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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, registered institution in securities, a bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Future World Holdings Limited** (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or to the licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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FUTURE WORLD HOLDINGS LIMITED

未來世界控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

**MAJOR AND CONNECTED TRANSACTION:
ASSIGNMENT OF LOAN RECEIVABLES AND
TRANSFER OF LISTED SECURITIES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser
to the Independent Board Committee and the Independent Shareholder**



**中毅資本有限公司
Grand Moore Capital Limited**

A notice convening the EGM to be held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong, Hong Kong on 21 April 2026 at 3:00 p.m., is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use by the Shareholders at the EGM is enclosed. Such form of proxy is also published on the website of the Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.

Whether or not you intend to attend and vote at the EGM in person or any adjournment thereof, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

27 March 2026

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DEFINITIONS

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

“Agreement”	the conditional agreement dated 16 January 2026 and entered into between the Company and the Purchaser in relation to the Disposal
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	board of the Directors
“Business Day”	a day (excluding Saturday, Sunday and public holidays) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company” or “Vendor”	Future World Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares are listed on Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company from time to time
“Disposal”	the transfer of the Sale Securities and the assignment of Loan Receivables under the Agreement
“EGM”	the extraordinary general meeting of the Company to be held and convened for the Independent Shareholders to consider and approve the Agreement and the transactions contemplated thereunder
“Group”	the Company together with its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, established to advise the Independent Shareholders in relation to the Agreement and the Disposal

DEFINITIONS

“Independent Financial Advisor”	Grand Moore Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee in respect of the Agreement and the Disposal
“Independent Shareholders”	Shareholders other than the Purchaser and his associates
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules
“Latest Practicable Date”	19 March 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Receivables”	the loan receivables to be assigned by the Group to the Purchaser (or his designated company) under the Agreement
“PRC”	the People’s Republic of China
“Purchaser” or “Mr. Lai”	Mr. Lai Long Wai, an executive Director
“Sale Securities”	such listed securities to be transferred by the Group to the Purchaser (or his designated company) under the Agreement
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“HK\$” Hong Kong dollar(s), the lawful currency of Hong Kong

“RMB” Renminbi, the lawful currency of the PRC

“%” per cent.

LETTER FROM THE BOARD



FUTURE WORLD HOLDINGS LIMITED
未來世界控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 572)

Executive Directors:

Ms. Wang Qian
Mr. Liang Jian
Mr. Yu Qingrui
Mr. Su Wei
Mr. Lai Long Wai

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Independent non-executive Directors:

Mr. He Yi
Mr. Guo Yaoli
Mr. Bong Chin Chung

*Head office and principal place
of business:*

Room 10, 27/F
C C Wu Building
302-308 Hennessy Road
Wan Chai, Hong Kong

27 March 2026

To the Shareholders

Dear Sir or Madam,

**MAJOR AND CONNECTED TRANSACTION:
ASSIGNMENT OF LOAN RECEIVABLES AND
TRANSFER OF LISTED SECURITIES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 16 January 2026 (the “**Announcement**”) in relation to, among others, the entering into of the Agreement which constitutes major and connected transaction on the part of the Company under Chapters 14 and 14A of the Listing Rules.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information regarding, among other things, (i) details of the Agreement; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder; and (iv) the notice of EGM.

THE DISPOSAL

On 16 January 2026 (after trading hours), the Company as vendor entered into the conditional Agreement with the Purchaser pursuant to which the Company agreed to transfer and assign the Sale Securities and the Loan Receivables to the Purchaser for a total consideration of HK\$119,178,477.

The Agreement

Date: 16 January 2026 (after trading hours)

Parties: (1) The Company as Vendor
(2) Mr. Lai as Purchaser

The Purchaser is an executive Director of the Company. As at the Latest Practicable Date, the Purchaser and his controlled corporation (China Clean Energy Technology Limited) are interested in 50,316,589 Shares, representing approximately 16.69% of the issued share capital of the Company, and is a substantial Shareholder of the Company. Accordingly, the Purchaser is a connected person of the Company as defined under the Listing Rules.

Assets to be assigned and transferred

Pursuant to the Agreement, the Company has agreed to transfer the Sale Securities and to assign the Loan Receivables to the Purchaser pursuant to the terms of the Agreement. The Purchaser shall have the right to nominate designated corporation to take up the Sale Securities and/or the Loan Receivables.

LETTER FROM THE BOARD

The Sale Securities comprise of listed securities listed on the Stock Exchange and are held by a wholly owned subsidiary of the Company, Golden Horse Hong Kong Investment Limited (“Golden Horse”). The Group holds the Sale Securities as investments. Details of the Sale Securities are set out below:

Golden Horse	Number of shares held by the Group	Closing Price as at the date of the Agreement (HK\$)	Market Value based on the closing price as at the date of the Agreement (HK\$)	Closing Price as at 31 December 2025 (HK\$)	Market Value based on the closing price as at 31 December 2025 (HK\$)	Accounting Classification
CMBC CAPITAL (stock code: 1141)	7,890,000	0.92	7,258,800	0.690	5,444,100	FVTOCI
HG SEMI (stock code: 6908)	390,000	0.51	198,900	0.460	179,400	FVTPL
CONANT OPTICAL (stock code: 2276)	1,020,000	60.4	61,608,000	54.000	55,080,000	FVTPL
LX TECHNOLOGY (stock code: 2436)	540,000	14.5	7,830,000	4.550	2,457,000	FVTPL
FENBI (stock code: 2469)	240,000	2.22	532,800	2.050	492,000	FVTPL
			<u>77,428,500</u>		<u>63,652,500</u>	

Notes:

FVTOCI: Financial Assets at Fair Value Through Other Comprehensive Income

FVTPL: Financial Assets at Fair Value Through Profit and Loss

Those Sale Securities were not acquired by the Group within 12 months prior to the date of the Agreement. Save for the Sale Securities, the Group does not hold any other listed securities as at the date of the Agreement.

The Group acquired the relevant shares of CMBC Capital in 2017 and such investment in CMBC Capital was classified as long term investment (FVTOCI) at initial recognition. Due to the recent volatility of the stock market, the Group would like to realize and dispose its investment in CMBC Capital together with other Sale Securities and to reallocate the resources towards other business opportunities.

LETTER FROM THE BOARD

The Loan Receivables comprise loan receivables owed by three borrowers, who are Independent Third Parties, to Globally Finance Limited (“**Globally Finance**”), a wholly owned subsidiary of the Company. The Loan Receivables have been overdue and not fully settled by the borrowers as at the Latest Practicable Date. As at the date of the Agreement, such Loan Receivables amount to approximately HK\$41,749,977. Set out below are the details of the Loan Receivables.

Lender	Borrower	Interest Rate	Outstanding Sums as at the date of the Agreement (HK\$)
Globally Finance	Borrower A	5% per annum	17,057,665
Globally Finance	Borrower B	6% per annum	8,555,185
Globally Finance (<i>Note</i>)	Borrower C	7.7% per annum	<u>16,137,127</u>
			<u><u>41,749,977</u></u>

Note: The outstanding sum owed by Borrower C to Globally Finance as at the date of the Agreement does not include the expected credit loss.

To the best of the Company’s knowledge and information, each of the Borrowers is independent of and not connected to each other. The sums shown above include the outstanding principal amounts and interest owed by the Borrowers to Globally Finance.

Details of the Loan Receivables are set out below:

(A) Loan granted to Borrower A

Date of loan granted: 21 December 2020

Parties: (1) Globally Finance as lender
(2) Borrower A as borrower

Borrower A is an individual. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Borrower A is an Independent Third Party.

Original Loan Sum: HK\$25,000,000

Interest rate: 5% per annum

LETTER FROM THE BOARD

Original Maturity Date:	21 December 2023
Collateral:	Pledge of properties in the Mainland China valued at HK\$19.0 million as at 31 December 2024 as appraised by an independent valuer
Steps taken by the Group:	The Company sent formal reminders for the overdue sums together with formal demand letter requesting full repayment of the outstanding debt. In the meantime, since early 2025 the Group has commenced negotiations on the disposal of the collateralised properties to recover the outstanding loan sum. As the pledged properties are in the Mainland China, there was preliminary discussions and assessment with PRC legal counsel on how to exercise the collateral and the costs associated in exercising the collaterals in the PRC. It is understood that the whole process can be time consuming and could involve court procedures. As such, the Company considers that the assignment of the Loan Receivables under the Agreement as a more efficient way to recover the outstanding sums instead of enforcing the collateralised properties.

(B) Loan granted to Borrower B

Date of loan granted:	21 December 2020
Parties:	(1) Globally Finance as lender (2) Borrower B as borrower
	Borrower B is an individual. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Borrower B is an Independent Third Party.
Original Loan Sum:	HK\$28,300,000
Interest rate:	6% per annum
Original Maturity Date:	21 December 2023

LETTER FROM THE BOARD

Collateral:	Pledge of properties in the Mainland China valued at HK\$16.1 million as at 31 December 2024 as appraised by an independent valuer
Steps taken by the Group:	The Company sent formal reminders for the overdue sums together with formal demand letter requesting full repayment of the outstanding debt. In the meantime, since early 2025 the Group has commenced negotiations on the disposal of the collateralised properties to recover the outstanding loan sum. As the pledged properties are in the Mainland China, there was preliminary discussions and assessment with PRC legal counsel on how to exercise the collateral and the costs associated in exercising the collaterals in the PRC. It is understood that the whole process can be time consuming and could involve court procedures. As such, the Company considers that the assignment of the Loan Receivables under the Agreement as a more efficient way to recover the outstanding sums instead of enforcing the collateralised properties.

(C) Loan granted to Borrower C

Date of loan granted:	17 October 2022
Parties:	(1) Globally Finance as lender (2) Borrower C as borrower
	Borrower C is an individual. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Borrower C is an Independent Third Party.
Original Loan Sum:	HK\$15,000,000
Interest rate:	7.7% per annum
Original Maturity Date:	16 October 2025
Collateral:	The loan is unsecured
Steps taken by the Group:	The Company sent formal reminders for the overdue sums together with formal demand letter requesting full repayment of the outstanding debt.

LETTER FROM THE BOARD

All those Loan Receivables are classified as “Loan and Interests Receivables” in the financial statements of the Group.

Apart from the Loan Receivables, there is one loan granted by the Group to a corporate borrower. This other loan receivable of the Group was not part of the transaction under the Agreement as this loan receivables was due from corporate borrowers and the Purchaser is not interested in acquiring such loan receivable. Moreover, it is noted that this corporate borrower was undergoing under winding-up procedure and the outstanding balance due from that corporate borrower has been fully impaired in the financial year ended 31 December 2023. The Group has no other loan receivables portfolio save as disclosed above.

Consideration

The aggregate consideration for the transfer of the Sale Securities and the assignment of the Loan Receivables shall be HK\$119,178,477 (as to HK\$77,428,500 for the Sale Securities and as to HK\$41,749,977 for the Loan Receivables), which shall be satisfied by the Purchaser and paid by the Purchaser to the Vendor in the following manner (or in such other manner as the parties hereto may agree in writing) at Completion:

- (a) as to HK\$80,720,000 shall be payable by the Purchaser by procuring Rejoice to waive and set off the Rejoice Outstanding Indebtedness on a dollar-to-dollar basis upon Completion;
- (b) as to the remaining balance of HK\$22,222,222 shall be payable by the Purchaser by way of waiver and set off the Lai Outstanding Indebtedness on a dollar-to-dollar basis upon Completion; and
- (c) as to the remaining balance upon Completion, the net amount payable by Mr. Lai to the Company shall therefore be HK\$16,236,255 (the “**Net Payable**”) and Mr. Lai shall pay the Net Payable to the Company and/or its designated party(ies) within one year following the Completion.

On 27 October 2025, a loan agreement (the “**Rejoice Loan Agreement**”) entered into between Rejoice Holdings Limited (the “**Rejoice**”), a company wholly owned by Mr. Lai, as lender and the Company as borrower, Rejoice granted a loan facility in the amount of up to HK\$200,000,000 to the Company. Interest on the loan under the Rejoice Loan Agreement shall accrue at the rate equal to the Hong Kong Dollar Best Lending Rate as announced by the Hong Kong and Shanghai Banking Corporation Limited from time to time minus 1% per annum, payable in arrears from the drawdown date and payable in full on repayment date which is the date falling on the third anniversary of the drawdown date. The proceeds from the Rejoice Loan Agreement were to repay the borrowings of the Group and use for general working capital of the Group. As at the date of the Agreement, the outstanding indebtedness (the “**Rejoice Outstanding Indebtedness**”) owed by the Group under the Rejoice Loan Agreement amounts to approximately HK\$80,720,000. The repayment date of the Rejoice Outstanding Indebtedness is the date falling on the third anniversary of the drawdown date of Rejoice Outstanding

LETTER FROM THE BOARD

Indebtedness. The Rejoice Outstanding Indebtedness was drawn down on 27 October 2025 and the maturity date is 26 October 2028. No repayment to the Rejoice Indebtedness has been made by the Group since the drawing. The Rejoice Outstanding Indebtedness is unsecured.

