
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in China Financial International Investments Limited (“Company”), you should at once hand this circular together with the enclosed form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED

中國金融國際投資有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 721)

- (1) PROPOSED SHARE CONSOLIDATION;
(2) SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE;
(3) ISSUANCE OF NON-LISTED WARRANTS UNDER SPECIFIC MANDATE;
(4) CONNECTED TRANSACTIONS ISSUANCE OF
NON-LISTED WARRANTS UNDER SPECIFIC MANDATE
AND
(5) NOTICE OF SPECIAL GENERAL MEETING**

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

Nuada Limited

Capitalised terms used on this cover shall have the same meanings as those defined in the section headed “Definitions” in this circular, unless the context requires otherwise. A letter from the Board is set out on pages 11 to 41 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 42 to 43 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 44 to 73 of this circular.

A notice convening the SGM to be held at 10:00 a.m. on Friday, 29 May 2026 at Suite 2001, 20th Floor, Tower 1, The Gateway, Harbour City, Kowloon, Hong Kong is set out on pages SGM-1 to SGM-6 of this circular.

Whether or not you are able to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s Hong Kong Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the SGM or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or at any adjourned meeting thereof if you so wish and in such event the form of proxy shall be deemed to be revoked.

References to time and dates in this circular are to Hong Kong time and dates.

12 May 2026

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DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Adjustment Event(s)”	the adjustment events to which the Exercise Price is subject to, details of the adjustment mechanism are set out in Appendix II of this circular
“Board”	the board of Directors of the Company
“Business Day”	a day (other than a Saturday, Sunday, public holiday) on which banks are open in Hong Kong for general commercial business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Closing”	the closing of the Share Subscription
“Closing Date”	the date of Closing under the terms of the Share Subscription Agreement
“Company”	China Financial International Investments Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange (stock code: 00721)
“Completion”	the completion of the Warrant Subscriptions and issuance of the Warrant(s) in accordance with the Warrant Subscription Agreements
“Completion Date”	the date of Completion under the terms of the Warrant Subscription Agreements
“connected person(s)”	has the meaning ascribed to this term under the Listing Rules
“Consolidated Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company after the Share Consolidation becomes effective
“Directors”	directors of the Company

DEFINITIONS

“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Exercise Period”	the period of 24 months commencing from the date of issuance of the Warrants
“Exercise Price”	the price per Warrant Share payable in HK\$ on exercise of the Exercise Rights, being initially HK\$0.058 per Existing Share (equivalent to HK\$0.29 per Consolidated Share upon the Share Consolidation becoming effective), and shall be subject to adjustment from time to time in accordance with the instrument of the Warrants
“Exercise Rights”	the rights of the holder of the relevant Warrants to subscribe for a maximum of 2,501,532,559 Existing Shares (equivalent to 500,306,512 Consolidated Shares) at the Exercise Price
“Existing Share(s)”	ordinary share(s) of HK\$0.01 each in the existing share capital of the Company before the Share Consolidation becoming effective
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors, namely Mr. Zong Shijian, Mr. Lu Lin and Mr. Liu Xiaohong, established to advise the Independent Shareholders on the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions contemplated thereunder
“Independent Financial Adviser”	Nuada Limited, a corporation licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO, which is independent of and not connected with the Company and its connected persons, to be appointed and independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders other than the Warrant Subscriber II, the Warrant Subscriber III and their respective associates
“Independent Third Party(ies)”	independent third party(ies), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, who is/are not connected with the Company and its connected persons
“Investment Committee”	the investment committee of the Company
“Issue Price”	the issue price of the Warrants which is in aggregate amount of HK\$0.005 (equivalent to HK\$0.025 upon the Share Consolidation becoming effective)
“Last Trading Day”	11 March 2026, being the last trading day of the Shares on the Stock Exchange before the release of the announcement dated 11 March 2026 as well as the date of the Share Subscription Agreement and the date of each of the Warrant Subscription Agreements
“Latest Practicable Date”	7 May 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular

DEFINITIONS

“Listing Committee”	the listing committee appointed by the Stock Exchange for considering applications for listing and approving the listing of and dealing with securities on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Phancy”	Phancy Group Co., Ltd., a joint stock company established in the PRC with limited liability, the H shares of which are listed on Main Board of the Stock Exchange (stock code: 6682.hk)
“Phancy Group”	Phancy and its subsidiaries
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Professional Investor”	a professional investor within the meaning of section 5 of the Securities and Futures (Professional Investor) Rules (Chapter 571D of the laws of Hong Kong)
“Risk Management Committee Policy”	the Investment Committee and Risk Management Committee Policy currently adopted by the Board for regulating the powers and duties of the Investment Committee and the risk management committee of the Company
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“SGM”	the special general meeting of the Company to be held and convened on Friday, 29 May 2026 to consider and, if thought fit, to approve the Share Consolidation, the Share Subscription Agreement, the Warrant Subscription Agreements and their respective transactions contemplated thereunder (including the grant of the Subscription Specific Mandate and the Warrant Specific Mandates)
“Share(s)”	Existing Share(s) or Consolidated Share(s), as the case may be

DEFINITIONS

“Share Consolidation”	the proposed consolidation of every five (5) issued and unissued Existing Shares in the share capital of the Company into one (1) Consolidated Share in the share capital of the Company
“Share Option(s)”	the option(s) granted or to be granted under the share option scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 15 December 2017
“Share Subscription”	the subscription for the Subscription Shares by the Subscriber pursuant to the Share Subscription Agreement
“Share Subscription Agreement”	the share subscription agreement dated 11 March 2026 (together and as amended by the Share Subscription Supplemental Agreement) and entered into between the Company and the Subscriber in respect of the Share Subscription
“Share Subscription Supplemental Agreement”	the share subscription supplemental agreement dated 7 May 2026 and entered into between the Company and the Subscriber in respect of the amendment of the Share Subscription Agreement
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber” or “Warrant Subscriber I”	Phancy International Limited, a company incorporated in Hong Kong with limited liability, an Independent Third Party
“Subscription Price”	the subscription price of approximately HK\$0.04 per Existing Share (equivalent to HK\$0.20 per Consolidated Share upon the Share Consolidation becoming effective)
“Subscription Shares”	an aggregate of 2,194,326,806 new Existing Shares (equivalent to 438,865,361 new Consolidated Shares) to be subscribed by the Subscriber pursuant to the Share Subscription Agreement
“Subscription Specific Mandate”	the specific mandate required to be granted to the Directors by the Shareholders at a general meeting for allotment and issue of the Subscription Shares

DEFINITIONS

“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC, as amended from time to time
“Trading Day”	a day when the Stock Exchange is open for dealing business
“Warrant(s)”	the 2,501,532,559 unlisted warrant(s) (equivalent to 500,306,512 unlisted adjusted warrant(s) upon the Share Consolidation becoming effective) to be issued by the Company to the Warrant Subscribers pursuant to the Warrant Subscription Agreements, each entitles the Warrantholder to exercise the Exercise Rights on the terms set out in the instrument of the Warrants
“Warrant Share(s)”	Share(s) to be issued upon the exercise of the Exercise Rights attaching to the Warrants
“Warrant Specific Mandates”	the specific mandates required to be granted to the Directors by the Shareholders (or Independent Shareholders, in case for the connected transactions) at a general meeting for allotment and issue of the Warrants and the Warrant Shares
“Warrant Subscriber(s)”	collectively, the Warrant Subscriber I, the Warrant Subscriber II and the Warrant Subscriber III
“Warrant Subscriber II”	Mr. Huang Shiyong, who is a substantial shareholder of the Company
“Warrant Subscriber III”	Mr. Liu Yongxing, a brother-in-law of Warrant Subscriber II
“Warrant Subscription(s)”	collectively, the Warrant Subscription I, the Warrant Subscription II and the Warrant Subscription III
“Warrant Subscription I”	the subscription of the Warrants to be issued by the Company and to be subscribed by the Warrant Subscriber I pursuant to the Warrant Subscription Agreement I
“Warrant Subscription II”	the subscription of the Warrants to be issued by the Company and to be subscribed by the Warrant Subscriber II pursuant to the Warrant Subscription Agreement II

