong Kong Institute of Certified Public Accountants to illustrate the effect of the proposed rights issue on the basis of one rights share for every six shares held on the record date at the subscription price of HK\$0.16 per rights share (the “Rights Issue”) on the consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025, as if the Rights Issue had taken place on 30 June 2025.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company had the Rights Issue been completed as at 30 June 2025 or at any future dates. It is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025, which is extracted from the published interim report of the Company for the six months ended 30 June 2025, and adjusted as described below.

	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 HK\$'000 (Note 1)	Estimated net proceeds from the Rights Issue HK\$'000 (Note 2)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 after the completion of the Rights Issue HK\$'000	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company per share as at 30 June 2025 before the completion of the Rights Issue HK\$ (Note 3)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share as at 30 June 2025 after the completion of the Rights Issue HK\$ (Note 4)
Based on 355,547,898 Rights Shares at subscription price of HK\$0.16 per Rights Share	2,381,844	55,088	2,436,932	1.1165	0.9791

Notes:

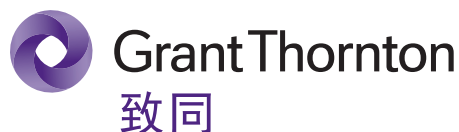
1. The unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 is extracted from the condensed consolidated statements of financial position of the Group as at 30 June 2025 as set out in the published interim report of the Company for the six months ended 30 June 2025, which is based on the unaudited consolidated net assets of the Group attributable to owners of the Company as at 30 June 2025 of approximately RMB2,227,641,000 (equivalent to approximately HK\$2,443,277,000) after deduction of goodwill of RMB52,444,000 (equivalent to approximately HK\$57,521,000) and intangible assets of RMB3,567,000 (equivalent to approximately HK\$3,912,000) as at 30 June 2025.
2. The estimated net proceeds from the Rights Issue of approximately HK\$55,088,000 are based on 355,547,898 Rights Shares (assuming (i) the Subscriptions (as defined in note 3) had been completed on 30 June 2025 and (ii) the Rights Issue is subscribed in full and no further issue or repurchase of shares up to and including the Record Date) to be issued at the Subscription Price of HK\$0.16 per Rights Share, after deduction of estimated related expenses payable by the Company amounting to approximately HK\$1,800,000.
3. The unaudited consolidated net tangible assets of the Group attributable to owners of the Company per share as at 30 June 2025 before completion of the Rights Issue is calculated based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2025 of approximately HK\$2,381,844,000 divided by 2,133,287,389 shares (representing 2,131,598,389 shares in

issue as at 30 June 2025 and 886,000 and 803,000 subscription shares being allotted and issued on 29 December 2025 and 8 January 2026 respectively (the “Subscriptions”), assuming the Subscriptions had been completed as at 30 June 2025).

4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share as at 30 June 2025 immediately after the completion of the Rights Issue is calculated based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of Rights Issue of approximately HK\$2,436,932,000 (being the aggregate of (i) approximately HK\$2,381,844,000 as at 30 June 2025; (ii) the estimated net cash proceeds of HK\$55,088,000 from the Rights Issue), divided by 2,488,835,287 shares (representing 2,131,598,389 shares in issue as at 30 June 2025 and 1,689,000 total subscription shares from the Subscriptions and 355,547,898 Rights Shares, assuming the Rights Issue and the Subscriptions had been completed on 30 June 2025).
5. For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets, the balances stated in Renminbi are converted into Hong Kong dollars at the rate of HK\$1.00 to RMB0.9117.
6. Save as disclosed above, no adjustment has been made to the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2025. In particular, no adjustments have been made in respect of the interim dividend of approximately HK\$31,974,000 which were paid in October 2025.

**B. INDEPENDENT REPORTING ACCOUNTANT’S ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report received from Grant Thornton Hong Kong Limited, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group’s unaudited pro forma financial information prepared for the purpose of incorporation in this prospectus.