On 1 February 2024, pursuant to a loan agreement (the “**Lai Loan Agreement**”) entered into between Mr. Lai as lender and 深圳栢億實業投資有限公司 (Shenzhen Baiyi Enterprise Investment Company Limited*), a wholly owned subsidiary of the Company (the “**Subsidiary**”) as borrower, Mr. Lai granted a loan in the amount of RMB20,000,000 to the Subsidiary for a term of three years from 1 February 2024 to 31 January 2027. As at the date of the Agreement, the loan is non-interest bearing and unsecured and the outstanding indebtedness (the “**Lai Outstanding Indebtedness**”) owed by Subsidiary under the Lai Loan Agreement amounts to RMB20,000,000 (equivalent to HK\$22,222,222). The proceeds under the Lai Loan Agreement have been used for general working capital for the hotel and ancillary operations of the Group.

It is further noted that the Net Payables shall be settled by Mr. Lai within one year from the date of Completion under the Agreement. The one-year deferred settlement arrangement was arrived at by the parties after arm’s length negotiations that aimed to find mutually beneficial solution to both parties. The one-year deferred settlement of partial consideration was arrived at after arms’ length negotiations and having taken into account of the following factors:

- (1) significant portion of the aggregate consideration of approximately HK\$102,942,222 would have been settled at the time upon Completion and the Net Payable represents less than 15% of the aggregate consideration;
- (2) in respect of the Loan Receivables to be assigned under the Agreement, it is noted that such Loan Receivables had been overdue and not fully settled by the borrowers;
- (3) in light of the background and financial resources of the Purchaser, the risk that the Purchaser would not be able to settle the Net Payable in time is remote;
- (4) the consideration for the Sale Securities was set at the then market prices of the Sale Securities as at the time of the entering into of the Agreement, and it is noted that the aggregate value of the Sale Securities based on the market prices has surged from approximately HK\$60.5 million as at 1 December 2025 to HK\$77.4 million as at the date of the Agreement; and
- (5) a gain on the sale of the Sale Securities and a reversal of expected credit loss from assigning of the Loan Receivables will be recorded.

Mr. Lai has strong financial background and resources and can fulfill his obligations. The one-year deferred settlement arrangement should be considered with the other factors in the transaction such as the fact that significant portion of the consideration would have been settled at the time of completion as well as the assignment of the Loan Receivables without discount. Given that the Net Payable represents a minor portion of the entire consideration, the Company considers that the deferred settlement of the Net Payable is reasonable and acceptable.

LETTER FROM THE BOARD

The Company undertook comprehensive assessment to reach the conclusion that the default risk on the part of Mr. Lai in settling the Net Payable is remote. The Company reviewed the financial background and resources held by the Purchaser, including his shareholdings in the Company and other listed corporations and also his own real property, as well as his credit history. After such evaluations and analysis, the Company considers that the Purchaser will have the capacity to meet his payment obligation regarding the Net Payable and the default risk is remote.

Deferred payment of the Net Payable is not uncommon amongst transactions for listed issuers, in particular when after relevant risk assessment by the Company that the Purchaser has more than sufficient financial resources to settle the Net Payable. Under the Agreement, the Company shall have the right to claim against Mr. Lai in the unlikely event if Mr. Lai could not settle the Net Payable in time. Given that the Net Payable only comprises of a relevant small portion of the total consideration and Mr. Lai has sufficient financial resources to settle the Net Payable, the Company considers that terms of the Agreement will give enough protection to the Group in respect of the deferred payment of the Net Payable. Having conducted relevant risk assessment including but not limited to the resources of Mr. Lai as well as his credibility and having taken into account of the terms of the Disposal as a whole, the Company considers that deferred settlement of the Net Payable for one year from Completion is on normal commercial terms agreed between the parties after arm's length negotiations.

The consideration for the Disposal was determined with reference to the market prices of the Sale Securities and the outstanding amounts of the Loan Receivables and arrived at after arm's length negotiations between the relevant parties to the Agreement. The Directors consider the terms of the Disposal (including but not limited to the consideration) to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

Conditions Precedent

The Agreement and the transactions contemplated thereunder are conditional upon the fulfillment of the following conditions:

- (a) the passing by the Independent Shareholders at the EGM to be convened and held of the necessary resolutions to approve the Agreement and the transactions contemplated thereunder;
- (b) each of the warranties given by the Company and the Purchaser being true and accurate and not misleading in all respects; and
- (c) all necessary consents and approvals required to be obtained on the part of the Company and the Purchaser in respect of the Agreement and the transactions contemplated thereby having been obtained.

As at the Latest Practicable Date, none of the conditions have been satisfied.

LETTER FROM THE BOARD

If the conditions have not been satisfied on or before 30 June 2026, or such other date as the Purchaser and the Company may agree, the Agreement shall cease and terminate and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Completion

Completion is expected to take place within ten business days after the fulfillment of the conditions precedent of the Agreement (or such other date as the parties to the Agreement may agree in writing).

Upon Completion, the Group will cease to have interests in the Sale Securities and the Loan Receivables.

INFORMATION ON SALE SECURITIES

The Sale Securities comprise shares in CMBC Capital Holdings Limited (stock code: 1141) (“**CMBC Capital**”), HG Semiconductor Limited (stock code: 6908) (“**HG Semi**”), Shanghai Conant Optical Co., Ltd. (stock code: 2276) (“**Conant Optical**”), LX Technology Group Limited (stock code: 2436) (“**LX Technology**”) and Fenbi Ltd. (stock code: 2469) (“**Fenbi**”), which are all listed companies with issued shares of which are listed on the Main Board of the Stock Exchange.

Set out below is the financial information of CMBC Capital extracted from its published financial results for the financial years ended 31 December 2023 and 2024 respectively:

	For the year ended 31 December 2023	For the year ended 31 December 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Audited)	(Audited)
Revenue	483,894	365,545
Profit (Loss) before taxation	(560,986)	68,102
Profit (Loss) after taxation	(572,306)	50,792
Net asset value	1,252,702	1,388,776

LETTER FROM THE BOARD

Set out below is the financial information of HG Semi extracted from its published financial results for the financial years ended 31 December 2023 and 2024 respectively:

	For the year ended 31 December 2023	For the year ended 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Audited)	(Audited)
Revenue	88,600	75,282
Profit (Loss) before taxation	(160,509)	(178,477)
Profit (Loss) after taxation	(157,573)	(183,076)
Net asset value	729,610	577,789

Set out below is the financial information of Conant Optical extracted from its published financial results for the financial years ended 31 December 2023 and 2024 respectively:

	For the year ended 31 December 2023	For the year ended 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Audited)	(Audited)
Revenue	1,759,641	2,060,767
Profit before taxation	383,010	497,362
Profit after taxation	327,022	428,284
Net asset value	1,394,900	1,585,557

Set out below is the financial information of LX Technology extracted from its published financial results for the financial years ended 31 December 2023 and 2024 respectively:

	For the year ended 31 December 2023	For the year ended 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Audited)	(Audited)
Revenue	1,793,093	2,371,719
Profit (Loss) before taxation	(128,546)	(63,718)
Profit (Loss) after taxation	(131,032)	(58,255)
Net asset value	739,809	716,202

LETTER FROM THE BOARD

Set out below is the financial information of Fenbi extracted from its published financial results for the financial years ended 31 December 2023 and 2024 respectively:

	For the year ended 31 December 2023	For the year ended 31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Audited)	(Audited)
Revenue	3,021,318	2,789,781
Profit before taxation	204,953	262,039
Profit after taxation	188,566	239,570
Net asset value	1,267,744	1,203,439

REASONS FOR THE DISPOSAL AND USE OF PROCEEDS

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in (i) hotel operation and ancillary business; (ii) property investment, management and agency; (iii) provision of financing services; (iv) securities trading and investment; (v) securities brokerage business; and (vi) asset management.

The Group acquired the Sale Securities for investment purpose. It is noted that the trading prices of Sale Securities have been volatile during the past few years. As a result of the Disposal and based on the fair value of the Sale Securities as of 31 December 2025, it is expected that a gain from the disposal of the Sale Securities of approximately HK\$13,776,000 (excluding stamp duty and related transaction expenses) will be recognized in the financial statements of the Group, which is calculated on the basis of the difference between the fair value as of 31 December 2025, which amounts to approximately HK\$63.65 million, and the disposal price of the Sale Securities of approximately HK\$77,428,500.

As the Loan Receivables have been overdue, the Group considers that the Disposal will represent an efficient way to realize the Loan Receivables without incurring significant costs and resources to recover the Loan Receivables itself. As a result of the Disposal, it is expected that there will be a reversal of the expected credit loss of HK\$5,663,543 from the assignment of the Loan Receivables as the Loan Receivables are assigned. The expected credit loss for Borrower C was recorded in the books of the Group under general approach which credit risk has increased significantly after the initial recognition. There was no expected credit loss/impairment for loan advanced to Borrower A and Borrower B as the collateralized value exceeds the outstanding sums.

Upon Completion, it is contemplated that both the assets and the liabilities of the Group will be reduced accordingly. It is contemplated that the assets of the Group will be reduced by the fair values of the Sale Securities and the book value of the Loan Receivables as a result of the Disposal, whilst the liabilities of the Group will be reduced by the same amounts of the

LETTER FROM THE BOARD

Rejoice Outstanding Indebtedness and the Lai Outstanding Indebtedness. The aforementioned gain from the disposal of the Sale Securities of approximately HK\$13,776,000 and the reversal of expected credit loss of HK\$5,663,543 from the assignment of the Loan Receivables are expected to positively contribute to the Group's net assets position.

The Company considers that the Disposal represent an opportunity to allow the Group to reallocate the resources. Despite aforesaid, the Group will continue its existing businesses including provision of financing services and securities trading and investment business of the Group, but the Group will carry out such business with prudence and will assess potential investment and opportunities from time to time. The Group will prudently assess business opportunities of its existing businesses including provision of financing services and securities trading and investment business from time to time. Moreover, the set-off against the Lai Outstanding Indebtedness and the Rejoice Outstanding Indebtedness will reduce the liabilities, gearing and the burden for future interest of the Group. The net proceeds from the Disposal of approximately HK\$16 million after the set off of the Lai Outstanding Indebtedness and the Rejoice Outstanding Indebtedness will be used for general working capital and/or repayment of indebtedness of the Group, as to approximately HK\$10 million towards general working capital and as to approximately HK\$6 million towards repayment of indebtedness.

LISTING RULES IMPLICATION

As the relevant percentage ratio(s) exceed 25% but all relevant percentage ratios are below 75%, the Disposal and the transactions contemplated thereunder constitute a major transaction on the part of the Company under Chapter 14 of the Listing Rules and are subject to the announcement and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As the Purchaser is executive Director and a substantial Shareholder of the Company, the Disposal and the transactions contemplated thereunder constitute a connected transaction on the part of the Company under Chapter 14A of the Listing Rules and are subject to the announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

EGM

A notice convening the EGM to be held at 22/F, Euro Trade Centre, 13-14 Connaught Road Central, Central, Hong Kong on Tuesday, 21 April 2026 at 3:00 p.m. is set out on pages EGM-1 to EGM-2 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon and deposit the same at the offices of the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for the holding

LETTER FROM THE BOARD

of the extraordinary general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the extraordinary general meeting or any adjournment thereof should you so wish.

As at the Latest Practicable Date, the Purchaser and his associates are currently interested in 50,316,589 Shares, representing approximately 16.69% of the issued share capital of the Company. To the best of the Directors' information, belief and knowledge, save for the Purchaser and his associates, no other Shareholders have material interest in relation to the Agreement and therefore no other Shareholders are required to abstain from voting in the EGM.

Save for Mr. Lai, none of the other Directors have a material interest in the Agreement and the transactions contemplated thereunder. Accordingly, save for Mr. Lai, no other Director was required to abstain from voting on the Board resolutions for considering and approving the same. Mr. Lai has been abstained from voting at the relevant Board meeting approving the Agreement and the transactions contemplated thereunder.

The Independent Board Committee comprising all the independent non-executive Directors has been established to make recommendation to the Independent Shareholders regarding the Agreement and the transactions contemplated thereunder. Grand Moore Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Shareholders are recommended to read the letter from the Independent Board Committee and the letter from the Independent Financial Adviser contained in this circular.

RECOMMENDATIONS

The Directors believe that the Agreement and the transactions contemplated thereunder are fair and reasonable and are in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Agreement and the transaction contemplated thereunder.

