Pizu Group Holdings Limited

比優集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9893)

SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO PROVISION OF LOAN FACILITY

Reference is made to the announcement of Pizu Group Holdings Limited (the "**Company**") dated 9 February 2026 (the "**Announcement**") in relation to the provision of the Loan Facility. Unless otherwise stated, capitalized terms used herein shall bear the same meanings as defined in the Announcement.

The Company would like to provide supplemental information in respect of (i) the commercial and strategic rationale for the arrangement involving the potential conversion of the Loan Facility into 45% of the equity interest in Kanzi Diyor (the "**Equity Conversion**") and the related consideration structure (the "**Consideration Arrangements**"); (ii) the exit mechanisms and alternative arrangements implemented by the Company to recoup the advanced Loan Facility; (iii) further operational and technical particulars of the Mining Project and (iv) the Listing Rules implications of the Mine Cooperation Agreement and timely disclosure.

1. COMMERCIAL AND STRATEGIC RATIONALE FOR THE EQUITY CONVERSION AND CONSIDERATION ARRANGEMENTS

The Board wishes to provide supplemental information regarding the commercial and strategic rationale for the Equity Conversion and Consideration Arrangements:

(i) Kanzi Diyor holds the Turkparida Mining Rights in the Republic of Tajikistan. By maintaining Kanzi Diyor as a purely domestic entity at this stage, the parties believe it significantly enhances the efficiency and success rate of potentially securing not only the Turkparida Mining Rights but also additional mineral resources in the region. Therefore, Pizu Industrial considers the current arrangement a strategic entry model to explore and capitalize on broader resource development opportunities through a trusted local partner;

(ii) Based on the information gathered by the Company on the potentials of the Turkparida Mine as well as the abovementioned business opportunities, Pizu Industrial intended to get involved in the mining activities at the Turkparida Mine. However, under the applicable legal requirements in the Republic of Tajikistan currently in force, Pizu Industrial is not allowed to make immediate equity investment in Kanzi Diyor. Therefore, the parties have adopted the Equity Conversion and Consideration Arrangements such that Pizu Industrial and Kanzi Diyor can immediately cooperate to conduct mining activities at the Turkparida Mine, while exploring the possibility of converting the loan to be made by Pizu Industrial to Kanzi Diyor's equity or shares in order to obtain direct equity interests in Kanzi Diyor. In the meantime, the parties have engaged their legal advisers as to the laws of the Republic of Tajikistan (the "**Tajikistan Legal Advisers**") to prepare and submit relevant documentation to the Government of the Republic of Tajikistan, in order to obtain the necessary approval establishing a legal basis for the operation of the Kanzi Diyor as an unincorporated joint venture between Avesto Group and Pizu Industrial, with an agreed economic participation of 55% for Avesto Group and 45% for Pizu Industrial (the "**Permission**"). According to the Tajikistan Legal Advisers, pending statutory or corporate conversion, the formal ownership and industrial or commercial registration of Kanzi Diyor may remain unchanged; however, upon issuance, the Permission shall constitute formal recognition by the competent authorities of the Republic of Tajikistan that the project is to be treated as a unincorporated joint venture for tax, accounting, and profit-allocation purposes. Accordingly, the Permission shall provide a valid and sufficient legal basis for Pizu Industrial to be treated as a de facto joint venture participant, notwithstanding the absence of registered shareholding, and shall safeguard Pizu Industrial's contractual entitlement to receive 45% of the net profits generated by Kanzi Diyor; and

(iii) Given the present business opportunities mentioned above, and the keen competition in being a supplier of the mining services to Kanzi Diyor, Pizu Industrial considered it commercially favourable to enter into the Equity Conversion and Consideration Arrangements with Kanzi Diyor now, before obtaining the Permission from the Government of the Republic of Tajikistan.