DEFINITIONS

“Warrant Subscription III”	the subscription of the Warrants to be issued by the Company and to be subscribed by the Warrant Subscriber III pursuant to the Warrant Subscription Agreement III
“Warrant Subscription Agreement(s)”	collectively, the Warrant Subscription Agreement I, the Warrant Subscription Agreement II and the Warrant Subscription Agreement III
“Warrant Subscription Agreement I”	the warrant subscription agreement dated 11 March 2026 (together and as amended by the Warrant Subscription Supplemental Agreement I) and entered into between the Company and the Warrant Subscriber I in respect of the Warrant Subscription I
“Warrant Subscription Agreement II”	the warrant subscription agreement dated 11 March 2026 (together and as amended by the Warrant Subscription Supplemental Agreement II) and entered into between the Company and the Warrant Subscriber II in respect of the Warrant Subscription II
“Warrant Subscription Agreement III”	the warrant subscription agreement dated 11 March 2026 (together and as amended by the Warrant Subscription Supplemental Agreement III) and entered into between the Company and the Warrant Subscriber III in respect of the Warrant Subscription III
“Warrant Subscription Supplemental Agreement I”	the warrant subscription supplemental agreement dated 7 May 2026 and entered into between the Company and the Warrant Subscriber I in respect of the amendment of the Warrant Subscription Agreement I
“Warrant Subscription Supplemental Agreement II”	the warrant subscription supplemental agreement dated 7 May 2026 and entered into between the Company and the Warrant Subscriber II in respect of the amendment of the Warrant Subscription Agreement II
“Warrant Subscription Supplemental Agreement III”	the warrant subscription supplemental agreement dated 7 May 2026 and entered into between the Company and the Warrant Subscriber III in respect of the amendment of the Warrant Subscription Agreement III
“Warrantholder”	in relation to any Warrant, the person or persons who is or are for the time being registered in the Register as the holder or joint holders of such Warrant

DEFINITIONS

“Whitewash Waiver”

a waiver by the Executive pursuant to Note 1 on Dispensations from Rule 26 of the Takeovers Code in respect of the obligations on the part of the Warrant Subscriber I to make a mandatory general offer for all the issued Shares and other securities (if any) of the Company, except those already owned or agreed to be acquired by the Warrant Subscriber I and parties acting in concert with it, which would otherwise arise as a result of the exercise of the Warrants held by it

“%”

per cent.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation is set out below. The expected timetable is subject to the results of the SGM and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

Events	Time and Date 2026
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Latest date and time for lodging transfer documents in order to qualify for attending and voting at the SGM.	4:30 p.m. on Friday, 22 May
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Closure of the register of members of the Company (both days inclusive)	Tuesday, 26 May to Friday, 29 May
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Latest date and time for lodging the proxy form for the SGM.	10:00 a.m. on Wednesday, 27 May
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Record date	Friday, 29 May
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Date and time of the SGM.	10:00 a.m. on Friday, 29 May
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Publication of announcement on poll results of the SGM.	Friday, 29 May
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The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation as set out in this circular. Subject to the above, the following timetable, including but not limited to, the effective date of the Share Consolidation, will remain unchanged even if that day is a severe weather trading day.

Effective date of the Share Consolidation.....	Tuesday, 2 June
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First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares	Tuesday, 2 June
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Commencement of dealings in Consolidated Shares.....	9:00 a.m. on Tuesday, 2 June
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Original counter for trading in the Existing Shares in board lots of 10,000 Existing Shares (in the form of existing share certificates) temporarily closes.....	9:00 a.m. on Tuesday, 2 June
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EXPECTED TIMETABLE

Events	Time and Date 2026
Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) opens.	9:00 a.m. on Tuesday, 2 June
Original counter for trading in the Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens.	9:00 a.m. on Tuesday, 16 June
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Tuesday, 16 June
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares	9:00 a.m. on Tuesday, 16 June
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares	4:00 p.m. on Wednesday, 8 July
Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) closes.	4:10 p.m. on Wednesday, 8 July
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) ends	4:10 p.m. on Wednesday, 8 July
Last day and time for free exchange of existing share certificates for new share certificates for the Consolidated Shares.	4:30 p.m. on Friday, 10 July

All times and dates in this circular refer to Hong Kong local times and dates. The expected timetable set out above is indicative only and may be subject to change. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

LETTER FROM THE BOARD



CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED

中國金融國際投資有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 721)

Executive Director:

Mr. Du Lin Dong (*Chief Executive Officer*)

Non-executive Directors:

Mr. Liu Xiaodong (*Chairman*)

Ms. Li Hongxi

Independent non-executive Directors:

Mr. Liu Xiaohong

Mr. Lu Lin

Mr. Zong Shijian

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Place of business in Hong Kong:

Suite 2001, 20th Floor

Tower 1, The Gateway

Harbour City

Kowloon

Hong Kong

12 May 2026

To the Shareholders

Dear Sir or Madam

**(1) PROPOSED SHARE CONSOLIDATION;
(2) SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE;
(3) ISSUANCE OF NON-LISTED WARRANTS UNDER SPECIFIC MANDATE;
(4) CONNECTED TRANSACTIONS ISSUANCE OF
NON-LISTED WARRANTS UNDER SPECIFIC MANDATE
AND
(5) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

References are made to the announcements of the Company dated 11 March 2026 and 7 May 2026 in relation to, among other things, the Share Subscription Agreement, the Share Subscription Supplemental Agreement, the Warrant Subscription Agreements, the Warrant Subscription Supplemental Agreements and the transactions contemplated thereunder. References are also made to the announcements of the Company dated 30 March 2026 and 30 April 2026 in relation to the Share Consolidation.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, (i) further information on the Share Consolidation, (ii) further information on the Share Subscription Agreement, the Warrant Subscription Agreement I, the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions contemplated thereunder; (iii) further information on the Subscription Specific Mandate and the Warrant Specific Mandates; (iv) the notice of the SGM; and (v) other information as required to be disclosed under the Listing Rules, so as to enable the Shareholders to make an informed decision on whether to vote for or against the proposed resolutions at the SGM. For the details of the proposed resolutions at the SGM, please also refer to the notice of the SGM.

(1) PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every five (5) Existing Shares in the issued and unissued share capital of the Company be consolidated into one (1) Consolidated Share.