ADDITIONAL INFORMATION

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

By order of the Board
Future World Holdings Limited
Wang Qian
Chairlady



FUTURE WORLD HOLDINGS LIMITED
未來世界控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 572)

To the Independent Shareholders

Dear Sir or Madam,

**MAJOR AND CONNECTED TRANSACTION:
ASSIGNMENT OF LOAN RECEIVABLES AND
TRANSFER OF LISTED SECURITIES**

We refer to the circular issued by the Company to the Shareholders dated 27 March 2026 (the “**Circular**”) of which this letter forms part. Terms defined in the Circular shall have the same meaning in this letter unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to consider the Agreement and the transactions contemplated thereunder and to advise the Independent Shareholders in respect of the same. We wish to draw your attention to the letter from the Board and the letter from the Independent Financial Adviser as set out on pages 4 to 17 and pages 20 to 46 of the Circular, respectively.

RECOMMENDATIONS

Having considered together the factors as set out in the Circular, the principal factors and reasons considered by, and the advice of the Independent Financial Adviser as set out in its letter of advice, we are of the opinion that (i) the terms of the Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable; and (ii) although the Agreement and the transactions contemplated thereunder are not conducted in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend that the Independent Shareholders vote in favour of the ordinary resolution approving the Agreement and the transactions contemplated thereunder at the EGM.

Yours faithfully,
For and on behalf of the
**Independent Board Committee of
Future World Holdings Limited**

He Yi
*Independent non-executive
Director*

Guo Yaoli
*Independent non-executive
Director*

Bong Chin Chung
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter from Grand Moore Capital Limited setting out the advice to the Independent Board Committee and the Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder (including the Disposal), which has been prepared for the purpose of inclusion in the Circular.



21st Floor, No. 88 Lockhart Road
Wan Chai, Hong Kong

27 March 2026

*To the Independent Board Committee and
the Independent Shareholders of
Future World Holdings Limited*

Dear Sirs,

MAJOR AND CONNECTED TRANSACTIONS: ASSIGNMENT OF LOAN RECEIVABLES AND TRANSFER OF LISTED SECURITIES

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder (including the Disposal), the details of which are set forth in the “Letter from the Board” (the “**Board Letter**”) contained in the circular issued by the Company to the Shareholders dated 27 March 2026 (the “**Circular**”), of which this letter forms apart. Unless the context otherwise requires, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

On 16 January 2026 (after trading hours), the Company as vender entered into the conditional Agreement with the Purchaser pursuant to which the Company agreed to transfer and assign the Sale Securities and the Loan Receivables to the Purchaser for a total consideration of HK\$119,178,477 (the “**Consideration**”).

As the relevant percentage ratio(s) exceed 25% but all relevant percentage ratios are below 75%, the Disposal and the transactions contemplated thereunder constitute a major transaction on the part of the Company under Chapter 14 of the Listing Rules and are subject to the announcement and Shareholder’s approval requirements under Chapter 14 of the Listing Rules.

As the Purchaser is executive Director and a substantial Shareholder of the Company, the Disposal and the transactions contemplated thereunder constitute a connected transaction on the part of the Company under Chapter 14A of the Listing Rules and are subject to the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, being Mr. He Yi, Mr. Guo Yaoli and Mr. Bong Chin Chung, has been established to advise the Independent Shareholders in respect of the Agreement and the Disposal. We, Grand Moore Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Agreement and the Disposal.

OUR INDEPENDENCE

As at the Latest Practicable Date, we were not connected with the Company or any of its respective substantial Shareholders, Directors or chief executives, or any of their respective associates and accordingly, are considered suitable to give independent advice to the Independent Board Committee and the Independent Shareholders in respect of the Disposal.

In the past two years, we have not acted in any financial adviser role to the Company but we have acted as an independent financial adviser to the independent board committee and independent shareholders of the Company in connection with (i) a major and connected transaction in relation to assignment of receivables, the details of which are set out in the Company's circular dated 17 July 2024; and (ii) a major and connected transaction in relation to the acquisition of property and the assignment of receivables, the details of which are set out in the Company's circular dated 25 February 2025 (collectively, the "**Previous Appointments**"). Save for the current engagement as the Independent Financial Adviser and the Previous Appointments, there was no other relationship and/or engagement between the Company and us in the past two years.

With regards to our independence from the Company, it is noted that (i) apart from normal professional fees paid or payable to us in connection with the current appointment as the Independent Financial Adviser and the Previous Appointments, no other arrangements exist whereby we had received or will receive any fees or benefits from the Company, its subsidiaries, Mr. Lai or their respective controlling Shareholders (if applicable) that could reasonably be regarded as relevant to our independence; (ii) the aggregate professional fees paid or to be paid to us in connection with the current appointment as the Independent Financial Adviser and the Previous Appointments do not make up a significant portion of our revenue during the relevant period (i.e. in the past two years) which would affect our independence; and (iii) we maintained our independence from the Company during the Previous Appointments and our independence has not been compromised. Accordingly, we consider that we are independent to act as the Independent Financial Adviser in respect of the Disposal pursuant to Rule 13.84 of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the Company's interim report for the six months ended 30 June 2025 (the "**2025 Interim Report**"); (iii) other information provided by the Directors and/or the senior management of the Company (the "**Management**"); (iv) the opinions expressed by and the representations of the Directors and the Management; and (v) our review of the relevant public information. We have assumed that all information and representations that have been provided by the Directors and the Management, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date, and should there be any material changes to our opinion after the Latest Practicable Date, Shareholders would be notified as soon as possible. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers, the Directors and/or the Management (where applicable), which have been provided to us. The Directors have confirmed that, to the best of their knowledge, they believe that no material fact or information has been omitted from the information supplied to us and that the representations made or opinions expressed have been arrived at after due and careful consideration and there are no other facts or representations the omission of which would make any statement in the Circular, including this letter, misleading.

We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Chapters 13 and 14A of the Listing Rules. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information, opinions or representations given or made by or on behalf of the Company and Mr. Lai, nor conducted any independent in-depth investigation into the business affairs, assets and liabilities or future prospects of the Company, Mr. Lai, their respective subsidiaries or associates (if applicable) or any of the other parties involved in the Disposal, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Disposal. The Company has been separately advised by its own professional advisers with respect to the Disposal and the preparation of the Circular (other than this letter).

We have assumed that the Disposal will be consummated in accordance with the terms and conditions set forth in the Circular without any waiver, amendment, addition or delay of any terms or conditions. We have assumed that in connection with the receipt of all the necessary governmental, regulatory or other approvals and consents as required for the Disposal, no delay, limitation, condition or restriction will be imposed that would have a material adverse effect on the contemplated benefits expected to be derived from the Disposal. In addition, our opinion is

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

necessarily based on the financial, market, economic, industry-specific and other conditions as they existed on, and the information made available to us as at the Latest Practicable Date.

In the event of inconsistency, the English text of this letter shall prevail over the Chinese translation of this letter.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation in relation to the Disposal, we have taken into account the following principal factors and reasons:

1. Background information and financial overview of the Group

As stated in the Board Letter, the principal activity of the Company is investment holding. The subsidiaries of the Company are principally engaged in (i) hotel operation and ancillary business; (ii) property investment, management and agency; (iii) provision of financing services; (iv) securities trading and investment; (v) securities brokerage business; and (vi) asset management. Certain summary financial information of the Group as extracted from the 2025 Interim Report for the six months ended 30 June 2024 and 2025 is set out below:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Revenue	58,254	23,598
– Hotel operation and ancillary business	35,888	10,203
– Property investment, management and agency services	16,949	8,965
– Provision of financing services	3,791	4,430
– Asset management services	1,626	–
Gross profit	25,557	14,729
Profit for the period attributable to owners of the Company	17,703	13,089

The Group's revenue increased from approximately HK\$23.6 million for the six months ended 30 June 2024 to approximately HK\$58.3 million for the six months ended 30 June 2025, representing an increase of approximately HK\$34.7 million or 147.0%. The 2025 Interim Report attributes such increase mainly to the increase in revenue generated from the Group's hotel operation and ancillary services and property investment, management and agency services.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Group's gross profit increased from approximately HK\$14.7 million for six months ended 30 June 2024 to approximately HK\$25.6 million for the six months ended 30 June 2025, representing an increase of approximately HK\$10.9 million or 74.1%. The Group's gross profit margin decreased from approximately 62.3% for the six months ended 30 June 2024 to approximately 43.9% for the six months ended 30 June 2025, mainly attributable to (i) the Group's revenue driver in the six months ended 30 June 2025 was hotel operation and ancillary services and property investment, management and agency services; and (ii) a lower gross profit margin of the Group's hotel operation and ancillary services and property investment, management and agency services as compared to the Group's other segments due to business nature of hotel operation business and property investment, management and agency services. Taking into account all other expenses, the Group recorded segmental loss in both hotel operation and ancillary services and property investment, management and agency services segments for the six months ended 30 June 2024 and 2025.

The Group recorded a profit for the period attributable to owners of the Company of approximately HK\$17.7 million for the six months ended 30 June 2025, representing an increase of approximately HK\$4.6 million or 35.1% from the profit for the period attributable to owners of the Company of approximately HK\$13.1 million for the six months ended 30 June 2024. The 2025 Interim Report attributes such increase mainly to the combined effects of (i) the increase in revenue to approximately HK\$58.3 million (previous period: approximately HK\$23.6 million); (ii) the reversal of the credit loss allowances on investment in corporate bond of HK\$8.0 million (previous period: nil); (iii) the increase in fair value of financial assets at fair value through profit or loss of approximately HK\$58.6 million (previous period: HK\$15.1 million); (iv) fair value loss of investment properties of approximately HK\$38.6 million (previous period: approximately HK\$17.1 million); and (v) the decrease in reversal of credit loss on trade and other receivables of HK\$1.5 million (previous period: approximately HK\$23.9 million).

Provision of financing services

Interest income from the Group's provision of financing services segment during the six months ended 30 June 2025 amounted to approximately HK\$3,791,000, showing a decrease of approximately 14.4% from approximately HK\$4,430,000 in the six months ended 30 June 2024. Operating profit from this business segment amounted to approximately HK\$3,582,000 during the six months ended 30 June 2025 (six months ended 30 June 2024: approximately HK\$28,413,000 due to reversal of expected credit loss of approximately HK\$16.8 million, which is non-recurring in nature).

During the six months ended 30 June 2025, the provision for credit loss allowances on loan and interest receivables amounted to approximately HK\$198,000.

The Group has been actively managing its loan portfolio since commencement of money lending segment in 2015. As at 31 December 2021, 2022, 2023 and 2024, the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

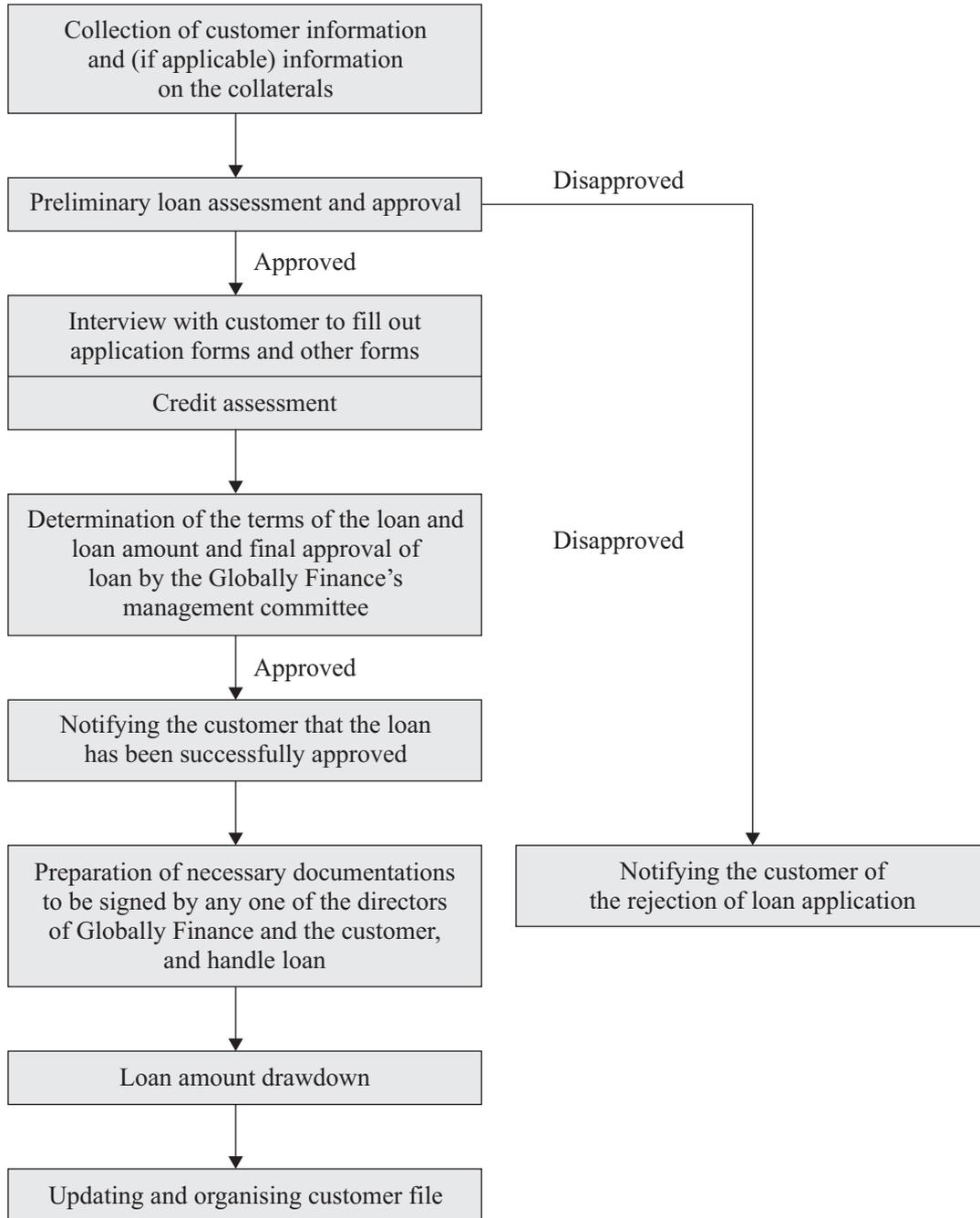
Group had 13, 17, 11 and 7 borrowers respectively, with gross amount of loan and interest receivables amounting to approximately HK\$357.7 million, HK\$232.0 million, HK\$213.3 million and HK\$170.9 million respectively. In response to the economic conditions, as a proactive measure and effective safeguard, the Group had not granted any new loans since 2023 following the Group's internal risk assessment. Majority of borrowers have settled the loan balance in full during the years 2023 to 2025, while the 4 remaining borrowers as at 31 December 2025 represent the accounts that become challenging to collect, primarily due to their respective financial and liquidity situations.