Given the above and the following bases, the Board considered that the Equity Conversion and Consideration Arrangements are fair and reasonable and in the interest of the Company and its shareholders as a whole:

(i) The Investment in Kanzi Diyor from Pizu Industrial through the provision of the Loan Facility is up to USD80 million. However, such USD80 million is the maximum amount of Pizu Industrial's investment, which is estimated by Pizu Industrial to be adequate in constructing and operating the Mining Project, and the actual loan amount and pace of disbursement of such loan amount will be decided solely by Pizu Industrial subject to its continuous review of the mining progress of the Mining Project;

(ii) Pizu Industrial is currently conducting and will keep conducting continuous review of the Mining Project. Pursuant to the Mine Cooperation Agreement, Pizu Industrial will provide comprehensive services for the preliminary mine construction and post-construction operation, and it will also jointly control the overall operational management of the Mining Project, including keeping the company seals for the purpose of project-level management and fund supervision and having necessary usage rights to designated bank accounts of Kanzi Diyor, Pizu Industrial will have full information of the latest status of the Mining Project for it to determine the extent of loan to be provided to Kanzi Diyor under the Loan Facility, which shall correspond to the operation needs of the Mining Project. Through such comprehensive arrangements, Pizu Industrial is able to exert joint control over the Project's operations and the usage of funds, ensuring that the Group's interests are adequately managed and protected;

(iii) Based on the information provided by the Tajikistan Legal Advisers, there were successful cases in obtaining permission from the Government of the Republic of Tajikistan to allow foreign investments in domestic companies in the Republic of Tajikistan. Thus, the current Equity Conversion and Consideration Arrangements allow Pizu Industrial to grasp an immediate business opportunity to engage in the Mining Project, while waiting for the results from the Government of the Republic of Tajikistan in relation to the transformation of Kanzi Diyor into a joint venture company as mentioned above. By adopting this structure, the Company successfully balances the need for immediate resource locking through a domestic vehicle with the long-term objective of formal equity ownership; and

(iv) While waiting for the Permission or in case the Permission cannot finally be obtained, Pizu Industrial shall still be entitled to receive 45% of the net profit of Kanzi Diyor as its investment return. To further safeguard the Group's interests, Avesto Group (as the Pledgor) has undertaken to pledge 45% of its equity interest in Kanzi Diyor to Pizu Industrial as security for the performance of obligations under the Mine Cooperation Agreement and the Loan Agreement. The Board is of the view that this pledge, combined with the comprehensive management safeguards, provides Pizu Industrial with economic and management protections similar to those of a registered shareholder. As disclosed in the Announcement, the USD80 million Loan Facility corresponds to the contemplated 45% equity interest in Kanzi Diyor as determined based on the preliminary valuation of the 100% equity interest in Kanzi Diyor (details of which are set out in the Equity Valuation Report). However, Pizu Industrial has the discretion to provide a lower amount of loan than such USD80 million Loan Facility depending on its continuous review of the progress of the Mining Project, while still being entitled to such 45% net profit of Kanzi Diyor. The Board considers this arrangement particularly favourable as it allows the Group to secure the economic substance of a 45% stake without being immediately subject to the regulatory complexities of formal equity registration during the sensitive resource-acquisition phase. Thus, the Company and Pizu Industrial considered that such investment return to be fair and reasonable and is in the interest of the Company and its shareholders as a whole.

The Tajikistan Legal Advisers have confirmed that, based on their review of the Mine Cooperation Agreement and the Supplemental Agreement, (i) they are not aware of any provisions in such agreements which are manifestly inconsistent with the mandatory provisions of the legislation of the Republic of Tajikistan currently in force, and (ii) the receipt by Pizu Industrial of the 45% net profit arrangement is in compliance with the applicable laws and regulations of the Republic of Tajikistan.

The Company's auditor, having considered the substance of the arrangement as specified in the Announcement including Pizu Industrial sharing 45% of the results of Kanzi Diyor, has confirmed that Kanzi Diyor's financial results will NOT be consolidated into the Group's results. Instead, the investment will be accounted for as an investment in joint venture in the Group's consolidated financial statements.

