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SHANGHAI XNG HOLDINGS LIMITED

Shanghai XNG Holdings Limited

上海小南国控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3666)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Financial Adviser to the Company

建泉融資有限公司
VBG Capital Limited

Placing Agent

中國中恒金融集團有限公司
CHINA ZHONG HENG FINANCE GROUP LIMITED

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 16 February 2026 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 442,606,200 Placing Shares at the Placing Price of HK$0.028 per Placing Share to not less than six Placees who and whose beneficial owners shall be Independent Third Parties.

Assuming there will be no change in the number of issued Shares between the date of this announcement and the date of Completion, the maximum number of 442,606,200 Placing Shares represent (i) approximately 16.7% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 14.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The Placing Price of HK$0.028 represents:

(i) a premium of approximately 16.7% to the closing price of HK$0.024 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and

(ii) a premium of approximately 2.9% to the average closing price per Share of approximately HK$0.027 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

Assuming the maximum 442,606,200 Placing Shares are fully placed, the gross proceeds and net proceeds (after deducting the placing commission and other related expenses) are estimated to be approximately HK$12.4 million and HK$12.1 million respectively. The Company intends to apply the net proceeds from the Placing for the general working capital of the Group.

Shareholders and potential investors of the Shares should note that the Placing is subject to the fulfillment of the conditions precedent to completion of the Placing and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Details of the Placing Agreement are set out as follows:

THE PLACING AGREEMENT

Date

16 February 2026 (after trading hours)

Parties

Issuer: The Company

Placing Agent: China Zhong Heng Finance Group Limited

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

The Placing Agent has conditionally agreed with the Company to place a maximum of 442,606,200 Placing Shares on a best effort basis to not less than six Placees who and whose ultimate beneficial owners will be Independent Third Parties. The Placees shall be individual, institutional or professional investors. Upon Completion, it is expected that none of the Placees will become a substantial Shareholder. If any of the Placees will become a substantial Shareholder after Completion, further announcement will be made by the Company.

Placing Shares

As at the date of this announcement, the Company has 2,655,637,000 Shares in issue. Assuming there will be no change in the maximum number of issued Shares between the date of this announcement and the date of Completion, the maximum number of 442,606,200 Placing Shares represent (i) approximately 16.7% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 14.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the Placing Shares is HK$4,426,062.00.

Placing Price

The Placing Price of HK$0.028 represents:

(i) a premium of approximately 16.7% to the closing price of HK$0.024 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and

(ii) a premium of approximately 2.9% to the average closing price per Share of approximately HK$0.027 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the Placing Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

General Mandate

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors at the annual general meeting of the Company held on 27 June 2025. Pursuant to the General Mandate, the total number of new Shares that the Directors are authorized to allot and issue is 442,606,200 new Shares. Up to the date of this announcement, no Shares have been issued under the General Mandate and the General Mandate is sufficient for the allotment and issue of all the Placing Shares. As such, the Placing is not subject to any Shareholders' approval. The General Mandate will be utilized as to 100% upon allotment and issue of all the Placing Shares.

Commission

The Placing Agent will be entitled to a commission of 2.0% of the aggregate Placing Price for the Placing Shares successfully placed by the Placing Agent, in accordance with the Placing Agreement. The placing commission was negotiated on an arm's length basis between the Company and the Placing Agent.

Ranking of the Placing Shares

The Placing Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the existing Shares in issue on the date of allotment and issue of the Placing Shares.

Conditions and Completion of the Placing

Completion of the Placing is conditional upon fulfilment of the following conditions:

(i) the Listing Committee having granted the listing of, and permission to deal in, the Placing 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) the Placing Agreement not having been terminated pursuant to the terms of the Placing Agreement.

If any of the conditions are not fulfilled on or before 9 March 2026 or such later date as the parties of the Placing Agreement may agree in writing, the Placing Agreement shall terminate and none of the parties to the Placing Agreement shall have any claim against the other for any costs of losses.

Application for listing

The Company will apply to the Listing Committee for the listing of, and permission to deal in the Placing Shares.

Completion

The Completion shall take place on a date falling within 3 Business Days after the fulfillment of the conditions set out above are satisfied (or such later date as may be agreed between the parties of the Placing Agreement in writing).

Termination

Notwithstanding anything contained in the Placing Agreement, if, at any time prior to 10:00 a.m. on the Completion Date, in the reasonable opinion of the Placing Agent that the success of the Placing or the business or financial prospects of the Group would or might be adversely affected by:

(i) any material breach of any of the representations and warranties set out the Placing Agreement; or

(ii) any of the following events:

(a) any new law or regulation or any change or development involving a prospective change in existing laws or regulations in Hong Kong which in the reasonable opinion of the Placing Agent has or is likely to have a material adverse effect on the financial position of the Group as a whole; or

(b) any significant change (whether or not permanent) in local, national or international monetary, economic, financial, political or military conditions which in the reasonable opinion of the Placing Agent is or would be materially adverse to the success of the Placing; or

(c) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or

(d) a change or development involving a prospective change in taxation in Hong Kong or the Cayman Islands or the implementation of exchange controls which shall or might materially and adversely affect the Group (as a whole) or its present or prospective shareholders in their capacity as such; or

(e) any change or deterioration in the conditions of local, national or international securities markets occurs,

then and in any such case, the Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company.