To mitigate the risks associated with its business, Globally Finance (a subsidiary through which the Group carries out the provision of financing services business) has adopted a set of credit policies and procedures as set out in its credit policy and procedure manual, which gives a clear guideline for credit assessment and granting loans. Globally Finance follows standard commercial practices by conducting credit review procedures to determine the ability of applicants to fulfill their financial obligations. Applications must comply with specific credit constraints before being reviewed by Globally Finance. Applicants are required to submit all information necessary for conducting the reviews as required by Globally Finance. In assessing a borrower's application, the following parameters must be reasonably taken into consideration:

- (A) the amount of Globally Finance's potential financial exposure associated with the applicant;
- (B) the repayment ability of the applicant;
- (C) the security and/or collateral provided; and
- (D) others, e.g. external market condition, legal compliance etc..

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the standard credit review procedure adopted by Globally Finance:



Upon receiving the required application and supplemental information, Globally Finance will conduct a financial review to evaluate an applicant's financial viability and determine the appropriate amount of credit limit. Interest rate posed on the approved loan amount will be set with reference to the prevailing market rate, the level of risk involved in each case as well as the general economic and business environment. The interest rate shall not exceed the threshold as stipulated in the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Money Lenders Ordinance. We discussed with the Management and understand that the above mentioned borrower's application assessment procedures and credit review procedures have been strictly adhered and observed and aligned to the Money Lending Ordinance.

Securities trading and investments

The Group identified its investments based on the share price, the gain potential and the future prospect of the investments.

As at 30 June 2025, the Group's securities trading portfolio comprised equity securities of seven companies listed on the Stock Exchange. As at 31 December 2025, the Group's securities trading portfolio comprised equity securities of five companies listed on the Stock Exchange (i.e. the Sale Securities). Operating profit from the securities trading and investment segment amounted to approximately HK\$73,601,000 during the six months ended 30 June 2025 (six months ended 30 June 2024: operating loss of approximately HK\$161,000) due to appreciation of values of the Group's equity securities.

Set out below are certain key consolidated financial information of the Group as at 31 December 2024 and 30 June 2025 as extracted from the consolidated statement of financial position set out in the 2025 Interim Report.

	As at 30 June 2025	As at 31 December 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(audited)
Cash and bank balances	57,144	99,275
Current assets	430,801	495,388
Net current assets	13,393	59,111
Total assets	1,723,384	1,667,533
Current liabilities	417,408	436,277
Total liabilities	830,749	819,503
Net assets (equity)	892,635	848,030

The Group's cash and bank balances amounted to approximately HK\$57.1 million as at 30 June 2025, representing a decrease of approximately HK\$42.2 million or 42.5%, as compared to that of approximately HK\$99.3 million as at 31 December 2024, mainly attributable to additions to investment property, repayment of bank borrowings and repayment of bond payable during the six months ended 30 June 2025. The Group recorded net current assets of approximately HK\$13.4 million as at 30 June 2025, representing a decrease of approximately HK\$45.7 million or 77.3% from the net current assets of approximately HK\$59.1 million as at 31 December 2024.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Such decrease was mainly attributable to the (i) the decrease in loan and interest receivables of approximately HK\$33.8 million; (ii) the decrease in cash and bank balances of approximately HK\$42.2 million; (iii) the decrease in amount due from a director of approximately HK\$64.6 million; and (iv) the increase in trade payables, accruals and other payables of approximately HK\$47.6 million, and partially offset by (i) the increase in financial assets at fair value through profit and loss of approximately HK\$29.1 million; (ii) the increase in investment in corporate bond of approximately HK\$8.7 million; (iii) the increase in trade and other receivables of approximately HK\$38.1 million; (iv) the decrease in bank borrowings of approximately HK\$35.1 million; (v) the decrease in promissory note (current portion) of approximately HK\$13.7 million; and (vi) the decrease in bond payable of approximately HK\$21.6 million.

The Group's total liabilities increased by approximately HK\$11.2 million or 1.4%, from approximately HK\$819.5 million as at 31 December 2024 to approximately HK\$830.7 million as at 30 June 2025. Such increase was mainly attributable to the aforementioned factors related to the increase in current liabilities and an increase in promissory note (non-current portion) of approximately HK\$15.8 million.

The Group's net assets (equity) increased by approximately HK\$44.6 million or 5.3% from approximately HK\$848.0 million as at 31 December 2024 to approximately HK\$892.6 million as at 30 June 2025.

2. Information on the Purchaser

Mr. Lai being the Purchaser is an executive Director of the Company. As at the Latest Practicable Date, the Purchaser and his controlled corporation (China Clean Energy Technology Limited) are interested in 50,316,589 Shares, representing approximately 16.69% of the issued share capital of the Company. Accordingly, the Purchaser is a connected person of the Company as defined under the Listing Rules.

3. The Disposal

3.1 *The Agreement*

A summary of the principal terms of the Agreement as extracted from the Board Letter is set out below:

- Date:** 16 January 2026 (after trading hours)
- Parties:** (1) the Company as the Vendor
- (2) Mr. Lai as the Purchaser

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Assets to be assigned and transferred

Pursuant to the Agreement, the Company has agreed to transfer the Sale Securities and to assign the Loan Receivables to the Purchaser pursuant to the terms of the Agreement. The Purchaser shall have the right to nominate designated corporation to take up the Sale Securities and/or the Loan Receivables.

The Sale Securities comprise of listed securities listed on the Stock Exchange and are held by a wholly-owned subsidiary of the Company, Golden Horse. The Group holds the Sale Securities as investments. Details of the Sale Securities are set out below:

Golden Horse	Number of shares held by the Group <i>HK\$</i>	Closing price	Market value	Closing price	Market value	Accounting classification
		as at the date of the Agreement <i>HK\$</i>	based on the closing price as at the date of the Agreement	as at 31 December 2025 <i>HK\$</i>	based on the closing price as at 31 December 2025 <i>HK\$</i>	
CMBC Capital (stock code: 1141)	7,890,000	0.92	7,258,800	0.690	5,444,100	FVTOCI
HG Semi (stock code: 6908)	390,000	0.51	198,900	0.460	179,400	FVTPL
Conant Optical (stock code: 2276)	1,020,000	60.4	61,608,000	54.000	55,080,000	FVTPL
LX Technology (stock code: 2436)	540,000	14.5	7,830,000	4.550	2,457,000	FVTPL
Fenbi (stock code: 2469)	240,000	2.22	532,800	2.050	492,000	FVTPL
			<u>77,428,500</u>		<u>63,652,500</u>	

Notes:

FVTOCI: Financial Assets at Fair Value Through Other Comprehensive Income

FVTPL: Financial Assets at Fair Value Through Profit and Loss

Those Sale Securities were not acquired by the Group within 12 months prior to the date of the Agreement. Save for the Sale Securities, the Group does not hold any other listed securities as at the date of the Agreement.

The Group acquired the relevant shares of CMBC Capital in 2017 and such investment in CMBC Capital was classified as long term investment (FVTOCI) at initial recognition. Due to the recent volatility of the stock market, the Group

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

would like to realize and dispose its investment in CMBC Capital together with other Sale Securities and to reallocate the resources towards other business opportunities.

The Loan Receivables comprise loan receivables owed by three borrowers, who are Independent Third Parties, to Globally Finance, a wholly-owned subsidiary of the Company. The Loan Receivables have been overdue and not fully settled by the borrowers as at the Latest Practicable Date. As at the date of the Agreement, such Loan Receivables amount to approximately HK\$41,749,977. Set out below are the details of the Loan Receivables.

Lender	Borrower	Interest rate	Outstanding sums as at the date of the Agreement HK\$
Globally Finance	Borrower A	5% per annum	17,057,665
Globally Finance	Borrower B	6% per annum	8,555,185
Globally Finance (note)	Borrower C	7.7% per annum	16,137,127
			<hr/>
			41,749,977
			<hr/> <hr/>

Note: The outstanding sum owed by Borrower C to Globally Finance as at the date of the Agreement does not include the expected credit loss.

To the best of the Company's knowledge and information, each of the Borrowers is independent of and not connected to each other. The sums shown above include the outstanding principal amounts and interest owed by the Borrowers to Globally Finance.

Details of the Loan Receivables are set out below:

(A) Loan granted to Borrower A

Date of loan granted: 21 December 2020

Parties: (1) Globally Finance as lender
(2) Borrower A as borrower

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Borrower A is an individual. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Borrower A is an Independent Third Party.

Original Loan Sum: HK\$25,000,000

Interest rate: 5% per annum

Original Maturity Date: 21 December 2023

Collateral: Pledge of properties in the Mainland China valued at HK\$19.0 million as at 31 December 2024 as appraised by an independent valuer

Steps taken by the Group: The Company sent formal reminders for the overdue sums together with formal demand letter requesting full repayment of the outstanding debt. In the meantime, since early 2025 the Group has commenced negotiations on the disposal of the collateralised properties to recover the outstanding loan sum. As the pledged properties are in the Mainland China, there was preliminary discussions and assessment with PRC legal counsel on how to exercise the collateral and the costs associated in exercising the collaterals in the PRC. It is understood that the whole process can be time consuming and could involve court procedures. As such, the Company considers that the assignment of the Loan Receivables under the Agreement as a more efficient way to recover the outstanding sums instead of enforcing the collateralised properties.

(B) Loan granted to Borrower B

Date of loan granted: 21 December 2020

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- Parties:**
- (1) Globally Finance as lender
 - (2) Borrower B as borrower

Borrower B is an individual. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Borrower B is an Independent Third Party.

Original Loan Sum: HK\$28,300,000

Interest rate: 6% per annum

Original Maturity Date: 21 December 2023

Collateral: Pledge of properties in the Mainland China valued at HK\$16.1 million as at 31 December 2024 as appraised by an independent valuer

Steps taken by the Group: The Company sent formal reminders for the overdue sums together with formal demand letter requesting full repayment of the outstanding debt. In the meantime, since early 2025 the Group has commenced negotiations on the disposal of the collateralised properties to recover the outstanding loan sum. As the pledged properties are in the Mainland China, there was preliminary discussions and assessment with PRC legal counsel on how to exercise the collateral and the costs associated in exercising the collaterals in the PRC. It is understood that the whole process can be time consuming and could involve court procedures. As such, the Company considers that the assignment of the Loan Receivables under the Agreement as a more efficient way to recover the outstanding sums instead of enforcing the collateralised properties.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(C) Loan granted to Borrower C

Date of loan granted: 17 October 2022

Parties: (1) Globally Finance as lender
(2) Borrower C as borrower

Borrower C is an individual. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Borrower C is an Independent Third Party.

Original Loan Sum: HK\$15,000,000

Interest rate: 7.7% per annum

Original Maturity Date: 16 October 2025

Collateral: The loan is unsecured

Steps taken by the Group: The Company sent formal reminders for the overdue sums together with formal demand letter requesting full repayment of the outstanding debt.

All those Loan Receivables are classified as "Loan and Interests Receivables" in the financial statements of the Group.

Apart from the Loan Receivables, there is one loan granted by the Group to a corporate borrower. This other loan receivable of the Group was not part of the transaction under the Agreement as this loan receivables was due from corporate borrower and the Purchaser is not interested in acquiring such loan receivable. Moreover, it is noted that this corporate borrower was undergoing under winding-up procedure and the outstanding balance due from that corporate borrower has been fully impaired in the financial year ended 31 December 2023. The Group has no other loan receivables portfolio save as disclosed above.