2. EXIT MECHANISMS AND ALTERNATIVE ARRANGEMENTS FOR THE RECOUPMENT OF THE LOAN FACILITY

The exit mechanism or alternative arrangement for the Company to recoup the advanced Loan Facility in the event that the Equity Conversion cannot be completed due to, among other things, absence of required regulatory approval are as follows:

(i) The parties will engage in good faith negotiations on seeking either Avesto Group (or its affiliates) or a third party (which is legally permissible to own equity interest in Kanzi Diyor) to take up 45% equity interest in Kanzi Diyor by paying Pizu Industrial a sum equivalent to 45% of the then value of Kanzi Diyor; and

(ii) Pizu Industrial will continue to receive 45% of the net profit of Kanzi Diyor as its investment return through the provision of the loan under the Loan Facility (As elaborated in the section on the strategic rationale for the Equity Conversion and Consideration Arrangements above). Based on the preliminary valuation of the Turkparida Mine and the current prevailing market prices for antimony concentrate (i.e., the project's final product), the projected revenue from the sale of antimony concentrate is expected to generate robust cash flows. Considering the substantial mineral resources underlying the Mining Rights and the Group's commercial assessment of the operational scale, the Board anticipates that the cumulative 45% net profit entitlement will be sufficient to recoup the principal of the Loan Facility and mitigate the investment risks; and

(iii) Pursuant to the equity pledge agreement dated 9 February 2026, Avesto Group (as the Pledgor) has pledged 45% of its equity interest in Kanzi Diyor to Pizu Industrial as security for the due and punctual performance of all obligations of the Borrower and the Pledgor under the Mine Cooperation Agreement and the Loan Agreement. In the event of a material breach of such obligations (including but not limited to the failure to complete the Equity Conversion as contemplated), Pizu Industrial is entitled to exercise its enforcement rights under the pledge. Such enforcement methods, subject to the laws of the Republic of Tajikistan, include: (a) direct transfer, where the total amount of the debt arising from such non-performance shall be deemed and fixed as the value equivalent to 45% of Kanzi Diyor's charter capital and be satisfied through the transfer of such equity interest to Pizu Industrial; (b) negotiated sale or private valuation, which may be implemented with the Pledgor's prior written consent and at a price confirmed by both parties; or (c) liquidation proceeds, whereby Pizu Industrial may claim satisfaction from the proceeds attributable to the pledged interest in the event of the Borrower's liquidation. The Board is of the view that these pledge-based mechanisms provide a structured and legally enforceable safety net to ensure the Group can recoup its investment.

3. FURTHER DETAILS OF THE MINING PROJECT

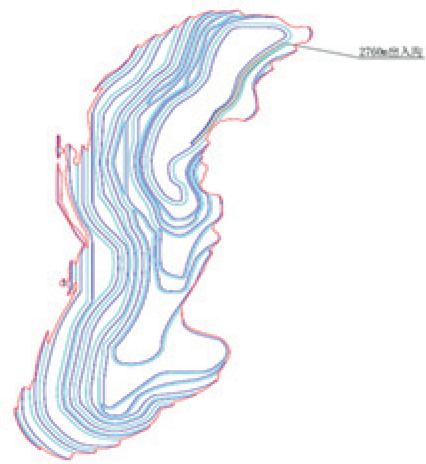
The Board wishes to provide the following supplemental information regarding the operational and technical particulars of the Mining Project:

(i) Mining processes: The mining project involves the following processes and development schedules:

(a) Mining:

The ore body partially outcrops on the surface with significant vertical extension. For the initial phase, open-pit mining will be adopted to extract resources above the 2,736m elevation within the scope of the mining rights. The production capacity is 1.0 Mt/a.

The open-pit boundary adopts a single entrance/exit trench layout, positioned on the eastern bank of the boundary. Below the 2,760m enclosure, a single-lane clockwise spiral approach from the northern entrance/exit trench will be used to extend to the 2,736m platform at the bottom of the pit. (Please refer to the attached "Schematic Diagram of Open-pit Boundary and Road Layout" for specific details).



Within the delineated ultimate boundary, the ore volume (Sb≥0.2%) is 4,541.2 kt, the waste rock volume is 30,313.0 kt, and the total stripping and mining volume is 34,854.2 kt. The average stripping ratio is 6.68 t/t, the average Sb grade is 1.01%, and the Sb metal content is 45,835.98 t.