Effects of Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$300,000,000 divided into 30,000,000,000 Existing Shares of par value of HK\$0.01 each, and there are 10,971,634,030 Existing Shares in issue which are fully paid or credited as fully paid. Assuming no further Shares will be issued from the Latest Practicable Date up to the date of the SGM, upon the Share Consolidation becoming effective, there will be 2,194,326,806 Consolidated Shares in issue which are fully paid or credited as fully paid. The authorised share capital of the Company will remain at HK\$300,000,000 but will be divided into 6,000,000,000 Consolidated Shares of HK\$0.05 each.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other as to all future dividends and distributions which are declared, made or paid. The board lot size for trading on the Stock Exchange will remain unchanged at 10,000 Consolidated Shares. Based on the closing price of HK\$0.058 per Existing Share (equivalent to the theoretical closing price of HK\$0.29 per Consolidated Share upon the Share Consolidation becoming effective) as quoted on the Stock Exchange as at the Latest Practicable Date, the value of each board lot of 10,000 Consolidated Shares, assuming the Share Consolidation had already been effective, would be HK\$580.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Company.

LETTER FROM THE BOARD

Conditions of the Share Consolidation

The implementation of the Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the SGM to approve the Share Consolidation;
- (ii) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iii) the compliance with all relevant procedures and requirements under the applicable laws of Bermuda and the Listing Rules to effect the Share Consolidation.

Subject to the fulfilment of the above conditions, the effective date of the Share Consolidation is expected to be on Tuesday, 2 June 2026, being the second Business Day immediately after the date of the SGM. As at the Latest Practicable Date, none of the conditions above had been fulfilled.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and HKSCC Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

LETTER FROM THE BOARD

Proposed Adjustment to the Existing Share Options

As at the Latest Practicable Date, the Company has outstanding share options entitling the holders thereof to subscribe for a total of 1,000,000,000 Existing Shares. Under the respective terms and conditions of the Share Option Scheme, the Share Consolidation may lead to adjustments to the number of Shares and/or the exercise price subject to the share options so far as unexercised.

Under the conditions of the Share Option Scheme, in the event of any alteration in the capital structure of the Company while any Share Options granted remain exercisable, and such event arises from, among other things, consolidation of the Shares, the Company shall appoint its auditors or an independent financial adviser to certify in writing the adjustment to the existing Share Options including the outstanding number of Share Options and exercise price, and an adjustment as so certified by the calculation agent shall be made.

The expected adjustments to be made in respect of the outstanding Share Options as a result of the Share Consolidation are set out as follows:

Date of Grant	Exercise Period		Exercise price per Existing Share	Immediately before the Share Consolidation becoming effective	Immediately after the Share Consolidation becoming effective	
	From	To		Number of Existing Shares to be issued upon full exercise of the Share Options	Exercise price per Consolidated Share	Number of Consolidated Shares to be issued upon full exercise of the Share Options
28 November 2025	28 November 2026	27 November 2027	HK\$0.0534	1,000,000,000	HK\$0.267	200,000,000

Reasons for the Share Consolidation

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated in September 2024 has further stated that (i) market price of the shares at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules, and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the closing price of an Existing Share of the Company was HK\$0.058, with a board lot size of 10,000 Existing Shares, the existing board lot value was only HK\$580, which was less than HK\$2,000. Since 19 May 2025 and up to the Latest Practicable Date, the highest closing price of HK\$0.094 per Existing Share on 19 August 2025 and the lowest closing price of HK\$0.045 per Existing Share on 20 February 2026.

The Share Consolidation will reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since many banks/securities houses will charge minimum transaction costs for each securities trade. With a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange, the Board believes that investment in the Consolidated Shares would become more attractive to a broader range of investors, thereby improving the liquidity of the Consolidated Shares and further broadening the shareholder base of the Company.

The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group nor result in change in the relative rights of the Shareholders, save for any fractional Consolidated Shares to which Shareholders may otherwise be entitled.

In view of the above reasons, the Company considers the Share Consolidation is justifiable to achieve the above-mentioned purposes notwithstanding the potential costs and impact arising from creation of odd lots to Shareholders. Taking into account the potential benefits and the insignificant amount of costs to be incurred, the Board is of the view that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

Although the Share Consolidation may lead to the creation of odd lots of Shares owned by the Shareholders, the Company will designate an agent to stand in the market to provide matching services for odd lots of Shares for a period of not less than three weeks, which is expected to effectively alleviate the difficulties caused by the creation of odd lots of Shares.

Accordingly, the Board is of the view that the Share Consolidation is beneficial to and in the interest of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, save for the subscription for 2,194,326,806 new Existing Shares (equivalent to 438,865,361 Consolidated Shares), subscription for 500,306,512 Warrants, conferring the holders thereof to subscription for 2,501,532,559 new Existing Shares (equivalent to 500,306,512 Consolidated Shares) and the potential Consolidated Shares to be allotted and issued pursuant to the Minimum Investment contemplated under the Warrant terms, the Company has no concrete plan to carry out other corporate actions which may have an effect of undermining or negating the intended purpose of the Share Consolidation in the next 12 months. While the Company is exploring possible fundraising activities and investment opportunities, no material contract has been

LETTER FROM THE BOARD

entered as at the Latest Practicable Date. The Board cannot rule out the possibility that the Company will conduct debt and/or equity fundraising exercises when suitable fundraising opportunities arise in order to support, among others, working capital requirements and future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

Other Arrangements

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Shareholders who are concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling Existing Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

Arrangement on odd lots trading and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Share Consolidation, the Company has appointed BOCI Securities Limited as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares, during the period from 9:00 a.m. on Tuesday, 16 June 2026 to 4:00 p.m. on Wednesday, 8 July 2026 (both days inclusive). Shareholders who wish to take advantage of this facility should contact Ms. Ruby Mui of BOCI Securities Limited at telephone number: (852) 2718 9373 during office hours (i.e. 9:00 a.m. to 5:00 p.m.) of such period.

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lots trading arrangement, is recommended to consult his/her/its own professional advisers.

Free exchange of share certificates for the Consolidated Shares

Subject to the Share Consolidation having become effective, Shareholders may during the period from Tuesday, 2 June 2026 to 4:30 p.m. on Friday, 10 July 2026 (both days inclusive) submit existing share certificates for the Existing Shares in pink to the Company's share registrar and transfer office in Hong Kong, Tricor Investor Services

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Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in exchange for new share certificates for the Consolidated Shares in old gold at the expense of the Company.

Thereafter, share certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may be allowed by the Stock Exchange from time to time) by the Shareholders for each share certificate for the Existing Shares cancelled or each new share certificate issued for the Consolidated Shares, whichever the number of share certificates cancelled/issued is higher.

Subject to the Share Consolidation becoming effective, after 4:10 p.m. on Thursday, 2 July 2026, trading will only be in Consolidated Shares and existing share certificates for the Existing Shares will cease to be valid for delivery, trading and settlement purposes, but will remain good evidence of legal title.

(2) SUBSCRIPTION OF NEW SHARES

On 11 March 2026 (after trading hours), the Company entered into the Share Subscription Agreement (as amended by the Share Subscription Supplemental Agreement which was entered into between the Company and the Subscriber on 7 May 2026 (after trading hours)) with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 2,194,326,805 Existing Shares (equivalent to 438,865,361 Consolidated Shares upon the Share Consolidation becoming effective) at the Subscription Price of approximately HK\$0.04 (equivalent to HK\$0.20 upon the Share Consolidation becoming effective) per Subscription Share. The principal terms of the Share Subscription Agreement (as amended by the Share Subscription Supplemental Agreement) are set out below.