Consideration

The aggregate Consideration for the transfer and assignment of the Sale Securities and the Loan Receivables shall be HK\$119,178,477 (as to HK\$77,428,500 for the Sale Securities and as to HK\$41,749,977 for the Loan Receivables), which shall be satisfied by the Purchaser and paid by the Purchaser

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

to the Vendor in the following manner (or in such other manner as the parties hereto may agree in writing) at Completion:

- (a) as to HK\$80,720,000 shall be payable by the Purchaser by procuring Rejoice to waive and set off the Rejoice Outstanding Indebtedness on a dollar-to-dollar basis upon Completion;
- (b) as to HK\$22,222,222 shall be payable by the Purchaser by way of waiver and set off the Lai Outstanding Indebtedness on a dollar-to-dollar basis upon Completion; and
- (c) as to the remaining balance, upon Completion, the Net Payable by Mr. Lai to the Company shall therefore be HK\$16,236,255 and Mr. Lai shall pay the Net Payable to the Company and/or its designated party(ies) within one year following the Completion.

On 27 October 2025, the Rejoice Loan Agreement entered into between Rejoice, a company wholly owned by Mr. Lai, as lender and the Company as borrower, Rejoice granted a loan facility in the amount of up to HK\$200,000,000 to the Company. Interest on the loan under the Rejoice Loan Agreement shall accrue at the rate equal to the Hong Kong Dollar Best Lending Rate as announced by the Hong Kong and Shanghai Banking Corporation Limited from time to time minus 1% per annum, payable in arrears from the drawdown date and payable in full on repayment date which is the date falling on the third anniversary of the drawdown date. The proceeds from the Rejoice Loan Agreement were to repay the borrowings of the Group and use for general working capital of the Group. As at the date of the Agreement, the Rejoice Outstanding Indebtedness amounts to approximately HK\$80,720,000. The repayment date of the Rejoice Outstanding Indebtedness is the date falling on the third anniversary of the drawdown date of Rejoice Outstanding Indebtedness. The Rejoice Outstanding Indebtedness was drawn down on 27 October 2025 and the maturity date is 26 October 2028. No repayment to the Rejoice Indebtedness has been made by the Group since the drawing. The Rejoice Outstanding Indebtedness is unsecured.

On 1 February 2024, pursuant to the Lai Loan Agreement entered into between Mr. Lai as lender and the Subsidiary (深圳栢億實業投資有限公司 (Shenzhen Baiyi Enterprise Investment Company Limited*)) as borrower, Mr. Lai granted a loan in the amount of RMB20,000,000 to the Subsidiary for a term of three years from 1 February 2024 to 31 January 2027. As at the date of the Agreement, the loan is non-interest bearing and unsecured and the Lai Outstanding Indebtedness amounts to RMB20,000,000 (equivalent to HK\$22,222,222). The proceeds under the Lai Loan Agreement have been used for general working capital for the hotel and ancillary operations of the Group.

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It is further noted that the Net Payables shall be settled by Mr. Lai within one year from the date of Completion under the Agreement. The one-year deferred settlement arrangement was arrived at by the parties after arm's length negotiations that aimed to find a mutually beneficial solution to both parties. The one-year deferred settlement of partial consideration was arrived at after arm's length negotiations and having taken into account of the following factors:

- (1) significant portion of the aggregate consideration of approximately HK\$102,942,222 would have been settled at the time upon Completion and the Net Payable represents less than 15% of the aggregate consideration;
- (2) in respect of the Loan Receivables to be assigned under the Agreement, it is noted that such Loan Receivables had been overdue and not fully settled by the borrowers;
- (3) in light of the background and financial resources of the Purchaser, the risk that the Purchaser would not be able to settle the Net Payable in time is remote;
- (4) the consideration for the Sale Securities was set at the then market prices of the Sale Securities as at the time of the entering into of the Agreement, and it is noted that the aggregate value of the Sale Securities based on the market prices has surged from approximately HK\$60.5 million as at 1 December 2025 to HK\$77.4 million as at the date of the Agreement; and
- (5) a gain on the sale of the Sale Securities and a reversal of expected credit loss from assigning of the Loan Receivables will be recorded.

Mr. Lai has strong financial background and resources and can fulfill his obligations. The one-year deferred settlement arrangement should be considered with the other factors in the transaction such as the fact that significant portion of the consideration would have been settled at the time of completion as well as the assignment of the Loan Receivables without discount. Given that the Net Payable represents a minor portion of the entire consideration, the Company considers that the deferred settlement of the Net Payable is reasonable and acceptable.

The Company undertook comprehensive assessment to reach the conclusion that the default risk on the part of Mr. Lai in settling the Net Payable is remote. The Company reviewed the financial background and resources held by the Purchaser, including his shareholdings in the Company and other listed corporations and also his own real property, as well as his credit history. After such evaluations and analysis, the Company considers that the Purchaser will

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have the capacity to meet his payment obligation regarding the Net Payable and the default risk is remote.

Deferred payment of the Net Payable is not uncommon amongst transactions for listed issuers, in particular when after relevant risk assessment by the Company that the Purchaser has more than sufficient financial resources to settle the Net Payable. On best effort basis, we conducted a public search on payment terms for disposal of assets by Hong Kong listed issuers by way of key words search using “Hong Kong Stock Exchange”, “disposal”, “deferred payment” and “deferred consideration”. We have identified 3 disposal transactions which involves deferred payment of consideration (i.e. Hong Kong listed issuers will receive the consideration later than the completion date, and the payment terms of the considerations are as follows:

	Company name (Stock Code)	Type of transaction	Payment terms of the disposal transactions	Safeguard(s)
Case 1	Stelux Holdings International Limited (84.hk)	Very substantial disposal of subsidiary	One-third of the consideration: prior to and upon completion One-twelfth of the consideration: first anniversary of completion date One-twelfth of the consideration: second anniversary of completion date One-twelfth of the consideration: third anniversary of completion date One-twelfth of the consideration: fourth anniversary of completion date One-third of the consideration: fifth anniversary of completion date	Interest payable by the purchaser on the outstanding sum from the date of completion; no asset pledged by the purchaser
Case 2	Freetech Road Recycling Technology (Holdings) Limited (6888.hk)	Very substantial disposal of subsidiary	50% of the consideration: upon signing of sale and purchase agreement 50% of the consideration: within one month of completion	No interest payable or asset pledged by the purchaser
Case 3	Fullshare Holdings Limited (607.hk)	Discloseable transaction regarding disposal of equity interest in a subsidiary	Around 54% of the consideration: upon completion; no asset pledged by the purchaser Around 46% of the consideration: the earlier of: (a) the date that is five (5) years from date of completion; and (b) the date an event of default occurs	Interest payable by the purchaser on the outstanding sum from the date of completion; no asset pledged by the purchaser

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We note from the above chart that (i) the length of deferment ranges from one month to five years; (ii) interest is payable by the purchaser on the outstanding sum from the date of completion only for the disposal cases which involve a length of deferment of up to 5 years; (iii) no interest is payable by the purchaser on the outstanding sum for the disposal case which involves a deferment of only one month; and (iv) no asset is pledged by the purchaser in all the above disposal transactions. Deferred payment of the Net Payable of one year is within the range of the abovementioned length of deferment and is considered reasonable. In addition, although no interest is payable by the Purchaser in regard to the Deferred payment of the Net Payables, hypothetically, assuming an annual interest rate 5% (i.e. the HSBC's current Hong Kong Dollar Best Lending Rate), the one year deferment of Net Payable will create an opportunity cost of merely HK\$811,813, which is immaterial to the Group. On the other hand, the above disposal cases are for reference only, as the Disposal involves disposal of, among others, the Group's bad debts without any hair-cut (please refer to section 3.3.2 of this letter regarding Reference Bad and Doubtful Debt Cases and Receivable Factoring Article) but not revenue generating assets/business. Since the Disposal involves settlement by the Purchaser on a dollar-to-dollar basis without any hair-cut, we consider that the absence of interest payable and asset pledged by the Purchaser is reasonable. Under the Agreement, the Company shall have the right to claim against Mr. Lai in the unlikely event if Mr. Lai could not settle the Net Payable in time. Given that the Net Payable only comprises of a relevant small portion of the total consideration and Mr. Lai has sufficient financial resources to settle the Net Payable, the Company considers that terms of the Agreement will give enough protection to the Group in respect of the deferred payment of the Net Payable. Having conducted relevant risk assessment including but not limited to the resources of Mr. Lai as well as his credibility and having taken into account of the terms of the Disposal as a whole, the Company considers that deferred settlement of the Net Payable for one year from Completion is on normal commercial terms agreed between the parties after arm's length negotiations.

The Consideration for the Disposal was determined with reference to the market prices of the Sale Securities and the outstanding amounts of the Loan Receivables and arrived at after arm's length negotiations between the relevant parties to the Agreement. The Directors consider the terms of the Disposal (including but not limited to the Consideration) to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

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Conditions Precedent

The Agreement and the transactions contemplated thereunder are conditional upon the fulfillment of the following conditions:

- (a) the passing by the Independent Shareholders at the EGM to be convened and held of the necessary resolutions to approve the Agreement and the transactions contemplated thereunder;
- (b) each of the warranties given by the Company and the Purchaser being true and accurate and not misleading in all respects; and
- (c) all necessary consents and approvals required to be obtained on the part of the Company and the Purchaser in respect of the Agreement and the transactions contemplated thereby having been obtained.

As at the Latest Practicable Date, none of the conditions have been satisfied.

If the conditions have not been satisfied on or before 30 June 2026, or such other date as the Purchaser and the Company may agree, the Agreement shall cease and terminate and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Completion

Completion is expected to take place within ten business days after the fulfillment of the conditions precedent of the Agreement (or such other date as the parties to the Agreement may agree in writing).

Upon Completion, the Group will cease to have interests in the Sale Securities and the Loan Receivables.

3.2 Reasons for the Disposal and use of proceeds

As stated in the Board Letter, the Group acquired the Sale Securities for investment purpose. It is noted that the trading prices of Sale Securities have been volatile during the past few years. As a result of the Disposal and based on the fair value of the Sale Securities as of 31 December 2025, it is expected that a gain from the disposal of the Sale Securities of approximately HK\$13,776,000 (excluding stamp duty and related transaction expenses) will be recognized in the financial statements of the Group, which is calculated on the basis of the difference between the fair value as of 31 December 2025, which amounts to approximately HK\$63.65 million, and the disposal price of the Sale Securities of approximately HK\$77,428,500.

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As the Loan Receivables have been overdue, the Group considers that the Disposal will represent an efficient way to realize the Loan Receivables without incurring significant costs and resources to recover the Loan Receivables itself. As a result of the Disposal, it is expected that there will be a reversal of the expected credit loss of HK\$5,663,543 from the assignment of the Loan Receivables as the Loan Receivables are assigned. The expected credit loss for Borrower C was recorded in the books of the Group under general approach which credit risk has increased significantly after the initial recognition. There was no expected credit loss/impairment for loan advanced to Borrower A and Borrower B as the collateralized value exceeds the outstanding sums.

Upon Completion, it is contemplated that both the assets and the liabilities of the Group will be reduced accordingly. It is contemplated that the assets of the Group will be reduced by the fair values of the Sale Securities and the book value of the Loan Receivables as a result of the Disposal, whilst the liabilities of the Group will be reduced by the same amounts of the Rejoice Outstanding Indebtedness and the Lai Outstanding Indebtedness. The aforementioned gain from the disposal of the Sale Securities of approximately HK\$13,776,000 and the reversal of expected credit loss of HK\$5,663,543 from the assignment of the Loan Receivables are expected to positively contribute to the Group's net assets position.

The Company considers that the Disposal represent an opportunity to allow the Group to reallocate the resources. Despite aforesaid, the Group will continue its existing businesses including provision of financing services and securities trading and investment business of the Group, but the Group will carry out such business with prudence and will assess potential investment and opportunities from time to time. The Group will prudently assess business opportunities of its existing businesses including provision of financing services and securities trading and investment business from time to time. Moreover, the set-off against the Lai Outstanding Indebtedness and the Rejoice Outstanding Indebtedness will reduce the liabilities, gearing and the burden for future interest of the Group. The net proceeds from the Disposal of approximately HK\$16 million after the set off of the Lai Outstanding Indebtedness and the Rejoice Outstanding Indebtedness will be used for general working capital and/or repayment of indebtedness of the Group, as to approximately HK\$10 million towards general working capital and as to approximately HK\$6 million towards repayment of indebtedness.

3.3 Our analysis on the Disposal

As mentioned in section 3.1 of this letter, the Company has agreed to transfer (i) the Sale Securities with aggregate market value (the "**Sale Securities Market Value**") of HK\$77,428,500 as at the date of the Agreement; and (ii) the Loan Receivables with aggregate outstanding amounts as at the date of the Agreement of approximately HK\$41,749,977 to the Purchaser under the Disposal. The aggregate Consideration for the transfer and assignment of the Sale Securities and the Loan Receivables shall be HK\$119,178,477 which will be satisfied by the Purchaser (i) as to HK\$80,720,000 by way of procuring Rejoice to waive and set off the Rejoice Outstanding Indebtedness

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on a dollar-to-dollar basis; (ii) as to HK\$22,222,222 shall be payable by the Purchaser by way of waiver and set off the Lai Outstanding Indebtedness on a dollar-to-dollar basis; and (iii) as to HK\$16,236,255 of Net Payables which shall be payable by Mr. Lai to the Company and/or its designated party(ies) within one year following the Completion.