To the Directors of Jutal Offshore Oil Services Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Jutal Offshore Oil Services Limited (the “Company”) and its subsidiaries (collectively the “Group”) by the directors of the Company (the “Directors”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets as at 30 June 2025 and related notes as set out on pages II-1 to II-3 of Appendix II to the prospectus issued by the Company dated 6 February 2026 (the “Prospectus”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages II-1 to II-3 of Appendix II to the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed rights issue on the basis of one rights share for every six shares held on the record date at the subscription price of HK\$0.16 per rights share (the “Rights Issue”) on the Group’s financial position as at 30 June 2025 as if the Rights Issue had taken place as at 30 June 2025. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s unaudited consolidated financial statements for the period ended 30 June 2025, on which an interim report has been published.

Directors’ Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“AG 7”) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants as issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” as issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant’s Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” as issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 as issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or the transaction as at 30 June 2025 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and

- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Grant Thornton Hong Kong Limited

Certified Public Accountants

11th Floor

Lee Garden Two

28 Yun Ping Road

Causeway Bay

Hong Kong

6 February 2026

Lam Kam Fung

Practising Certificate No.: P07822

1. RESPONSIBILITY STATEMENT

This Prospectus, 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 Prospectus 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 Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the Rights Issue (assuming no other change in the number of issued Shares and full acceptance of Rights Shares by all Qualifying Shareholders), and will be as follows:

(i) As at the Latest Practicable Date

HKD

Authorised share capital:

<u>4,000,000,000</u>	Shares of HKD0.01 each	<u>40,000,000.00</u>
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HKD

Issued and paid-up share capital:

<u>2,133,287,389</u>	Shares of HKD0.01 each	<u>21,332,873.89</u>
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(ii) Immediately after completion of the Rights Issue (assuming no other change in the number of issued Shares and full acceptance of Rights Shares by all Qualifying Shareholders)

HKD

Authorised share capital:

<u>4,000,000,000</u>	Shares of HKD0.01 each	<u>40,000,000.00</u>
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HKD

Issued and paid-up share capital:

<u>2,488,835,287</u>	Shares of HKD0.01 each	<u>24,888,352.87</u>
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All Shares rank *pari passu* with each other in all respects including the rights as to dividends, voting and return of capital. The Company had not issued any Shares since 31 December 2025, being the end of the last financial year of the Company, and up to the Latest Practicable Date.

The Rights Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares then in issue. Holder of the Rights Shares in their fully-paid form will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

As at the Latest Practicable Date, there were no arrangements under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, save for 149,400,000 outstanding share options under the 2016 Share Option Scheme, 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 Shares, as the case may be. The Company had no intention to issue or grant any convertible securities, warrants and/or options on or before the Record Date.

The Rights Shares to be issued will be listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

3. DISCLOSURE OF INTERESTS

(a) Directors' and chief executives' interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executives of the Company and their associates 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 required to be 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 the Directors or chief executive of the Company were deemed or taken to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be recorded in the register therein, or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (“Model Code”) were as follows:

Long positions in Shares and underlying Shares

Name of Director/ Chief Executive	Nature of interest	Number of Share Options held	Number of Shares interested	Approximate percentage of issued share capital of the Company (Note 1)
Wang Lishan	Interest of a controlled corporation (Note 2)	–	396,911,278	18.62%
	Beneficial owner	–	49,628,000	2.33%
	Beneficial owner (Note 3)	2,300,000	–	0.11%
		2,300,000	446,539,278	21.06%
Tang Hui	Beneficial owner	–	9,000,000	0.42%
	Beneficial owner (Note 3)	9,646,000	–	0.45%
		–	18,646,000	0.87%
Choy So Yuk, B.B.S., J.P.	Beneficial owner (Note 3)	1,800,000	–	0.08%
Cheung Ngar Tat Eddie	Beneficial owner (Note 3)	1,800,000	–	0.08%
Tam Kin Yip	Beneficial owner (Note 3)	1,800,000	–	0.08%

Notes:

- The shareholding percentage in the Company is calculated on the basis of 2,131,598,389 Shares in issue as at the Latest Practicable Date.