Date

The Share Subscription Agreement dated 11 March 2026 and the Share Subscription Supplemental Agreement dated 7 May 2026

Parties

- (i) The Company as issuer
- (ii) The Subscriber as subscriber

The Subscriber

The Subscriber is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. The Subscriber is a wholly-owned subsidiary of Phancy which is a limited liability company incorporated in the PRC on 17 September 2014 and converted into a joint-stock limited liability company under the laws of the PRC on 9

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July 2021, with its H shares listed on the Main Board of the Stock Exchange (stock code: 6682.hk). Phancy is a leading artificial intelligence (AI) company specializing in developing and delivering innovative AI solutions to address complex industry challenges, enhance efficiency, drive technological advancements, and empower customers to create greater business value. The Subscriber is the same entity as the Warrant Subscriber I.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Subscriber is a Professional Investor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Subscriber and its ultimate holding company are Independent Third Parties. The Subscriber is independent of and not connected with the Warrant Subscriber II and Warrant Subscriber III and their respective associates.

Number of Subscription Shares

The Subscription Shares represent 20.00% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date to the Closing Date, save for the allotment and issue of the Subscription Shares in full). The aggregate nominal value of the Subscription Shares will be HK\$21,943,268.06.

Subscription Price

The Subscription Price of HK\$0.04 (equivalent to HK\$0.20 upon the Share Consolidation becoming effective) per Subscription Share represents:

- (i) a discount of approximately 31.03% to the closing price of HK\$0.058 per Existing Share (equivalent to HK\$0.29 per Consolidated Share) as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 29.82% to the closing price of HK\$0.057 per Existing Share (equivalent to HK\$0.285 per Consolidated Share) as quoted on the Stock Exchange on 11 March 2026, being the date of the Share Subscription Agreement;
- (iii) a discount of approximately 26.47% to the average closing price of HK\$0.0544 per Existing Share (equivalent to HK\$0.272 per Consolidated Share) as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Share Subscription Agreement;

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- (iv) a discount of approximately 27.80% to the average closing price of HK\$0.0554 per Existing Shares (equivalent to HK\$0.277 per Consolidated Share) as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding the date of the Share Subscription Agreement;
- (v) a discount of approximately 21.57% to the average closing price of HK\$0.0510 per Existing Shares (equivalent to HK\$0.255 per Consolidated Share) as quoted on the Stock Exchange for the last thirty consecutive trading days immediately preceding the date of the Share Subscription Agreement;
- (vi) a premium of approximately 170.27% to the latest published unaudited consolidated net asset value per Existing Share as at 31 December 2025 of approximately HK\$0.0148 (equivalent to HK\$0.074 per Consolidated Share) (based on the net asset value attributable to the owners of the Company as at 31 December 2025 of approximately HK\$162,446,000 as disclosed in the interim report of the Company for the six months ended 31 December 2025 and 10,971,634,030 Existing Shares (equivalent to 2,194,326,806 Consolidated Share) in issue as at the date of Share Subscription Agreement); and
- (vii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 4.97%, which is calculated based on the theoretical diluted price of approximately HK\$0.054 per Existing Share (equivalent to HK\$0.27 per Consolidated Share), taking into account the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on Last Trading Day of HK\$0.057 per Existing Share (equivalent to HK\$0.285 per Consolidated Share); and (ii) the average closing price of the Shares as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day of approximately HK\$0.0544 per Existing Share (equivalent to HK\$0.272 per Consolidated Share).

The net Subscription Price, after deduction of relevant expenses, is approximately HK\$0.0398 (equivalent to HK\$0.199 upon the Share Consolidation becoming effective) per Subscription Share.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber, taking into account, among others, (i) the trading performance of the Shares from 2 January 2026 and up to the date immediately before the Last Trading Day of average closing price of approximately HK\$0.051 per Existing Share (equivalent to HK\$0.255 per Consolidated Share); (ii) the low liquidity of the trading volume of the Shares; and (iii) applied approximately 20% discount and round down to nearest cent. The Directors consider that the Subscription Price and the terms of the Share Subscription Agreement are fair and reasonable on the then market conditions and in the interests of the Company and the Shareholders as a whole.

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Ranking of the Subscription Shares

The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with all other fully paid Shares in issue at the Closing Date.

Specific Mandate

The Subscription Shares will be allotted and issued pursuant to the Subscription Specific Mandate to be sought at the SGM.

Conditions to the Closing of the Share Subscription

The Closing of the Share Subscription shall be subject to the fulfilment or, if applicable, waiver of such conditions precedent as set out in the Share Subscription Agreement:

- (a) the passing by the Shareholders of the issuer of necessary resolutions at the general meeting approving the Share Subscription Agreement and the transactions contemplated thereunder, including the Subscription Specific Mandate for the allotment and issue of the Subscription Shares;
- (b) the Listing Committee of the Stock Exchange granting or agreeing to grant the approval for the listing of, and permission to deal in, the Subscription Shares, and such listing approval not being revoked or withdrawn;
- (c) the Warrant Subscription Agreement I having become unconditional;
- (d) the issued Shares remain listed on the Stock Exchange, and the listing of the issued Shares has not been or is threatened with being withdrawn, suspended, revoked or cancelled at any time prior to the Closing Date;
- (e) all necessary approvals and licences required to be obtained by the issuer in relation to the Share Subscription having been obtained and remain in full force and effect;
- (f) all necessary approvals and licences required to be obtained by the Subscriber in relation to the Share Subscription having been obtained and remain in full force and effect; and
- (g) the warranties remain true and accurate, and are not misleading, and there is no situation, fact or circumstance relating to the issuer and/or the Group that constitutes or may constitute a breach of the warranties or the terms of the Agreement.

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The Company shall use its best efforts to ensure that all the conditions precedent set out in conditions (a), (b), (d), (e) and (g) of above are fulfilled. The Subscriber will use its best efforts to ensure that condition (f) above is fulfilled. Save for conditions (a) and (b), the Subscriber may, at its absolute discretion, waive any of the conditions above. The Company may, at its absolute discretion, waive the condition (f) above. As at the Latest Practicable Date, none of the conditions above has been fulfilled or waived.

In the event that the conditions of the Share Subscription are not fulfilled or waived on or before 12 June 2026 or such later date as may be agreed between the parties to the Share Subscription Agreement in writing, any party to the Share Subscription Agreement may terminate the Share Subscription Agreement by providing written notice to the other party, and neither the Company nor the Subscriber shall have any claim against each other, except in respect of claims arising out of any antecedent breach of any of the provisions of the Share Subscription Agreement.