In the event that the Placing Agent terminates the Placing Agreement, all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing Agreement except for any breach arising prior to such termination.

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

The following is the equity fund raising activity conducted by the Company in the past 12 months immediately before the Announcement.

Date of Announcement	Fundraising activity	Net proceeds raised	Intended use of net proceeds	Actual use of proceeds
12 May 2025	Placing of new shares under general mandate	HK$8.7 million	General working capital	Fully utilized as intended

Save as disclosed above, the Company has not conducted any equity fund raising activities in the past 12 months immediately prior to the date of the Announcement.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Group is an investment holding company and its subsidiaries are principally engaged in the operation of chain restaurants in Mainland China and Hong Kong.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK$12.4 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing, are estimated to be approximately HK$12.1 million. On such basis, the net issue price will be approximately HK$0.027 per Placing Share. The Company intends to apply the total net proceeds from the Placing as general working capital of the Group.

The Directors consider that the Placing represents an opportunity to raise additional funding for the business operations of the Group and will strengthen the Group's financial position, and enlarge shareholders' base of the Company which may in turn enhance the liquidity of the Shares, and provide working capital to the Group to meet any financial obligations of the Group.

The Directors consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are on normal commercial terms following arm's length negotiations between the Company and the Placing Agent and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

EFFECTS ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Completion, assuming that there is no change in the issued share capital of the Company between the date of this announcement and the Completion and the maximum 442,606,200 Placing Shares are fully placed:

Substantial Shareholders and Directors	**As at the date of this announcement**		**Immediately after completion of the Placing**	
	Number of Shares	*Approx.% of shareholding*	*Number of Shares*	*Approx.% of shareholding*
Mr. Gu Dorson	221,257,550	8.3%	221,257,550	7.1%
Ms. Wang Huili *(Note 1)*	138,410,625	5.2%	138,410,625	4.5%
The Placees	–	–	442,606,200	14.3%
Other public Shareholders	2,295,968,825	86.5%	2,295,968,825	74.1%
Total	2,655,637,000	100.00%	3,098,243,200	100.00%

Note:

1. 12,260,625 Shares were held by Fast Thinker Limited. Ms. Wang Huili owned the entire issued share capital of Ever Project Investments Limited, which beneficially owned 100% of the issued share capital in Fast Thinker Limited. Therefore, Ms. Wang Huili was deemed to be interested in the Shares held by Fast Thinker Limited under the SFO.

Shareholders and potential investors of the Shares should note that the Placing is subject to the fulfillment of the conditions precedent to completion of the Placing and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"Board"	the board of Directors
"Business Day"	a day (excluding Saturday, Sunday, public holiday and any day on which "extreme conditions" caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
"Company"	Shanghai XNG Holdings Limited (Stock code: 3666), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
"Completion"	the completion of the Placing Agreement
"connected person"	has the meaning set out in the Listing Rules
"Director(s)"	the director(s) of the Company
"General Mandate"	the general mandate granted to the Directors at the annual general meeting of the Company held on 27 June 2025
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third party(ies)"	person(s) who is(are) third party(ies) independent of the Company and its connected persons
"Listing Committee"	the Listing Committee of the Stock Exchange

"Listing Rules"	the rules governing the listing of securities on the Stock Exchange
"Placee(s)"	any individuals, corporate, institutional investors or other investors who are Independent Third Parties, procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares
"Placing"	the placing of the Placing Shares, on a best effort basis, procured by the Placing Agent to the Placees, on and subject to the terms and conditions set out in the Placing Agreement
"Placing Agent"	China Zhong Heng Finance Group Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities), and Type 9 (asset management) regulated activities under the SFO
"Placing Agreement"	the conditional placing agreement dated 16 February 2026 entered into between the Company and the Placing Agent in relation to the Placing
"Placing Price"	the placing price of HK$0.028 per Placing Share
"Placing Share(s)"	a maximum of up to 442,606,200 new Shares to be placed pursuant to the Placing Agreement
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shareholder(s)"	holders(s) of the Shares
"Share(s)"	the ordinary share(s) of HK$0.01 each in the share capital of the Company
"%"	per cent.

By order of the Board
Shanghai XNG Holdings Limited
Gu Dorson
Executive Director

Shanghai, PRC, 16 February 2026

As at the date of this announcement, the executive Directors are Mr. GU Dorson, Mr. HE Qinghua, Ms. QIU Jiying and Mr. CUI Jinqiao; the non-executive Director is Ms. GU Lina; and the independent non-executive Directors are Ms. CHAN Sze Man, Mr. ZHANG Zhenyu and Mr. YAO Yafei.