2. These Shares are held by Cheung Hing Investments Limited, which is wholly-owned by Wang Lishan.
3. These underlying Shares represent the interests in share options granted to each of the relevant grantees under the 2016 Share Option Scheme to subscribe for Shares.

Save as disclosed above, none of the Directors or chief executive of the Company 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) as at the Latest Practicable Date as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the SFC under the Model Code.

(b) Substantial Shareholders and other persons' interests in Shares and underlying Shares

Based on the register kept by the Company, as at the Latest Practicable Date, so far as known to the Directors or chief executive of the Company, the following persons or corporations (other than Directors or chief executive of the Company) who had interests and/or short positions 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 which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follow:

Name of Shareholder	Nature of interest	Number of Share Options held (Note 2)	Number of Shares interested (Note 2)	Approximate percentage of issued share capital of the Company (Note 1)
Sanju Environmental Protection (Hong Kong) Limited	Beneficial owner	–	641,566,556 (L)	30.07%
Beijing Haixin Energy Technology Co., Ltd.* (北京海新能源科技股份有限公司)	Interest of a controlled corporation (Note 3)	–	641,566,556 (L)	30.07%
Cheung Hing Investments Limited	Beneficial owner (Note 4)	–	396,911,278 (L)	18.61%
Wang Lishan	Interest of a controlled corporation (Note 4)	–	396,911,278 (L)	18.61%
	Beneficial owner	–	49,628,000 (L)	2.33%
	Beneficial owner	2,300,000 (L)	–	0.11%
		2,300,000 (L)	446,539,278 (L)	21.06%

Name of Shareholder	Nature of interest	Number of Share Options held (Note 2)	Number of Shares interested (Note 2)	Approximate percentage of issued share capital of the Company (Note 1)
Capital Pilot Limited	Person having a security interest in shares (Note 5)	–	161,995,555 (L) 161,995,555 (S)	7.60%
Shiu Shu Ming	Interest of a controlled corporation (Note 5)	–	161,995,555 (L) 161,995,555 (S)	7.60%
Hong Man Chu	Interest of spouse (Note 6)	–	161,995,555 (L) 161,995,555 (S)	7.60% 7.60%
Lo Chun Yim	Interest of a controlled corporation (Note 7)	–	161,995,555 (L) 161,995,555 (S)	7.60% 7.60%
Golden Talent (HK) Technology Co., Limited	Beneficial owner (Note 7)	–	161,995,555 (L) 161,995,555 (S)	7.60% 7.60%

Notes:

1. The shareholding percentage in the Company is calculated on the basis of 2,131,598,389 Shares in issue as at the Latest Practicable Date.
2. The letters “L” and “S” denote a long position and short position in the shares respectively.
3. These Shares are held by Sanju Environmental Protection (Hong Kong) Limited, which is wholly-owned by Beijing Haixin Energy Technology Co., Ltd.* (北京海新能源科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300072).
4. These shares are held by Cheung Hing Investments Limited, which is wholly-owned by Mr. Wang Lishan.
5. These shares are held by Capital Pilot Limited, which is wholly-owned by Mr. Shiu Shu Ming.
6. Ms. Hong Man Chu is the spouse of Mr. Lo Chun Yim.
7. These shares are held by Golden Talent (HK) Technology Co., Limited, which is beneficially and wholly-owned by Mr. Lo Chun Yim.

Save as disclosed above, as at the Latest Practicable Date, the Company was not notified by any persons (other than Directors or chief executive of the Company as discussed above) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

* For identification purpose only

4. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, controlling Shareholders of the Company nor their respective close associates (as defined in the Listing Rules) had any interest in a business, which competes or may compete, either directly or indirectly, with the business of the Group or any other conflict of interest which any such person has or may have with the Group which would be required to be disclosed pursuant to the Listing Rules.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which will not expire or be determinable by the Group within one year without payment of compensation, other than statutory compensation.