Closing of the Share Subscription

The Closing of the Share Subscription shall take place on the fifth Business Day after the conditions of the Share Subscription are fulfilled or waived (or such other date as may be agreed between the parties to the Share Subscription Agreement) when the Company and the Subscriber shall perform their respective obligations pursuant to the Share Subscription Agreement.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

(3) ISSUANCE OF WARRANTS

The Warrant Subscription Agreement I

Date

The Warrant Subscription Agreement I dated 11 March 2026 and the Warrant Subscription Supplemental Agreement I dated 7 May 2026

Parties

- (i) The Company as issuer
- (ii) The Warrant Subscriber I as subscriber

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The Warrant Subscriber I is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. The Warrant Subscriber I is a wholly-owned subsidiary of Phancy which is a limited liability company incorporated in the PRC on 17 September 2014 and converted into a joint-stock limited liability company under the laws of the PRC on 9 July 2021, with its H shares listed on the Main Board of the Stock Exchange (stock code: 6682.hk). Phancy is a leading artificial intelligence (AI) company specializing in developing and delivering innovative AI solutions to address complex industry challenges, enhance efficiency, drive technological advancements, and empower customers to create greater business value. The Warrant Subscriber I is the same entity as the Subscriber.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries:

- (i) as at the Latest Practicable Date, neither the Warrant Subscriber I nor any of its associates has any interest in the Shares. Upon completion of the Warrant Subscription Agreement I, the Warrant Subscriber I will be interested in 1,601,532,559 Warrants (equivalent to 320,306,512 Warrants upon the Share Consolidation becoming effective), which are exercisable up to 1,601,532,559 Warrant Shares (equivalent to 320,306,512 Warrant Shares upon the Share Consolidation becoming effective) at the initial Exercise Price (subject to adjustment);
- (ii) as at the Latest Practicable Date, each of the Warrant Subscriber I and its ultimate holding company is an Independent Third Party;
- (iii) the Warrant Subscriber I is independent of and not connected with the other Warrant Subscribers and their respective associates; and
- (iv) the Warrant Subscriber I is a Professional Investor.

Number of Warrants to be issued

Pursuant to the Warrant Subscription Agreement I, the Warrant Subscriber I agreed to subscribe for 1,601,532,559 Warrants (equivalent to 320,306,512 Warrants upon the Share Consolidation becoming effective), which are exercisable up to 320,306,512 Warrant Shares at the initial Exercise Price (subject to adjustment).

The 1,601,532,559 Warrant Shares (equivalent to 320,306,512 Warrant Shares upon the Share Consolidation becoming effective) represent approximately 14.60% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 10.22% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the issue of all Warrant Shares upon completion of the Warrant Subscription Agreements (assuming there will be no change in the issued share capital of the Company from the date of the Latest Practicable Date to the

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Completion Date, save for the allotment and issue of the Subscription Shares and Warrants). The aggregate nominal value of 1,601,532,559 Warrants (equivalent to 320,306,512 Warrants upon the Share Consolidation becoming effective) will be HK\$16,015,325.59.

Conditions to the Completion of the Warrant Subscription I

Completion of the Warrant Subscription I shall be conditional upon the satisfaction or, if applicable, waiver of such conditions precedent as set out in the Warrant Subscription Agreement I:

- (a) the passing by the Shareholders of the issuer of necessary resolutions at the general meeting approving the Warrant Subscription Agreement and the transactions contemplated thereunder, including the Warrant Specific Mandates for the issue of the Warrant and, upon exercise of the subscription rights attached to the Warrant, the allotment and issue of the Warrant Shares;
- (b) the Listing Committee of the Stock Exchange granting or agreeing to grant the approval for the listing of, and permission to deal in, the Warrant Shares to be allotted and issued upon exercise of the subscription rights attached to the Warrant, and such listing approval not being revoked or withdrawn;
- (c) the Share Subscription Agreement having become unconditional;
- (d) the issued Shares remain listed on the Stock Exchange, and the listing of the issued Shares has not been or is threatened with being withdrawn, suspended, revoked or cancelled at any time prior to the Completion Date;
- (e) all necessary approvals and licences required to be obtained by the issuer in relation to the Warrant having been obtained and remain in full force and effect;
- (f) all necessary approvals and licences required to be obtained by the Warrant Subscriber I in relation to the Warrant having been obtained and remain in full force and effect; and
- (g) the warranties remain true and accurate, and are not misleading, and there is no situation, fact or circumstance relating to the issuer and/or the Group that constitutes or may constitute a breach of the warranties or the terms of the Warrant Subscription Agreement I.

The Company and the Warrant Subscriber I shall jointly use their best efforts to ensure that condition (c) above is duly fulfilled. The Company shall use its best efforts to ensure that all the conditions precedent set out in conditions (a), (b), (d), (e) and (g) of above are fulfilled. The Warrant Subscriber I will use its best efforts to ensure that condition (f) above is fulfilled. Save for conditions (a) and (b) which are incapable of being

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waived, the Warrant Subscriber I may, at its absolute discretion, waive any of the conditions above. The Company may, at its absolute discretion, waive the condition (f) above. As at the Latest Practicable Date, none of the conditions above has been fulfilled or waived.

In the event that the conditions of the Warrant Subscription I are not fulfilled or waived (as the case may be) on or before 12 June 2026 (or such later date as the Company and the Warrant Subscriber I may agree in writing from time to time), any party to the Warrant Subscription Agreement I may terminate the Warrant Subscription Agreement I by providing written notice to the other party, and neither the Company nor the Warrant Subscriber I shall have any claim against each other, except in respect of claims arising out of any antecedent breach of any of the provisions of the Warrant Subscription Agreement I.

The Warrant Subscription Agreement II

Date

The Warrant Subscription Agreement II dated 11 March 2026 and the Warrant Subscription Supplemental Agreement II dated 7 May 2026

Parties

- (i) The Company as issuer
- (ii) The Warrant Subscriber II as subscriber

The Warrant Subscriber II is an individual investor who is a PRC resident. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Warrant Subscriber II, who is a Professional Investor, is interested in or deemed to be interested in an aggregate of 2,000,270,000 Existing Shares (equivalent to 400,054,000 Consolidated Shares), representing approximately 18.23% of the issued share capital of the Company. This comprises (i) 1,000,270,000 Existing Shares (equivalent to 200,054,000 Consolidated Shares) held by Eteam Global Limited, a company owned as to 90% by Warrant Subscriber II; and (ii) 1,000,000,000 Existing Shares (equivalent to 200,000,000 Consolidated Shares) held by Century Golden Resources Investment Co., Ltd, a company owned as to 40% by Warrant Subscriber II. Therefore, the Warrant Subscriber II is deemed to be a Substantial Shareholder (as defined under the Listing Rules) and a connected person of the Company.

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Number of Warrants to be issued

Pursuant to the Warrant Subscription Agreement II, the Warrant Subscriber II agreed to subscribe for 600,000,000 Warrants (equivalent to 120,000,000 Warrants upon the Share Consolidation becoming effective), which are exercisable up to 600,000,000 Warrant Shares (equivalent to 120,000,000 Warrant Shares upon the Share Consolidation becoming effective) at the initial Exercise Price (subject to Adjustment Events).

The 600,000,000 Warrant Shares (equivalent to 120,000,000 Warrant Shares upon the Share Consolidation becoming effective) represent approximately 5.47% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 3.83% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the issue of all Warrant Shares upon completion of the Warrant Subscription Agreements (assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date to the Completion Date, save for the allotment and issue of the Subscription Shares and Warrants). The aggregate nominal value of 600,000,000 Warrants (equivalent to 120,000,000 Warrants upon the Share Consolidation becoming effective) will be HK\$6,000,000.00.