3.3.1 The Sale Securities

Save for the Sale Securities, the Group does not hold any other listed securities as at the date of the Agreement. The Sale Securities represent the Group's entire portfolio of listed securities as at the date of the Agreement and the Latest Practicable Date. Following disposal of the Sale Securities, the Group possesses no listed securities on hand.

As mentioned in section 3.1 of this letter, the Sale Securities comprise of shares in CMBC Capital, HG Semi, Conant Optical, LX Technology and Fenbi which are all listed companies with issued shares of which are listed on the Main Board of the Stock Exchange. The portion of the Consideration attributable to the Sale Securities, i.e. HK\$77,428,500, is equivalent to the Sale Securities Market Value. We note that the portion of Conant Optical's market value (the "**Conant Optical Market Value**") within the portfolio of Sale Securities amounted to approximately HK\$61,608,000 as at the date of the Agreement which represents approximately 79.6% of the Sale Securities Market Value. In addition, we note from the Stock Exchange's website that on the date of the Agreement, Conant Optical's trading volume (the "**Conant Optical Trading Volume**") on the Stock Exchange amounted to 5,041,600 shares. The number of Conant Optical shares of 1,020,000 subject to the Disposal represents approximately 20.2% of the Conant Optical Trading Volume. In view of the above, the disposal of the Conant Optical shares held by Golden Horse would have constituted a block trade and would likely had significant impact on Conant Optical's share price.

In connection with the above, we studied an article titled "Blockage Discount" (<https://corporatefinanceinstitute.com/resources/equities/blockage-discount/>) obtained from the Corporate Finance Institute, a global leader for practical, job-ready finance training and certification, which indicates that blockage discount, i.e. discount on price or value when a large block of shares is sold, can range between 1% to 15% (the "**Reference Blockage Discount**"). We tried to further research into comparable transactions but due to the lack of relevant market data available publicly to us and such rate of discount can be greatly affected by factors such as different listed companies, the size of the block trade, the prevailing market conditions, the prevailing supply and demand of the relevant securities, relative bargaining positions of the buyer and seller, etc., we are unable to identify a conclusive set of comparable transactions. In any event, we are of the view that the application of the Reference Blockage Discount would have been reasonable within the context of the disposal of the Conant Optical shares but note that the Consideration for the Sale Securities (inclusive

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of the Conant Optical shares) is set at a dollar-to-dollar basis which we consider to be favorable to the Company.

In addition, share price of Conant Optical closed at HK\$23.8 and HK\$60.4 on 17 January 2025 and 16 January 2026 (i.e. the date of the Agreement) respectively, representing a growth of approximately 153.8%. In view of the significant fluctuations of the stock market and the gain on disposal of the Sales Securities, we consider that disposal of the Sale Securities aligns with the Group's objective to realize gain from its investment.

3.3.2 The Loan Receivables

As stated in the Board Letter, the Loan Receivables have been overdue and not fully settled by the borrowers as at the Latest Practicable Date. Based on information as obtained from the Management, the relevant loan periods, overdue period and recovery actions taken by the Group in respect of the Loan Receivables are as follows:

Loan Receivable due from	Relationship with the Group	Security	Loan period	Expected credit loss/ impairment made	Overdue period as at the Latest Practicable Date	Recover action(s) taken by the Group before entering into the Agreement
Borrower A	Independent third party	Properties situated in the PRC valued at HK\$19.0 million as at 31 December 2024 as appraised by an independent valuer	21 December 2020 to 20 December 2023	None	Approximately 2 years and 1 month	<ul style="list-style-type: none"> • issue of demand letter by law firm to demand payment on 31 January 2024; • issue of "final notice" by Globally Finance to demand payment on 19 November 2024; and • issue of "final notice" by Globally Finance to demand payment on 6 January 2026 • commenced negotiations since early 2025 and internal discussion on the disposal of the collateralized properties to recover the outstanding loan sum

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Loan Receivable due from	Relationship with the Group	Security	Loan period	Expected credit loss/ impairment made	Overdue period as at the Latest Practicable Date	Recover action(s) taken by the Group before entering into the Agreement
Borrower B	Independent third party	Properties situated in the PRC valued at HK\$16.1 million as at 31 December 2024 as appraised by an independent valuer	21 December 2020 to 20 December 2023	None	Approximately 2 years and 1 month	<ul style="list-style-type: none"> • issue of demand letter by law firm to demand payment on 31 January 2024; • issue of “final notice” by Globally Finance to demand payment on 19 November 2024; and • issue of “final notice” by Globally Finance to demand payment on 6 January 2026 • commenced negotiations since early 2025 and internal discussion on the disposal of the collateralized properties to recover the outstanding loan sum
Borrower C	Independent third party	Unsecured	17 October 2022 to 16 October 2025	Expected credit loss of HK\$5.66 million has been made	Approximately 4 months	<ul style="list-style-type: none"> • issue of “final reminder” by Globally Finance to demand payment on 6 January 2026

Apart from the Loan Receivables, there is one loan granted to a corporate borrower. The other loan receivables of the Group were not part of the transaction under the Agreement as this loan receivables was due from corporate borrowers and the Purchaser is not interested in acquiring such loan receivables. Moreover, it is noted that this corporate borrower was undergoing under winding-up procedure and the outstanding balance due from that corporate borrower has been fully impaired in the financial year ended 31 December 2023.

Regarding Loan Receivables from Borrower A and Borrower B, as the pledged properties are in the Mainland China, we understand that there have been preliminary discussions and assessment with PRC legal counsel on how to exercise the collateral and the costs associated in exercising the collaterals in the PRC. It is understood that the whole process can be time consuming and could involve court procedures. As such, the Company considers, and we concur, that the assignment of the Loan Receivables under the Agreement as a more efficient

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way to recover the outstanding sums instead of enforcing the collateralised properties.

Having considered the above, we consider that Loan Receivables may already constitute bad and doubtful debts and the possibility of full recovery of outstanding amounts by Globally Finance appear to be uncertain. In that connection, we conducted an internet research on cases involving disposal, transfer or assignment of potentially bad and doubtful debts to third parties (either independent or connected) and identified (i) an announcement of Xinkong International Capital Holdings Ltd. (formerly known as Huarong International Financial Holdings Limited, stock code: 993) dated 21 February 2021 where an Outstanding Amount (as defined in the relevant announcement) of HK\$366,836,307.30 had been overdue for payment and such Outstanding Amount was to be disposed of at an approximately 7.5% discount; and (ii) a joint announcement of Chuang's Consortium International Limited (stock code: 367) and Chuang's China Investment Limited (stock code: 298) dated 30 July 2025 where a Debt (as defined in the relevant announcement) in the amount of RMB167.9 million related to a judgement payment that has gone through slow and uncertain recovery process was to be assigned at an approximately 15.3% discount (collectively the "**Reference Bad and Doubtful Debt Cases**"). Seeing cases involving disposal, transfer or assignment of potentially bad and doubtful debts to third parties (either independent or connected) is not a searchable index on the www.hkexnews.hk website, we could only rely on an internet search to identify the Reference Bad and Doubtful Debt Cases on our best effort basis, which represent an exhaustive list of all relevant cases based on our best information, knowledge and belief. In addition to the Reference Bad and Doubtful Debt Cases, we also identified an article (the "**Receivables Factoring Article**") titled "Trade Receivables & Factoring – A Strategic Guide for Businesses" on the website of Allianz Hong Kong (https://www.allianz-trade.com/en_HK/resources/resources-archive/factoring.html), a member of the Allianz Group which is one of the leading integrated financial services providers world-wide, related to the process of factoring trade receivables (that are not yet bad and doubtful) to a factoring company at a discount to receive immediate cash. As per the Receivables Factoring Article, the factoring fee can range from 1% to 10% of such receivables (that are not yet bad and doubtful).

As mentioned in section 3.3 of this letter, the aggregate Consideration for the transfer and assignment of the Sale Securities and the Loan Receivables shall be HK\$119,178,477 which will be satisfied by the Purchaser (i) as to HK\$80,720,000 by way of procuring Rejoice to waive and set off the Rejoice Outstanding Indebtedness on a dollar-to-dollar basis; (ii) as to HK\$22,222,222 shall be payable by the Purchaser by way of waiver and set off the Lai Outstanding Indebtedness on a dollar-to-dollar basis; and (iii) as to HK\$16,236,255 of Net Payables which shall be payable by Mr. Lai to the

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Company and/or its designated party(ies) within one year following the Completion. Having considered the above, we are of the opinion the disposal of the Loan Receivables which may already constitute bad and doubtful debts could have been disposed of at a discount to the outstanding amounts. However, the Consideration implies that the disposal of the Loan Receivables is on a “dollar-to-dollar” basis which when compared to the Reference Bad and Doubtful Debt Cases and the Receivables Factoring Article, appears to be favorable to the Company. While we note that the Net Payable of HK\$16,236,255 shall be payable to the Company and/or its designated party(ies) within one year following Completion and carries nil interest rate, we consider that the nature such arrangement under the Disposal can effectively be interpreted as a “disposal” of the Loan Receivables in the aggregate amount of HK\$41,749,977 (full recoverability of which is currently uncertain) in exchange for the Net Payable of a lesser amount of HK\$16,236,255 due from Mr. Lai, an executive Director and a substantial Shareholder who owes a fiduciary duty to the Company with presumably more certainty as to repayment when the payment of the Net Payable becomes due. In connection with the above, we discussed with the Management and understand that the Management has considered and evaluated Mr. Lai’s credit history. We also enquired with the Management on the Group’s assessment on Mr. Lai’s financial condition, and were advised that Mr. Lai possesses, among others, (i) a residential property in Hong Kong, which is worth over HK\$80 million and is free of mortgage as at the Latest Practicable Date; and (ii) securities listed on the Stock Exchange (including the Company’s shares) which are worth over HK\$60 million in market value as at the Latest Practicable Date. In light of the credit history and financial resources of the Purchaser, we consider that Mr. Lai has a reasonable level of credit worthiness, and concur with the Directors that the risk that the Purchaser would not be able to settle the Net Payable in time is not significant. Deferred payment of the Net Payable is not uncommon as discussed in section 3.1 above, and is part of the commercial terms negotiated by the Company and the Purchaser. Hypothetically, assuming an annual interest rate 5% (i.e. the HSBC’s current Hong Kong Dollar Best Lending Rate), the one year deferment of Net Payable will create an opportunity cost of HK\$811,813 to the Group, which is lower than the amount of reversal of expected credit loss of HK\$5,663,543 from the assignment of the Loan Receivables. In addition, the Group is expected to record a gain from the disposal of the Sale Securities of approximately HK\$13,776,000. Given the credit worthiness of the Purchaser, the benefit over cost of the Disposal in monetary terms and the benefits of the Disposal to the Group, the Company considered, and we concur, that the deferred payment of the Net Payable a normal commercial term.

Despite that 4 remaining borrowers as at 31 December 2025 represent the accounts that become challenging to collect, primarily due to their respective financial and liquidity situations, having considered (i) the Group has strictly adhered and observed the borrower’s application assessment procedure and the

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credit review procedure as discussed in section 1 of this letter; (ii) in response to the economic conditions, as a proactive measure and effective safeguard, the Group had not granted any new loans since 2023 following the Group's internal risk assessment as discussed in section 1 of this letter; and (iii) the Group takes recovery actions on overdue loans in accordance with the Group's credit control and collection policy, we consider that sufficient risk assessment and safeguard are in place. Nevertheless, the Loan Receivables are still at high default risk, and such amounts are not recovered as at the Latest Practicable Date despite numerous recovery actions done by the Group. The above effectively shifts the default risk from the already proven to be unreliable/uncooperative Borrower A, Borrower B and Borrower C to the Purchaser.

3.3.3 Our conclusion as to the Disposal

In view of the above analysis, we consider the terms of the Agreement and the transactions contemplated thereunder (including the Disposal) are on normal commercial terms, fair and reasonable to and in the interest of the Company and the Shareholders as a whole.

4. Financial effects of the Disposal

4.1 Effect on earnings

Based on information obtained from the Management of the Company, the Loan Receivables due from Borrower A, Borrower B and Borrower C carried interest rates of 5% p.a., 6% p.a. and 7.7% p.a. respectively but their respective terms already ended on 20 December 2023, 20 December 2023 and 16 October 2025 so they no longer generate any interest income for the Group since their respective maturity date. On the other hand, while the Lai Outstanding Indebtedness is non-interest bearing, the Rejoice Outstanding Indebtedness due to an associate of the Purchaser carries interest rate of 5% p.a. It is expected that the extinguishment of the Rejoice Outstanding Indebtedness would lessen the interest expenses borne by the Group which is expected to have a positive impact on the Group's overall profitability. And as mentioned in section 3.2 of this letter, the Group is expected to record a gain from the disposal of the Sale Securities of approximately HK\$13,776,000 together with a reversal of expected credit loss of HK\$5,663,543 from the assignment of the Loan Receivables, both of which are expected to positively contribute to the Group's earnings.