6. DIRECTORS' INTERESTS IN CONTRACTS OR ASSETS

As at the Latest Practicable Date:

- (i) there was no contract or arrangement entered into by any member of the Group subsisting in which any Director was materially interested and which was significant in relation to any business of the Group; and
- (ii) none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2024 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

7. EXPERT AND CONSENT

The following sets out the qualification of the expert who has given opinions or advice which are contained or referred to in this Prospectus:

Name	Qualifications
Grant Thornton Hong Kong Limited	Certified Public Accountants

As at the Latest Practicable Date, the above expert did not have any shareholding, directly or indirectly, in 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, the above expert did not have any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group

since 31 August 2024, being the date to which the latest published audited financial statements of the Group were made up.

As at the Latest Practicable Date, the above expert has given and has not withdrawn its written consent to the issue of this Prospectus, with the inclusion of the references to its name and/or its opinion in the form and context in which they are included.

8. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and, no litigation or claims of material importance is pending or threatened by or against the Company or any of its subsidiaries.

9. MATERIAL CONTRACT(S)

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this Prospectus:

- (i) the Placing Agreement; and
- (ii) the placing agreement dated 15 February 2024 entered between KGI Asia Limited (the “**Placing Agent**”) and the Company in relation to placing up to a maximum of 200,000,000 new Shares.

10. EXPENSES

The expenses payable by the Company in connection with the Rights Issue, and the Placing Agreement, including printing, registration, translation, legal, financial advisory, accounting and other professional fees, are estimated to be approximately HK\$1.8 million.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal place of business in Hong Kong	18th Floor No. 9 Queen's Road Central Hong Kong
Head office in the PRC	10th Floor, Chiwan Petroleum Building Shekou, Nanshan District Shenzhen, The PRC
Principal share registrar and transfer office	Suntera (Cayman) Limited Suite 3204, Unit 2A, Block 3 Building D, P.O. Box 1586 Gardenia Court, Camana Bay Grand Cayman, KY1-1100 Cayman Islands
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited 17th Floor Far East Finance Centre 16 Harcourt Road Hong Kong
Company secretary	Ms. Leung Fung Yee Alice <i>Solicitor</i> <i>Chartered Secretary, Chartered Governance Professional, an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute</i> 18th Floor No. 9 Queen's Road Central Hong Kong
Authorised representatives	Mr. Tang Hui Ms. Leung Fung Yee Alice 18th Floor, No. 9 Queen's Road Central Hong Kong

Auditors and reporting accountants	Grant Thornton Hong Kong Limited <i>Certified Public Accountants</i> 11th Floor Lee Garden Two 28 Yun Ping Road, Causeway Bay Hong Kong
Principal banker	Industrial and Commercial Bank of China (Asia) Limited 33/F., ICBC Tower 3 Garden Road Central Hong Kong
Financial adviser to the Company	Diligent Capital Limited Room 2203, 22/F New World Tower I 16–18 Queen Road Central Central, Hong Kong
Legal adviser to the Company in relation to the Rights Issue	Anthony Siu & Co., Solicitors & Notaries 18th Floor No. 9 Queen’s Road Central Hong Kong
Placing Agent	Orient Securities Limited Rooms 2204, 22/F., New World Tower 1 16–18 Queen’s Road Central Central, Hong Kong

12. DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

Directors

*Mr. Wang Lishan** (王立山) (“*Mr. Wang*”), *Executive Director (Chairman)*

Mr. Wang, aged 66, is an executive Director and chairman of the Company. Mr. Wang was graduated from Dalian Polytechnic University* (大連理工大學) in 1982 with a bachelor’s degree in offshore oil construction engineering. Mr. Wang has rich experience of management and administration in the oil and gas industries. Prior to joining the Group, Mr. Wang worked in Bohai Petroleum Company Platform Manufacturing Factory* (渤海石油公司平台製造廠) from 1982 to 1988 and Offshore Oil Company of Bohai Oil Company* (渤海石油公司) from 1988 to 1995. Mr. Wang currently also serves as director of several subsidiaries of the Group. Mr. Wang is the founder of the Group, and was appointed as an executive Director of the Company in November 2005.