Conditions to the Completion of the Warrant Subscription II

Completion of the Warrant Subscription II shall be conditional upon the satisfaction or, if applicable, waiver of such conditions precedent as set out in the Warrant Subscription Agreement II:

- (a) the passing by the Independent Shareholders of necessary resolutions at the general meeting approving the Warrant Subscription Agreement and the transactions contemplated thereunder, including the Warrant Specific Mandates for the issue of the Warrant and, upon exercise of the subscription rights attached to the Warrant, the allotment and issue of the Warrant Shares;
- (b) the Listing Committee of the Stock Exchange granting or agreeing to grant the approval for the listing of, and permission to deal in, the Warrant Shares to be allotted and issued upon exercise of the subscription rights attached to the Warrant, and such listing approval not being revoked or withdrawn;
- (c) the issued Shares remain listed on the Stock Exchange, and the listing of the issued Shares has not been or is threatened with being withdrawn, suspended, revoked or cancelled at any time prior to the Completion Date;
- (d) all necessary approvals and licences required to be obtained by the issuer in relation to the Warrant having been obtained and remain in full force and effect;

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- (e) all necessary approvals and licences required to be obtained by the Warrant Subscriber II in relation to the Warrant having been obtained and remain in full force and effect; and
- (f) the warranties remain true and accurate, and are not misleading, and there is no situation, fact or circumstance relating to the issuer and/or the Group that constitutes or may constitute a breach of the warranties or the terms of the Warrant Subscription Agreement II.

The Company shall use its best efforts to ensure that all the conditions precedent set out in conditions (a), (b), (c), (d) and (f) of above are fulfilled. The Warrant Subscriber II will use his best efforts to ensure that condition (e) above is fulfilled. Save for conditions (a) and (b) which are incapable of being waived, the Warrant Subscriber II may, at his absolute discretion, waive any of the conditions above. The Company may, at its absolute discretion, waive the condition (e) above. As at the Latest Practicable Date, none of the conditions above has been fulfilled or waived.

In the event that the conditions of the Warrant Subscription II are not fulfilled or waived (as the case may be) on or before 12 June 2026 (or such later date as the Company and the Warrant Subscriber II may agree in writing from time to time), any party to the Warrant Subscription Agreement II may terminate the Warrant Subscription Agreement II by providing written notice to the other party, and neither the Company nor the Warrant Subscriber II shall have any claim against each other, except in respect of claims arising out of any antecedent breach of any of the provisions of the Warrant Subscription Agreement II.

The Warrant Subscription Agreement III

Date

The Warrant Subscription Agreement III dated 11 March 2026 and the Warrant Subscription Supplemental Agreement III dated 7 May 2026

Parties

- (i) The Company as issuer
- (ii) The Warrant Subscriber III as subscriber

The Warrant Subscriber III is an individual investor who is a PRC resident. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Warrant Subscriber III, who is a Professional Investor, is a brother-in-law of the Warrant Subscriber II. Therefore, the Warrant Subscriber III is an associate of the Warrant Subscriber II, i.e. a connected person of the Company.

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Number of Warrants to be issued

Pursuant to the Warrant Subscription Agreement III, the Warrant Subscriber III agreed to subscribe for 300,000,000 Warrants (equivalent to 60,000,000 Warrants upon the Share Consolidation becoming effective), which are exercisable up to 300,000,000 Warrant Shares (equivalent to 60,000,000 Warrant Shares upon the Share Consolidation becoming effective) at the initial Exercise Price (subject to adjustment).

The 300,000,000 Warrant Shares (equivalent to 60,000,000 Warrant Shares upon the Share Consolidation becoming effective) represent 2.73% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 1.91% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the issue of all Warrant Shares upon completion of the Warrant Subscription Agreements (assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date to the Completion Date, save for the allotment and issue of the Subscription Shares and Warrants). The aggregate nominal value of the 300,000,000 Warrants (equivalent to 60,000,000 Warrants upon the Share Consolidation becoming effective) will be HK\$3,000,000.00.

Conditions to the Completion of the Warrant Subscription III

Completion of the Warrant Subscription III shall be conditional upon the satisfaction or, if applicable, waiver of such conditions precedent as set out in the Warrant Subscription Agreement III:

- (a) the passing by the Independent Shareholders of necessary resolutions at the general meeting approving the Warrant Subscription Agreement and the transactions contemplated thereunder, including the Warrant Specific Mandates for the issue of the Warrant and, upon exercise of the subscription rights attached to the Warrant, the allotment and issue of the Warrant Shares;
- (b) the Listing Committee of the Stock Exchange granting the approval or agreeing to grant for the listing of, and permission to deal in, the Warrant Shares to be allotted and issued upon exercise of the subscription rights attached to the Warrant, and such listing approval not being revoked or withdrawn;
- (c) the issued Shares remain listed on the Stock Exchange, and the listing of the issued Shares has not been or is threatened with being withdrawn, suspended, revoked or cancelled at any time prior to the Completion Date;
- (d) all necessary approvals and licences required to be obtained by the issuer in relation to the Warrant having been obtained and remain in full force and effect;

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- (e) all necessary approvals and licences required to be obtained by the Warrant Subscriber III in relation to the Warrant having been obtained and remain in full force and effect; and
- (f) the warranties remain true and accurate, and are not misleading, and there is no situation, fact or circumstance relating to the issuer and/or the Group that constitutes or may constitute a breach of the warranties or the terms of the Warrant Subscription Agreement III.

The Company shall use its best efforts to ensure that all the conditions precedent set out in conditions (a), (b), (c), (d) and (f) of above are fulfilled. The Warrant Subscriber III will use his best efforts to ensure that condition (e) above is fulfilled. Save for conditions (a) and (b), the Warrant Subscriber III may, at his absolute discretion, waive any of the conditions above. The Company may, at its absolute discretion, waive the condition (e) above. As at the Latest Practicable Date, none of the conditions above has been fulfilled or waived.

In the event that the conditions of the Warrant Subscription III are not fulfilled or waived on or before 12 June 2026 (or such later date as the Company and the Warrant Subscriber III may agree in writing from time to time), any party to the Warrant Subscription Agreement III may terminate the Warrant Subscription Agreement III by providing written notice to the other party, and neither the Company nor the Warrant Subscriber III shall have any claim against each other, except in respect of claims arising out of any antecedent breach of any of the provisions of the Warrant Subscription Agreement III.

Common Principal Terms of the Warrant Subscription Agreements

Apart from the identities of the Warrant Subscribers, the condition precedents to each Warrant Subscriptions, and the number of Warrants to be subscribed by each of the Warrant Subscribers set out above, the principal terms of each of the Warrant Subscription Agreements are identical.

Set out below are the key terms of the Warrant Subscription Agreements:

Issue Price

The Issue Price of the Warrants is HK\$0.005 (equivalent to HK\$0.025 upon the Share Consolidation becoming effective) per Warrant.

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Exercise Price

HK\$0.058 (equivalent to HK\$0.29 upon the Share Consolidation becoming effective) per Warrant Share. The Exercise Price is subject to adjustment in certain events as described in the paragraph headed “Adjustment to the Exercise Price of the Warrants” below.

The effective issue price of HK\$0.063 (equivalent to HK\$0.315 upon the Share Consolidation becoming effective) per Warrant (being the aggregate of the Issue Price of HK\$0.005 (equivalent to HK\$0.025 upon the Share Consolidation becoming effective) per Warrant and the Exercise Price of HK\$0.058 (equivalent to HK\$0.29 upon the Share Consolidation becoming effective) per Warrant Share) represents: (i) a premium of approximately 10.53% over the closing price of HK\$0.057 per Existing Share (equivalent to HK\$0.285 per Consolidated Share) quoted on the Stock Exchange on the Last Trading Day, and (ii) a premium of approximately 15.81% over the average closing price of HK\$0.0544 per Existing Share (equivalent to HK\$0.272 per Consolidated Share) for the last five consecutive trading days for the Shares immediately preceding the Last Trading Day.

