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China Baoli Technologies Holdings Limited

中國寶力科技控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 164)

QUARTERLY UPDATE ON IMPLEMENTATION OF ACTION PLANS IN RESOLVING THE DISCLAIMER OF OPINION

References are made to the annual report of China Baoli Technologies Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 March 2025 (the "**Annual Report**") published on 31 July 2025 and the quarterly update announcements of the Company dated 31 August 2025 and 28 November 2025 (collectively, the "**Announcements**"). Unless otherwise specified, capitalized terms used herein shall have the same meanings as defined in the Annual Report and the Announcements.

The Company wishes to provide updates on the implementation progress of Action Plans to resolve the Disclaimer of Opinion during the period from 1 December 2025 to the date of this announcement ("**Review Period**"), and set out the subsequent strategic measures and operational arrangements as follows:

(i) The Company remains committed to optimizing its capital structure and enhancing liquidity. During the Review Period, the Company has continued to identify potential fundraising opportunities and evaluate suitable fundraising mechanisms. While considering equity fundraising options to provide general corporate working capital, the Company is exploring project financing for its high-growth and revenue-generating DGDB projects in Mongolia. The Company is in active discussions with potential investors for the launch of project-specific financing plans and has also engaged financial advisor in this aspect to provide professional guidance and support, an approach that not only would effectively isolates project risks and corporate risks, but also fully demonstrate intrinsic commercial value and profit potential of the Group's core DGDB business to external investors.

(ii) In respect of the borrowings of approximately HK$11 million, further to the last announcement, the repayment date was successfully extended for 3 months to January 2026. The Company is now in active discussions with the creditor to further extend the

repayment date of the aforesaid borrowings. The Company will actively communicate and negotiate with the creditor to reach a consensus as soon as possible.

(iii) Additionally, the Company has maintained continuous and constructive communications with the CB Holders in respect of the Subscription. As at the date of this announcement, these discussions are still in progress. The successful completion of the Subscriptions will not only help the Company to further optimize its capital structure and strengthen its capital base, but also introduce strategic investors who are optimistic about the Group's long-term development, which would be of great significance for the sustainable development of the Group's business. Further announcement(s) will be made by the Company to inform shareholders and other investors of the Company of any material developments relating to the finalization of the Subscriptions as and when appropriate.

(iv) During the Review Period, the Company has achieved substantial progress in the development of its DGDB projects in Mongolia, and has completed a series of core preparatory work for project commercialization and operation for both iron and coal mine projects, including but not limited to feasibility studies, technical designs and equipment specifications. The Company is also currently in the process of sourcing various external contractors for certain non-proprietary machineries. The Company has further conducted detailed testing of the sample ores from certain other mines in Mongolia to expand for future business collaboration potentials. All the above work has laid a solid technical and operational foundation for the subsequent smooth commissioning and operation of the DGDB projects.

In addition, pursuant to the Cooperation Agreement entered into with Top Skill Global Limited ("**Top Skill**") on 11 February 2026 (the "**Cooperation Agreement**") for the iron mine project in Dundgobi Province, Mongolia, the Company will be paid an upfront fixed professional fee of HK$10,000,000 upon delivery and approval of certain technical deliverables to Top Skill. This upfront fixed fee will represent a clear and immediate revenue entitlement for the Group from its core DGDB business. The subsequent completion of technical deliverable delivery and approval will further bring stable and continuous income to the Group through equipment leasing fees and product discount purchase entitlements under the Cooperation Agreement. The Cooperation Agreement milestones the first major commercial deployment of the Group's proprietary DGDB technology, which has unique and unrivalled suitability for arid mining regions such as Mongolia due to its water-free ore processing feature.

For further details of this strategic cooperation, please refer to the Company's voluntary announcement dated 11 February 2026.

(v) The Group's convergence media business has maintained a stable operating trend during the Review Period. The Group has continued to foster long-term and in-depth collaborations with major suppliers and customers and provide content promotion advertising services on leading online social platforms including Tencent and Kuaishou, contributing stable income for its convergence media business. Going forward, the Company will explore potential business collaborations or partnerships with other multi-media companies.

The Board will continue to use its best endeavours to implement the measures under the Action Plans aimed at resolving the issues underlying the Disclaimer of Opinion and will publish further announcement(s) to keep the shareholders and potential investors of the Company informed of the status of implementation of the Action Plans as and when appropriate.

By Order of the Board
China Baoli Technologies Holdings Limited
Chu Wei Ning
Executive Director and Chief Executive Officer

Hong Kong, 27 February 2026

As of the date of this announcement, the executive directors are Mr. Wang Bin (Chairman), Mr. Zhang Yi (Vice Chairman), Ms. Chu Wei Ning (Chief Executive Officer) and Ms. Lam Sze Man; and the independent non-executive directors are Mr. Chan Fong Kong, Francis, Mr. Chan Kee Huen, Michael and Mr. Feng Man.