Mr. Tang Hui* (唐暉) (“Mr. Tang”), Executive Director (President)

Mr. Tang, aged 53, is an executive Director and president of the Company. Mr. Tang was graduated from Luoyang Institute of Technology* (洛陽工學院) with a bachelor’s degree in vehicle engineering. Mr. Tang joined the Group in 2000, and has served as engineer, project manager, and general manager of the Group’s offshore oil and gas services business sector and vice president of the Company. Mr. Tang had been an executive Director of the Company since 1 March 2016 to 25 August 2017, and since 8 June 2018 to 10 April 2020. Mr. Tang currently also serves as director of several subsidiaries of the Group. Prior to joining the Group, Mr. Tang had worked in Hunan Energy Group Co., Ltd.* (湖南動力集團有限責任公司) and Hong Kong Far East Steel Engineering Co., Ltd.* (香港遠東鋼鐵工程有限公司). Mr. Tang was appointed as an executive Director of the Company in June 2024.

Ms. Choy So Yuk* (蔡素玉) (“Ms. Choy”), B.B.S., J.P., Independent non-executive Director

Ms. Choy, aged 75, is an independent non-executive director of the Company, Ms. Choy obtained her Bachelor of Science and Master of Philosophy degrees from the University of Hong Kong in 1974 and 1980 respectively and was a deputy of the 11th, 12th and 13th National People’s Congress of the People’s Republic of China. She was a member of the Legislative Council of Hong Kong from 1998 to 2008, was appointed the Justice of the Peace in 2005 and was awarded the Bronze Bauhinia Star by the Government of the Hong Kong Special Administration Region, the People’s Republic of China in 2013. Ms. Choy is currently an independent non-executive director of Best Mart 360 Holdings Limited (Hong Kong stock code: 2360). Ms. Choy was also an independent non-executive director of Silk Road Logistics Holdings Limited (絲路物流控股有限公司) (Hong Kong stock code: 988) from 5 June 2009 to 11 September 2023, and Evershine Group Holdings Limited (永耀集團控股有限公司) (Hong Kong Stock Code: 8022) from 12 May 2015 to 12 January 2021. Ms. Choy was appointed as an independent non-executive director of the Company in June 2022.

Mr. Cheung Ngar Tat Eddie* (張雅達) (“Mr. Cheung”), Independent non-executive Director

Mr. Cheung, aged 55, is an independent non-executive director of the Company. Mr. Cheung has more than 20 years of experience in finance and accounting. Mr. Cheung graduated from University of Wales College of Cardiff, United Kingdom with a Bachelor of Science in Accounting in 1994 and had served in PricewaterhouseCoopers Limited. Mr. Cheung was an assistant manager in the audit department of RSM Nelson Wheeler and mainly responsible for formulating audit procedures for listed companies in different industries, leading and guiding the audit team to carry out audit field works, and reporting the work progress to the audit partners in-charge on a regular basis, preparing audit finding report after completing the audit and presented to the audit committee of the listed company. Mr. Cheung had been also responsible to formulate transaction plans and suggestions for mergers and acquisitions of corporate clients and assisted in the due diligence of target companies. Mr. Cheung had been the accounting manager of a multinational trading company and, responsible for formulating and supervising the risk management and set up internal control system of the finance department of the group and its subsidiaries, as well as guiding the work flow of the finance department of

each subsidiary, preparing the monthly consolidated financial statements of the group and reporting to the board of directors. Mr. Cheung was the founder of a corporate finance consulting company in 2000. Mr. Cheung through such vehicle has provided services to Chinese enterprises for overseas financing and listing for the period from 2000 to 2003. Mr. Cheung was the senior project manager and head of corporate restructuring of the corporate finance department in a Hong Kong legal firm from January 2003 to January 2020 and responsible for corporate and business restructuring and restructure for listing purpose. Mr. Cheung was appointed as an independent non-executive director of the Company in June 2022.