The production service cycle for open-pit mining is 6 years, comprising a 1-year infrastructure period, a 1-year commissioning period, a 3-year full-capacity period, and a 1-year declining production period.

(b) Mineral Processing:

The planned raw ore processing scale is 3,030.3 t/d (i.e., 1.0 Mt/a), with an annual operating time of 330 days. The service life of the processing plant is identical to that of the mine.

The product plan for this project is antimony concentrate (Sb grade 45%).

Currently, the mineral processing experimental work for the project has been entrusted to the Mineral Processing Institute of BGRIMM Technology Group. The experimental flows and various experimental parameters are pending, and the equipment selection and technical processes have not yet been determined.

(c) Project Construction Planning:

The construction of the project and equipment procurement are both implemented by Pizu Industrial. According to the overall planning requirements of Pizu Industrial and the progress of on-site work, the Turkparida project is planned to be completed and commence production in November 2026. In the year of reaching full capacity, the estimated annual production of 45% grade antimony concentrate is approximately 19,000 tonnes (the mineral processing recovery rate is referenced from Soviet mineral processing experimental results).

The Company clarifies that the detailed mining processes are based on the preliminary estimations made by Pizu Industrial for its internal business planning purposes only. Pursuant to the Mine Cooperation Agreement and the Loan Agreement, Pizu Industrial is subject to no contractual obligation to strictly adhere to such internal arrangements.

(ii) Final mining products: Antimony concentrate.

(iii) Term and scope of the Mining Rights:

Please refer to "III. Key Valuation Parameters" in Appendix II to the Announcement for the scope of the Mining Rights. In addition, the Company wishes to supplement the following key details regarding the Mining Rights:

(a) Mining Certificate Number: 0310024211;
(b) Validity Period: From 30 March 2024 to 30 March 2034;
(c) Mining Area: 563,415.1 m^2, with no overlapping with any surrounding mining rights; and
(d) Owner of the Mining Rights: Kanzi Diyor.

4. FURTHER INFORMATION ON LISTING RULES IMPLICATIONS AND TIMELY DISCLOSURE

The Board wishes to provide supplemental information regarding the Listing Rules implications of the Mine Cooperation Agreement and its assessment on the timing of disclosure.

The Mine Cooperation Agreement entered into by the parties on 11 August 2025 was a conditional framework agreement that only sets out the indicative cooperation terms and indicative contributions by the parties. At the time of entry, the terms of the cooperation were preliminary and uncertain as they were yet to be finalised and were subject to further negotiation and review of the progress of the Mining Project. Concrete terms, including the responsibilities and obligations of the parties, loan arrangements, consideration and investment return, were subject to a further agreement or supplemental agreement to be entered into by the parties after such further negotiation. Accordingly, the Company regarded the Mine Cooperation Agreement as a non-legally binding agreement before the Effective Date.

The Board is of the view that the entering into of the Mine Cooperation Agreement on 11 August 2025 did not trigger any disclosure obligations under Chapters 14 or 14A of the Listing Rules because the transactions remained contingent and the final terms had not been crystallized at that stage.

The disclosure obligation was formally triggered on 9 February 2026, when the parties further negotiated and entered into the Supplemental Agreement to finalise the key terms and confirm the final Effective Date. Simultaneously, Pizu Industrial entered into the definitive Loan Agreement for the purpose of fulfilling the investment and funding obligations contemplated under the Mine Cooperation Agreement. In view of the crystallization of these definitive terms on 9 February 2026, the Company published the Announcement on the same date to comply with the requirements under Rule 14.34 of the Listing Rules.

By Order of the Board
Pizu Group Holdings Limited
Ma Tianyi
Chairman and Chief Executive Officer

Hong Kong, 9 March 2026

As at the date of this announcement, the Board comprises eight Directors. The executive Directors are Mr. Ma Tianyi (Chairman and Chief Executive Officer), Mr. Liu Fali (Chief Operating Officer), Ms. Qin Chunhong, Ms. Ma Ye and Mr. Ma Yong; and the independent non-executive Directors are Mr. Li Xu, Mr. Ha Suoku and Mr. Hu Jingqiang.