4.2 Effect on assets and liabilities

It is expected that upon Completion and without taking into account any possible changes in values, the Group's assets would (i) decrease by the amount of Loan Receivables of HK\$41,749,977; (ii) decrease by the amount of the Sale Securities Market Value of HK\$77,428,500; and (iii) increase by the amount of the Net Payables of HK\$16,236,255. Meanwhile, the Group's liabilities would (i) decrease by the

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amount of the Rejoice Outstanding Indebtedness of HK\$80,720,000; and (ii) decrease by the amount of the Lai Outstanding Indebtedness of HK\$22,222,222. The aforementioned gain from the disposal of the Sale Securities of approximately HK\$13,776,000 and the reversal of expected credit loss of HK\$5,663,543 from the assignment of the Loan Receivables are expected to positively contribute to the Group's net assets position.

It should be noted that the aforementioned analyses are for illustrative purposes only and do not purport to represent how the financial position of the Group will be upon completion of the Disposal.

OPINION AND RECOMMENDATION

Having considered the principal factors and reasons discussed above, we are of the view that the Agreement and the transactions contemplated thereunder (including the Disposal) are, although not in the ordinary and usual course of business, on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Therefore, we would recommend (i) the Independent Board Committee to advise the Independent Shareholders; and (ii) the Independent Shareholders, to vote in favor of the ordinary resolution(s) to approve the Disposal at the EGM.

Yours faithfully,
For and on behalf of
Grand Moore Capital Limited
Kevin So

Managing Director – Investment Banking Department

Note: Mr. Kevin So is a licensed person under the SFO to undertake type 6 regulated activity (advising on corporate finance) and is a responsible officer in respect of Grand Moore Capital Limited's type 6 regulated activity (advising on corporate finance). Mr. So has over 20 years of experience in the corporate finance industry in Hong Kong.

* *For identification purpose only*

1. SUMMARY OF FINANCIAL INFORMATION

Financial information of the Group for each of the three years ended 31 December 2022, 2023 and 2024 respectively and the six months ended 30 June 2025 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.fw-holdings.com):

- annual report of the Company for the year ended 31 December 2022 published on 28 April 2023 (pages 71 to 173):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0428/2023042802272.pdf>
- annual report of the Company for the year ended 31 December 2023 published on 29 April 2024 (pages 66 to 165):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0429/2024042901603.pdf>
- annual report of the Company for the year ended 31 December 2024 published on 25 April 2025 (pages 70 to 185):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0425/2025042501233.pdf>
- interim report of the Company for the six months ended 30 June 2025 published on 26 September 2025 (pages 18 to 52):
<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0926/2025092600815.pdf>

2. INDEBTEDNESS

The following table set forth a breakdown of the Group's indebtedness as at 31 January 2026, being the latest practicable date for the purpose of this indebtedness in this circular.

	As at 31 January 2026 <i>HK\$'000</i> (unaudited)
Bank borrowings (<i>Note a</i>)	195,962
Other borrowings (<i>Note b</i>)	337,414
Lease liabilities (<i>Note c</i>)	21,280
Promissory note (<i>Note d</i>)	16,219
Loans from a director (<i>Note e</i>)	160,111
	<hr/>
	730,986
	<hr/> <hr/>

Notes:

- (a) As at 31 January 2026, the bank borrowings are secured by the investment properties and financial assets at fair value through other comprehensive income of the Group with a net carrying amount of approximately HK\$574,000,000 (unaudited) and HK\$10,415,000 (unaudited) respectively, and bear interest at (i) 2.5% per annum below HKD Prime Rate, (ii) 2% per annum over HIBOR (1 month) or 2.5% per annum below HKD Prime Rate, whichever is the lower and (iii) 2.5% per annum over HIBOR (1 week to 1 month) and classified as current liabilities. The bank borrowings are unguaranteed.
- (b) As at 31 January 2026, the other borrowings amounting to RMB300,270,000 (unaudited) (equivalent to approximately HK\$337,414,000 (unaudited)) which are unsecured and bear fixed interest rate ranging from 3.95% to 4% per annum are loans from directors of subsidiaries of the Group of RMB87,073,000 (unaudited) (equivalent to approximately HK\$97,844,000 (unaudited)) and certain individual third parties of RMB213,197,000 (unaudited) (equivalent to approximately HK\$239,570,000 (unaudited)). The other borrowings are unsecured and unguaranteed.

The net carrying amount of approximately HK\$337,414,000 (unaudited) as at 31 January 2026, of which approximately of HK\$17,298,000 (unaudited) was classified as current liabilities and approximately HK\$320,116,000 (unaudited) was classified as non-current liabilities.

- (c) The Group entered into several lease agreements for leasing of office, hotel, and shopping centre premises located in Hong Kong and the PRC, which are recognised right-of-use assets and lease liabilities for these leases. Such lease liabilities amounted to approximately HK\$21,280,000 (unaudited) as at 31 January 2026, which were classified as to approximately HK\$2,714,000 (unaudited) as current liabilities and approximately HK\$18,566,000 (unaudited) as non-current liabilities. The interest rate of the lease liabilities ranging from 1.91% to 14.87% per annum. Such liabilities are unsecured and unguaranteed.
- (d) The Group issued a promissory note with principal of HK\$15,778,000 (unaudited) which will be matured on 31 March 2028 and bears a fixed interest at 5% per annum starting from 1 April 2026 and payable annually in arrears. The effective interest rate is 3.33%. The net carrying amount of approximately HK\$16,219,000 (unaudited) as at 31 January 2026 was classified as non-current liabilities. The promissory note is unsecured and unguaranteed.
- (e) As at 31 January 2026, part of the loans from a director which are interest free and unsecured amounting to approximately HK\$79,259,000 (unaudited) which were classified as to approximately HK\$22,474,000 (unaudited) as current liabilities and approximately HK\$56,785,000 (unaudited) as non-current liabilities.

The remaining part of the loans from a director amounting to approximately HK\$80,852,000 (unaudited) which was carrying interest rate at Hong Kong Dollar Best Lending Rate as announced by the Hongkong and Shanghai Banking Corporation Limited from time to time minus 1% per annum from 27 October 2025 and payable in full on 26 October 2028 and classified as non-current liabilities.

All loans from a director are unsecured and unguaranteed.

Save as aforesaid and apart from intra-group liabilities and normal trade payables and other payables and accruals in the ordinary course of business, at the close of business on 31 January 2026, the Group did not have any debt securities issued and outstanding or agreed to be issued but unissued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade payables) or acceptance credits, debentures, mortgages, charges, finance lease, hire purchases commitments, guarantees or material contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that taking into account the existing banking and other borrowing facilities available and the existing cash and bank balances, the Group has sufficient

working capital for its present requirements, that is for at least the next 12 months from the date of publication of this circular.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, so far as was known to the Directors, there are no material adverse change in the financial or trading position of the Group as at 31 December 2024, the date to which the latest published audited financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECT

Following the commencement of two hotel operations managed by Shanxi Ronghuitong Hotel Management Co., Ltd.* (山西融匯通酒店管理有限公司) (“**SR Hotel Management**”) and Shanxi Ronghuitong Junting Hotel Co., Ltd.* (山西融匯通君亭酒店有限公司) (“**SR Junting**”), which are subsidiaries of the Group, the Group has significantly expanded its footprint in the hospitality sector in Shanxi. This strategic move has enhanced operational capabilities and diversified ancillary service offerings. The Directors are of the view that Shanxi is experiencing a steady rise in domestic tourism, supported by infrastructure enhancements and cultural heritage promotion. As such, the occupancy rates in second-tier cities are expected to improve, driven by increased leisure travel and regional business activities.

For the property investment, property management, and agency services segment, the Group extended its investment portfolio across several key regions in the PRC, including Shenzhen, Zhuhai, Shanxi, Hainan, Zhejiang, and Shanghai through its acquisitions of several subsidiaries such as Aspire Holding, showing the Group’s commitment to identifying high-potential assets and capitalising on opportunities to expand and refine its property investment portfolio. The Group shall continue to actively explore opportunities to provide consistent rental income and achieve capital appreciation to enhance Shareholders’ interests.

The outlook for China’s property market is cautiously optimistic. While first and second-tier cities are showing signs of recovery, particularly in residential demand, nationwide rental yields remain under pressure due to oversupply and cost containment strategies. However, government stimulus and easing monetary policies are expected to support the property sectors potentially attracting renewed investor interest.

In Hong Kong, the property market is rebounding amid global headwinds. Luxury residential prices are stabilising following a period of distressed sales, and the leasing market remains competitive. These trends suggest a favorable environment for strategic asset acquisitions and portfolio optimisation.

Furthermore, the Board believes that the acquisition of Excelerate Holding Limited, which holds the entire equity interests of EFM, a company licensed to carry out Type 9 (Asset Management) regulated activity under the SFO, in 2025 shall create synergies with the Group’s existing securities and financial services operations. This integration is expected to accelerate

the Group's evolution into a comprehensive financial services provider in Hong Kong, enhancing service offerings and operational efficiency.

Looking ahead, the Group is committed to diversifying its revenue sources to deliver sustainable long-term value for its Shareholders. With active investments across hospitality, property, and financial services, the Group is well-positioned to navigate market fluctuations and capitalise on emerging opportunities. The Group aims to maintain sustainable growth and achieve consistent returns in an evolving economic landscape.

6. MATERIAL ACQUISITIONS AFTER THE DATE OF THE LATEST PUBLISHED AUDITED ACCOUNTS OF THE GROUP

On 28 January 2025, the Group completed the acquisition of the entire equity interests of Excelerate Holding Limited (the "**Excelerate Holding Acquisition**"), which holds the entire equity interests of Excelerate Fund Management Limited (the "**EFM**"). The consideration of acquisition was HK\$2,850,005 (after the adjustment), which had been satisfied by the Company upon the completion (i) as to HK\$1,850,005 by cheque to the vendor; and (ii) HK\$1,000,000 by the allotment and issue of 1,428,600 new Shares at the issue price of HK\$0.7 per new Share by the Company to the vendor (or his nominee). EFM is a company licensed to carry on Type 9 (Asset Management) regulated activity under the SFO.

On 27 February 2025, the Company entered into the sales and purchase agreement with an independent vendor (the "**Aspire Vendor**"), pursuant to which the Company has conditionally agreed to acquire and take assignment of, and the Aspire Vendor has conditionally agreed to sell and assign, the entire equity interest in Aspire Holding Limited, which is principally engaged in investment holdings and its subsidiary is principally engaged in property investment and the shareholder's loan at considerations of HK\$1,142,000 and HK\$26,596,000, respectively. The acquisition completed on 1 April 2025.

On 30 June 2025, Future Group Investment Holdings Limited, a wholly-owned subsidiary of the Company acquired from Mr. Lai the property located at Flat B, 28th Floor, Broadview Villa, No. 20 Broadwood Road, Hong Kong with consideration of HK\$88,000,000. On the same date, the Company as the assignor and Mr. Lai as the assignee, pursuant to the deed of assignment, the Company completed the assignment of certain receivables at a consideration of approximately HK\$23,391,000. The consideration of approximately HK\$23,391,000 for this assignment, together with the amount due from a director, Mr. Lai as at 31 December 2024 of approximately HK\$65,746,000, shall be offset against the consideration for the acquisition of the property of HK\$88,000,000, resulting in the net amount due from Mr. Lai to the Group of approximately HK\$1,137,000. Property investment is the one of the principal businesses of the Group and acquiring such property from Mr. Lai was for investment in nature and looking for income and capital appreciation. Please refer to the circular of the Company dated 25 February 2025 for further details.

Save as disclosed above, since 31 December 2024 (the date to which the latest published audited accounts of the Company have been made up), no member of the Group has acquired or

agreed to be acquired or is proposing to acquire a business or an interest in the share capital of a company whose profits or assets make or will make a material contribution to the figures in the auditors' report or next published accounts of the Company.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility for the information contained herein, includes particulars given in compliance with the Listing Rules for the purpose of giving information relating to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular 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 circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors and chief executives of the Company

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executives of the Company or their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) 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 they have taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) have to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) to be notified to the Company and the Stock Exchange, were as follows:

Long position in Shares and underlying shares of the Company

Name of Director	Nature of interests	Interest in Shares	Total interest	Approximate percentage of issued Shares
Lai Long Wai (<i>Note</i>)	Interest of controlled corporation	50,316,589	50,316,589	16.69%
Yu Qingrui	Beneficial owner	133,511	133,511	0.04%

Note: These shares are held by China Clean Energy Technology Limited, which is wholly owned by Mr. Lai Long Wai, an executive Director.