Mr. Tam Kin Yip* (譚健業) (“Mr. Tam”), Independent non-executive Director

Mr. Tam, aged 51, is an independent non-executive director of the Company. Mr. Tam is a practicing Barrister-At-Law in Hong Kong and has rich experience in litigation. Mr. Tam was an independent non-executive director of Shunten International (Holdings) Limited* (順騰國際(控股)有限公司) (Hong Kong Stock Code: 932) since 7 March 2017 to 1 September 2022. Mr. Tam was appointed as an independent non-executive director of the Company in August 2021.

Mr. Zhang Hua* (張華) (“Mr. Zhang”), Independent non-executive Director

Mr. Zhang, aged 63, is an independent non-executive director of the Company. Mr. Zhang is a professor in the Department of Finance in The Chinese University of Hong Kong, and has extensive experience in executive training. Mr. Zhang’s main research interests are in investments, capital markets, corporate finance and fixed income and derivative securities. Mr. Zhang obtained a bachelor degree in engineering from Tianjin University, and a master degree in business administration and a Ph.D. degree in Finance from McGill University. Mr. Zhang also serves as an independent non-executive director and a member of audit committee of Sinomedia Holding Limited* (中視金橋國際傳媒控股有限公司) (Hong Kong Stock Code: 623). Mr. Zhang was appointed as an independent non-executive director of the Company in January 2024.

Authorised Representative and Company Secretary

Ms. Leung Fung Yee Alice* (梁鳳儀) (“Ms. Leung”)

Ms. Leung is a practicing solicitor in Hong Kong, holds a Bachelor of Laws and has been a Member of The Hong Kong Institute of Chartered Secretaries before taking up her career in law as a solicitor. Ms. Leung is a chartered secretary, a chartered governance professional and an associate of both The Hong Kong Chartered Governance Institute (formerly The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (formerly The Institute of Chartered Secretaries and Administrators). Ms. Leung has rich experience in commercial and corporate matters of all levels. Ms. Leung was appointed as the company secretary in June 2014.

Senior Management**Mr. Chen Xinzhou* (陳新周) (“Mr. Chen”)**

Mr. Chen, aged 46, is the chief financial officer of the Company. Mr. Chen graduated from Northwest University* (西北大學) with a bachelor’s degree in accounting in 2003. Mr. Chen joined the Group in 2006 and has served as senior accountant, finance manager and deputy general manager of the Group’s subsidiaries. Mr. Chen currently also serves as director of several subsidiaries of the Group. Prior to joining the Group, Mr. Chen had worked in Airmate Electric (Shenzhen) Co., Ltd.* (艾美特電器(深圳)有限公司) and Dawn Optoelectronics (Dongguan) Co., Ltd.* (敦樸光電(東莞)有限公司).

Business address of the Directors and authorised representatives

The business address of the Directors and senior management of the Company is the same as the principal place of business in Hong Kong of the Company located at 18th Floor, No. 9 Queen’s Road Central, Hong Kong.

13. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee of the Board (the “**Audit Committee**”) comprised four independent non-executive Directors, namely, Mr. Cheung Ngar Tat Eddie, Ms. Choy So Yuk, *B.B.S., J.P.*, Mr. Tam Kin Yip, Mr. Zhang Hua. The Audit Committee is chaired by Mr. Cheung Ngar Tat Eddie. The Audit Committee is responsible for monitoring and reviewing the risk management procedures and internal control system of the Group.

14. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), so far as applicable.

15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed “7. EXPERT AND CONSENT” in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

* For identification purpose only

16. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jutal.com) for 14 days from the date of this Prospectus:

- (i) the report from Grant Thornton Hong Kong Limited on the unaudited pro forma financial information of the Group in respect of the Rights Issue, the text of which is set out on pages II-4 to II-7 of this Prospectus;
- (ii) the consent letter from the expert referred to in the paragraph headed “7. EXPERT AND CONSENT” in this appendix;
- (iii) the material contract referred to in the paragraph headed “9. MATERIAL CONTRACT(S)” in this appendix; and
- (iv) this Prospectus.

17. MISCELLANEOUS

As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.

This Prospectus is prepared in both English and Chinese. In the event of inconsistency, the English text of this Prospectus shall prevail over the Chinese text unless otherwise specified.

* *For identification purpose only*