The Exercise Price represents (i) a premium of approximately 1.75% over the closing price of HK\$0.057 per Existing Share (equivalent to HK\$0.285 per Consolidated Share) as quoted on the Stock Exchange on the Last Trading Day; and (ii) a premium of approximately 6.62% over the average closing price of HK\$0.0544 per Existing Share (equivalent to HK\$0.272 per Consolidated Share) for the last five consecutive trading days for the Shares immediately preceding the Last Trading Day.

Both the Issue Price and the Exercise Price are determined based on negotiations on arm’s length basis between the Company and the Warrant Subscribers with reference to the current market sentiment, liquidity flow in the capital market, the prevailing market price of the Shares before entering into the Warrant Subscription Agreements. The Directors consider that both the Issue Price and the Exercise Price are fair and reasonable based on the then market conditions and is in the interests of the Company and the Shareholders as a whole.

Exercise Conditions

The right of the Warrantholder to exercise the Warrants shall be subject to the fulfilment, to the reasonable satisfaction of the Company, of each of the following conditions:

- (1) the Warrantholder must make or procure third party investor(s) to make an investment with the minimum cash amount or equivalent (or such other amount as mutually agreed between the Company and the Warrantholder) (the “**Minimum Investment**”), in cash and/or assets of equivalent value, by the second (2nd) anniversary of the issue date of the Warrants (the

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“**Minimum Investment Deadline**”), in accordance with the conditions set forth in the warrant instrument. Such investment must comply with all applicable laws and the Listing Rules, and all necessary consents, approvals, and waivers required for the investment must be obtained. The Minimum Investment shall be made in the form of Consolidated Shares to or debt to be issued by the Company. The determination of whether the Minimum Investment threshold has been met shall be made by the Company in good faith and acting reasonably, and the Company’s determination shall be final and binding, absent manifest error. Such Minimum Investment to be made by the Warrantholder(s) and/or investor(s) procured by them does not include the Issue Price paid by the Warrant Subscribers or the Exercise Price to be paid by the Warrantholder(s) upon exercise of the Exercise Rights. If this exercise condition is not fulfilled to the satisfaction of the Company on or before the Minimum Investment Deadline, the right of the Warrantholder to exercise the Warrants shall lapse and become null and void, unless the Company agrees, in writing and at its sole discretion, to extend the Minimum Investment Deadline.

Pursuant to the Warrant Subscription Agreements, the agreed Minimum Investment to be made by the Warrant Subscriber I, Warrant Subscriber II and Warrant Subscriber III or the third party investor(s) procured by them amounted to HK\$1,920,661.66, HK\$719,558.89 and HK\$359,779.45, respectively. For the avoidance of doubt, investment(s) with aggregate amount not less than the Minimum Investment shall be made by the Minimum Investment Deadline and shall not form part of the Exercise Price to be paid by the Warrantholder(s) upon exercise of any of the Exercise Rights attaching to the Warrants;

- (2) if as a result of the relevant exercise, the Warrantholder and/or parties acting in concert with it will be interested in 30% or more of the Company’s issued Shares or voting rights of the Company or such amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer under the Takeovers Code, unless the mandatory general offer obligation under the Takeovers Code is being complied with or the Warrantholder and/or parties acting in concert with it have obtained a Whitewash Waiver; and
- (3) no less than 25% or the prescribed minimum percentage as set out in the Listing Rules of the Company’s issued Shares would be held by the public immediately after the relevant exercise of the Warrants.

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Exercise Period

The Warrantholder has the right to exercise the Warrants in whole or in part and subscribe for Shares at the Exercise Price (subject to and upon compliance with the provisions of exercise conditions) anytime during the Exercise Period. After the Exercise Period, the Exercise Rights shall irrevocably lapse and the Warrants shall cease to be valid for any purpose.

Completion of the Warrant Subscriptions

Completion of each of the Warrant Subscriptions shall take place on the fifth (5th) Business Day after the conditions of the corresponding Warrant Subscriptions are fulfilled or waived (or such other date as may be agreed between the parties) when the Company and the Warrant Subscribers shall perform their respective obligations pursuant to the Warrant Subscription Agreements.

Status

The Warrants will be issued in registered form and constituted by way of deed poll to be executed by the Company. The Warrants will rank *pari passu* in all respects among themselves.

Information of Warrants

The Warrants Shares to be allotted and issued shall rank *pari passu* in all respects with the Shares in issue and in particular will have the right to receive all dividends or other distributions thereafter declared, paid or made on such Shares with reference to a record date occurring on or after the respective date of exercise of the Exercise Rights attaching to the Warrants.

The Exercise Rights attaching to the Warrants may be exercised at any time during the period of twenty-four (24) months commencing from the date of issue of the Warrant. The Exercise Rights shall only be exercised on the condition that the exercise of the Exercise Rights and the allotment and issue of the Warrant Shares will not cause the public float of the Shares to be less than 25% (or any given percentage as required by the Listing Rules for the minimum percentage of Shares being held by the public as per Rule 8.08(1) of the Listing Rules) of the issued Shares of the Company.

Each one (1) Warrant carries the right to subscribe for one (1) Warrant Share at a price per Share equal to the Exercise Price.

A total of up to 2,501,532,559 Warrants (equivalent to 500,306,512 Warrants upon the Share Consolidation becoming effective) are proposed to be issued. Assuming full exercise of the Exercise Rights attaching to the 2,501,532,559 Warrants

LETTER FROM THE BOARD

(equivalent to 500,306,512 Warrants upon the Share Consolidation becoming effective) at the initial Warrant Exercise Price of HK\$0.058 (equivalent to HK\$0.29 upon the Share Consolidation becoming effective) per Warrant Share, (i) approximately 22.80% of the existing issued share capital of the Company of 10,971,634,030 Existing Shares (equivalent to 2,194,326,806 Consolidated Shares) as at the Latest Practicable Date; (ii) approximately 19.00% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares (assuming there is no other change in the issued share capital of the Company from the Last Trading Day to the Completion Date, save for the allotment and issue of the Subscription Shares); and (iii) approximately 15.97% of the Company's issued share capital as enlarged by the issue of the Subscription Shares and the Warrant Shares (assuming there is no other change in the issued share capital of the Company from the Last Trading Day to the Completion Date, save for the allotment and issue of the Subscription Shares and the Warrant Shares upon full exercise of the Exercise Rights attaching to the Warrants).

Transferability

The holder of the Warrants may assign or transfer the Warrants to the transferee subject to the compliance of the Listing Rules. The Warrants may not be assigned or transferred, in whole or in part, to any connected person of the Company without prior written consent of the Company.

Adjustment to the Exercise Price of the Warrants

The Exercise Price of the Warrants is subject to the Adjustment Events if any of the following occurs, with effect from the date of the relevant event or, if earlier, the record date for the Adjustment Event:

- (a) a subdivision, consolidation or reclassification of the Shares;
- (b) an issue of Shares by way of capitalization of profits or reserves (including share premium account and any capital redemption reserve);
- (c) capital distribution to all holders of Shares (including, but not limited to, such a distribution pursuant to a reduction or redemption of share capital, share premium account or capital redemption reserve fund or otherwise) or grant of rights to such holders to acquire for cash assets of the Company or any of its subsidiaries;
- (d) an issue of new Shares for subscription by way of rights, or shall grant to all holders of Shares any options or warrants to subscribe for new Shares, at a price per new Share which is less than 90% of the market price;
- (e) an issue of Shares or other securities convertible or exchangeable into Shares by way of dividend or distribution;

LETTER FROM THE BOARD

- (f) an issue of new Shares at a price which is less than 90% of the market price;
- (g) an issue of new Shares as consideration for the acquisition of asset at the price which is less than 90% of the market price.