Save as disclosed above, so far as the Directors were aware, as at the Latest Practicable Date, none of the Directors or chief executives of the Company or their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) 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 they have taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) have to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Interests of substantial Shareholders

As far as was known to any Director or chief executive of the Company, as at the Latest Practicable Date, the persons or companies (not being a Director or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under Section 336 of the SFO were as follows:

Long position in Shares

Name of Shareholders	Nature of interests	Interest in Shares	Approximate percentage of issued Shares
China Clean Energy Technology Limited (<i>Note</i>)	Beneficial owner	50,316,589	16.69%
Tan Jinkang	Beneficial owner	22,440,000	7.44%
Yip Chun Tat	Beneficial owner	21,960,000	7.28%
Liu Minzhong	Beneficial owner	21,320,000	7.07%
Yang XuanZi	Beneficial owner	20,880,000	6.93%
Fang Wen Wen	Beneficial owner	19,143,000	6.35%
Chu Yuk Shun Joseph	Beneficial owner	44,888,310	14.89%
Sin Lik Man	Beneficial owner	23,000,000	7.63%

Note: Mr. Lai Long Wai is the sole shareholder and sole director of China Clean Energy Technology Limited. Mr. Lai is deemed to have interests in the Shares held by China Clean Energy Technology Limited.

Save as disclosed above, so far as the Directors were aware, as at the Latest Practicable Date, there were no other persons who have an interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. LITIGATION

As at the Latest Practicable Date, as far as the Directors are aware, neither the Company nor any member of the Group was engaged in any litigation or arbitration or claim of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against the Company or any member of the Group.

4. DIRECTORS' SERVICE CONTRACTS

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

5. COMPETING INTERESTS

As at the Latest Practicable Date, Mr. Yu Qingrui is a director of Smart Fish Wealthlink Holdings Limited (“**Smart Fish**”), the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 139), whose principal activities are securities and futures dealing business, financial investment, property investments and money lending business. The Company and Smart Fish are separate listing entities run by separate and independent management. Mr. Yu Qingrui cannot personally control the Board and is fully aware of, and has been discharging, his fiduciary duty to the Company and has acted and will continue to act in the best interest of the Company and its shareholders as a whole. Therefore, the Group is capable of carrying on its businesses independently of, and at arm's length from, Smart Fish.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any business or interest that competes or may compete with the business of the Group and had any other conflict of interest with the Group.

6. EXPERT'S QUALIFICATION AND CONSENT

The following is the qualification of the expert who has given its opinion or advice which is contained in the circular:

Name	Qualification
Grand Moore Capital Limited	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

Grand Moore Capital Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its reports and reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, Grand Moore Capital Limited did not have any shareholding in any member of the Group or the 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, Grand Moore Capital Limited did not have any direct or indirect interests in any assets which have been acquired or disposed of by or leased to, any member of the Group, or which are proposed to be acquired or disposed of by or leased to, any member of the Group.

7. DIRECTORS' INTEREST IN ASSETS, CONTRACTS AND ARRANGEMENT OF THE GROUP

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to any business of the Group.

On 30 June 2025, Future Group Investment Holdings Limited, a wholly-owned subsidiary of the Company acquired from Mr. Lai the property located at Flat B, 28th Floor, Broadview Villa, No. 20 Broadwood Road, Hong Kong with consideration of HK\$88,000,000. On the same date, the Company as the assignor and Mr. Lai as the assignee, pursuant to the deed of assignment, the Company completed the assignment of certain receivables at a consideration of approximately HK\$23,391,000. The consideration of approximately HK\$23,391,000 for this assignment, together with the amount due from a director, Mr. Lai as at 31 December 2024 of approximately HK\$65,746,000, shall be offset against the consideration for the acquisition of the property of HK\$88,000,000, resulting in the net amount due from Mr. Lai to the Group of approximately HK\$1,137,000.

As at the Latest Practicable Date, save as disclosed above and the Agreement, 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.

8. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) of the Group have been entered into by the members of the Group during the period commencing two years preceding the Latest Practicable Date and are or may be material:

- (a) the third supplemental loan agreement dated 2 February 2024 and entered into between Globally Finance as lender and Smart Fish Wealthlink Holdings Limited (the “**Smart Fish**”) (formerly known as Central Wealth Group Holdings Limited) as borrower in relation to, among others, the extension of the loan facility granted by Globally Finance to Smart Fish under the original loan agreement dated 7 September 2017 (as supplemented by the supplemental agreements dated 19 September 2017, 25 April 2018, 7 October 2020 and 2 February 2024) and the revision of principal amount thereof from HK\$270,000,000 to HK\$96,852,677.4;
- (b) the sales and purchase agreement dated 18 March 2024 entered into between Shenzhen Baiyi as purchaser and Hao Xiaorun (郝曉潤) as vendor in relation to the acquisition of the entire equity interest in Shanxi Mei Lian Hang Property Management Co., Ltd.* (山西美聯行物業管理有限公司) (“**MLH Property**”) and the assignment of the non-interest bearing and unsecured shareholder’s loan provided by Hao Xiaorun to MLH Property in the carrying amount of RMB32,000,000 as at the date of the sales and purchase agreement at considerations of RMB3,400,000 and RMB32,000,000, respectively;
- (c) the sales and purchase agreement dated 18 March 2024 entered into between MLH Property as purchaser and Cui Zhijun (崔志軍) as vendor in relation to the acquisition of 10% equity interest in Shanghai Zhi Ying Property Management Co., Ltd.* (上海知盈物業管理有限公司) at a consideration of RMB3,900,000;
- (d) the deed of assignment dated 22 March 2024 entered into between Lai Long Wai as assignee and the Company as assignor in relation to the assignment of certain receivables and the share charges at a consideration of HK\$65,745,700;
- (e) the sales and purchase agreement dated 15 April 2024 and entered into between Alpha Idea Holdings Limited as vendor and Lee Sai Cheung Ken (李世章) as purchaser in relation to the disposal of the entire issued share in Topsky Eagle Limited (天鷹有限公司) (“**Topsky Eagle**”) and assignment of the non-interest bearing and unsecured loans provided by the Company and a subsidiary of the Company to Topsky Eagle in the aggregate carrying amount of approximately HK\$41,981,000 at a consideration of HK\$38,000,000, subject to adjustments;
- (f) the acquisition agreement dated 26 June 2024 and entered into between Choi Cheuk Heng Zenith (蔡卓衡) as vendor and the Company as purchaser in relation to the acquisition of the entire issued share capital of Excelebrate Holding Limited (卓思投資控股有限公司) for the consideration of HK\$2,000,000, subject to adjustments;

- (g) the sales and purchase agreement dated 26 June 2024 entered into between the Company as purchaser and Chu Yuk Shun Joseph (朱煜信) as vendor in relation to the acquisition of the entire equity interest in Elite Holdings International Limited (“**Elite Holdings International**”) and the assignment of the non-interest bearing and unsecured loan provided by Mr. Chu Yuk Shun Joseph to Elite Holdings International in the carrying amount of RMB25,000,001 as at the date of the sales and purchase agreement at considerations of RMB1,774,700 and RMB25,000,000, respectively, for a consideration of acquisition at HK\$2,850,005 (after adjustment), which had been satisfied by the Company upon the completion (i) as to HK\$1,850,005 by cheque to the vendor; and (ii) HK\$1,000,000 by the allotment and issue of 1,428,600 new Shares at the issue price of HK\$0.7 per new Share by the Company to the vendor (or his nominee);
- (h) the sales and purchase agreement dated 2 October 2024 entered into between Shenzhen Xingguanghui Property Management Co., Ltd.* (深圳星光輝物業管理有限公司), an indirectly wholly-owned subsidiary of the Company as the purchaser and Cao Yi (曹藝) as the vendor on 2 October 2024 in respect of the acquisition of the entire equity interest in Shenzhen Meilianhang Property Management Co., Ltd.* (深圳美鏈行物業管理有限公司) as the target company at a consideration of RMB15,000,000;
- (i) the conditional provisional agreement dated 23 December 2024 and entered into between Future Group Investment Holdings Limited, a wholly-owned subsidiary of the Company as the Purchaser as the purchaser and Mr. Lai Long Wai as the seller in respect of the transfer of the property located at Flat B, 28th Floor, Broadview Villa, No. 20 Broadwood Road, Hong Kong from Mr. Lai to the purchaser at a consideration of HK\$88,000,000;
- (j) the deed of assignment dated 23 December 2024 entered into between Mr. Lai Long Wai as assignee and the Company as assignor in relation to the assignment of certain receivables at a consideration of HK\$23,391,264;
- (k) the subscription agreement dated 15 January 2025 entered into between the Company as issuer and Mr. Chu Yuk Shun Joseph (朱煜信) as subscriber in relation to the subscription of 23,188,310 subscription shares at the price of HK\$0.6 per subscription share at a consideration of HK\$13,912,986;
- (l) the sales and purchase agreement dated 27 February 2025 entered into between the Company and Mr. Sin Lik Man in respect of the acquisition of the entire equity interest in Aspire Holding Limited and the shareholder’s loan at consideration of HK\$1,142,000 and HK\$26,596,000;
- (m) the loan agreement dated 27 February 2025 and entered into between Globally Finance as lender and Smart Fish as borrower in relation to, among others, the extension of the loan facility originally granted under the supplemental loan agreement dated 2

February 2024 as disclosed in (a) above in the principal HK\$91,983,494.36 at the interest rate of 7% per annum for a term to 31 December 2025 granted by Globally Finance to Smart Fish;

(n) the Agreement.

9. CORPORATE INFORMATION OF THE GROUP

Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head office and principal place of business in Hong Kong	Room 10, 27/F C C Wu Building 302–308 Hennessy Road Wan Chai, Hong Kong
Company secretary	Mr. Chu Kin Ming <i>(fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Chartered Governance Institute and the Chartered Governance Institute)</i>
Principal share registrar and transfer office	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Branch share registrar and transfer office in Hong Kong	Computershare Hong Kong Investor Services Limited 17M Floor Hopewell Centre 183 Queen's Road East Wan Chai, Hong Kong

10. 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.fw-holdings.com) for 14 days from the date of this circular:

- (a) the Agreement;
- (b) the annual reports of the Company for the years ended 31 December 2022, 2023 and 2024;
- (c) the letter from the Independent Board Committee to the Independent Shareholders, the text of which is set out in this circular;
- (d) the letter from the Independent Financial Adviser, the text of which is set out in this circular;
- (e) the written consent from Grand Moore Capital Limited referred to in the paragraph headed “Expert’s Qualification and Consent” in this appendix; and
- (f) this circular.

NOTICE OF EGM



FUTURE WORLD HOLDINGS LIMITED
未來世界控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 572)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**EGM**”) of Future World Holdings Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) will be held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong at 3:00 p.m. on 21 April 2026 for the purpose of considering and, if thought fit, passing the following resolution with or without amendments as ordinary resolution of the Company.

ORDINARY RESOLUTION

“**THAT:**

- (a) the conditional agreement dated 16 January 2026 (the “**Agreement**”) and entered into between the Company as vendor and Mr. Lai Long Wai as purchaser in relation to the transfer of certain listed securities and the assignment of certain loan receivables of the Group (details of the Agreement are set out in the circular of the Company dated 27 March 2026, and a copy of the Agreement is marked “A” and produced to the EGM and signed by the chairman of the EGM for identification purpose) and the transactions contemplated thereunder be and are hereby ratified, confirmed and approved; and
- (b) any one or more director(s) of the Company (each a “**Director**”) be and is/are hereby authorized to implement and take all steps and do all acts and things and execute all such documents (including under seal, where applicable) which he/she/they consider(s) necessary, desirable or expedient to give effect to the Agreement and the transactions contemplated thereunder and to agree with such variation, amendment or waiver as in the opinion of the Directors, in the interests of the Company and its shareholders as a whole.”

By order of the Board
Future World Holdings Limited
Wang Qian
Chairlady

Hong Kong, 27 March 2026

NOTICE OF EGM

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place
of business:*
Room 10, 27/F
C C Wu Building
302–308 Hennessy Road
Wan Chai, Hong Kong

Notes:

1. A member entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, subject to provisions of the Articles, to vote on his/her/its behalf. A proxy needs not be a member of the Company but must be present in person at the EGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. A form of proxy for use at the EGM is enclosed with the circular of the Company dated 27 March 2026. Whether or not you intend to attend the EGM in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the EGM or any adjournment thereof, should he/she/it so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
3. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power of authority must be deposited at the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
4. In the case of joint holders of Shares, any one of such holders may vote at the EGM, either personally or by proxy, in respect of such Shares as if he/she/it was solely entitled thereto, but if more than one such joint holders are present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
5. The register of members of the Company will be closed from 16 April 2026 to 21 April 2026 (both dates inclusive) during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM, all relevant transfer documents accompanied by the relevant Share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on 15 April 2026 for registration.