So that, after such Adjustment Event: (i) the number of Warrant Shares corresponding to the Warrants for which the outstanding Exercise Rights would then be capable of being exercised carry as nearly as possible (and in any event not less than) the same proportion of the voting rights attached to the fully diluted share capital of the Company and the same entitlement to participate in the profits and assets of the Company (including on liquidation) as if there had been no such event giving rise to the Adjustment Events; and (ii) the aggregate price payable for all Warrant Shares subject to outstanding Exercise Rights attached to the Warrants shall equal the same aggregate price as would be payable for the number of Warrant Shares of the Warrants, subject to outstanding Exercise Rights attached to the Warrants, immediately before the occurrence of the event giving rise to the Adjustment Events.

For the adjustment mechanism to the Exercise Price, please refer to Appendix II of the circular.

Voting and other rights for the holders of the Warrants

The holders of the Warrants will not have any right to attend or vote at any meeting of the Company by virtue of them being the holders of the Warrants. The holders of the Warrants shall not have the right to participate in any distributions and/or offers of further securities made by the Company.

Rights of the holders of the Warrants on the liquidation of the Company

If an effective resolution is passed during the Exercise Period for the voluntary winding-up of the Company, then:

- (a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the holders of the Warrants, or some person designated by them for such purpose by special resolution of the holders of the Warrants, shall be a party or in conjunction with which a proposal is made to the holders of the Warrants and is approved by such special resolution, the terms of such scheme of arrangement or (as the case may be) proposal shall be binding on the holders of the Warrants; and
- (b) in any other case, the holders of the Warrants shall be entitled at any time within six weeks after the passing of such resolution by irrevocable surrender of his/her/its Warrant certificate to the Company at its head office and principal place of business in Hong Kong with the subscription form(s)

LETTER FROM THE BOARD

duly completed, together with payment of the Warrant Exercise Price, to elect to be treated as if he/she/it had immediately prior to the commencement of such winding-up exercised such of the subscription rights represented by his/her/its Warrant(s) as are specified in the subscription form(s) submitted by him/ her/it and had on such date been the holder of the Shares to which he/she/it would have become entitled pursuant to such exercise and the Company and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the holders of the Warrants of the passing of any such resolution within seven days after the passing thereof and such notice shall contain a reminder to the holders of the Warrants with respect to his/her/its/their rights under this paragraph (b) (to the extent applicable).

Subject to the foregoing, if the Company is wound up, all Exercise Rights which have not been exercised at the date of the passing of such resolution shall lapse and Warrant certificate shall cease to be valid for any purpose.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the Warrant Shares. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

IMPLICATIONS UNDER THE LISTING RULES

As at the Latest Practicable Date, the Warrant Subscriber II is interested in 2,000,270,000 Existing Shares (equivalent to 400,054,000 Consolidated Shares) via his controlled corporations, representing in aggregate of approximately 18.23% of the issued share capital of the Company. Therefore, the Warrant Subscriber II is a substantial shareholder and a connected person of the Company. Accordingly, the Warrant Subscription Agreement II and the transactions contemplated thereunder constitute a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, the Warrant Subscriber III does not hold any Shares. As the Warrant Subscriber III is a brother-in-law of the Warrant Subscriber II, the Warrant Subscriber III is a relative of the Warrant Subscriber II under Rule 14A.21(1)(a) of the Listing Rules, and is therefore a deemed connected person of the Company. Accordingly, the Warrant Subscription Agreement III and the transactions contemplated thereunder constitute a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Warrant Subscriber II and his associates, held an aggregate of 2,000,270,000 Existing Shares (equivalent to 400,054,000 Consolidated Shares), representing approximately 18.23% of the issued share capital of the Company, and are required to abstain from voting the resolution to approve the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions thereunder at the SGM. Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Shareholder will be required to abstain from voting on the relevant resolution(s) to approve the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions thereunder at the SGM.

Pursuant to Rule 13.36(7) of the Listing Rules, the Company may not issue warrants to subscribe for (i) any new Shares or (ii) any securities convertible into new Shares, for cash consideration pursuant to a general mandate given under Rule 13.36(2)(b) of the Listing Rules. Therefore, the issue of the Warrants and the Warrant Shares (to be issued upon exercise of the Warrants) are subject to the Shareholders' approval and will be allotted and issued pursuant to the Warrant Specific Mandates to be sought at the SGM. The Warrant Specific Mandates will be valid from the date of passing of the relevant resolution at the SGM and will cease to be effective if any of the conditions of the Warrant Subscriptions are not fulfilled or waived on or before 12 June 2026 (or such later date as the Company and the Warrant Subscribers may agree in writing from time to time) (the "**Warrant Long Stop Date**"). If the Company extends the Warrant Long Stop Date, the Company will re-comply with the applicable provisions of the Listing Rules, and seek approval from its Shareholder(s) where required.

Pursuant to Rule 15.02(1) of the Listing Rules, the Warrant Shares to be allotted and issued upon exercise of the Warrants must not, when aggregated with all other equity securities which remain to be issued on the exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the issued share capital of the Company at the time the Warrants are issued. Options granted under share option schemes which comply with Chapter 17 of the Listing Rules are excluded for the purpose of such limit. As at the Latest Practicable Date, the Company has no outstanding subscription rights (excluding options granted under the Share Option Scheme which complies with Chapter 17 of the Listing Rules).

Pursuant to the Warrant Subscription Agreements, an aggregate of 2,501,532,559 Warrants (equivalent to 500,306,512 unlisted adjusted warrant(s) upon the Share Consolidation becoming effective) would be issued upon Completion. The 2,501,532,559 Warrant Shares to be issued upon full exercise of the Exercise Rights attaching to the Warrants represents 19% of the issued share capital of the Company upon completion of the Share Subscription (which will take place on or before Completion of the Warrants Subscriptions). Accordingly, the issue of the Warrants will be in compliance with Rule 15.02(1) of the Listing Rules.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF THE SHARE SUBSCRIPTION AND THE WARRANT SUBSCRIPTIONS

The Company is an investment holding company and its principal subsidiaries are engaged in the holding of equity or equity-related investments.

The Subscriber is a wholly-owned subsidiary of Phancy, which is a limited liability company incorporated in the PRC on 17 September 2014 and converted into a joint stock limited liability company under the laws of the PRC on 9 July 2021, with its H shares listed on the Main Board of the Stock Exchange (stock code: 6682.hk). Phancy is a leading AI company specializing in developing and delivering innovative AI solutions to address complex industry challenges, enhance efficiency, drive technological advancements and empower customers to create greater business value.

The Directors are of the view that the Share Subscription and the Warrant Subscription I represent a good opportunity to introduce a strategic investor to the Company, raise additional capital, safeguard investments, and support the development of the Group's business operations. The Phancy Group's expertise in AI and machine learning research and development and industrial application can provide the Company with clear technology know-how, helping the Company to quickly and effectively identify new opportunities. The Directors anticipate that, by relying on this financing and the introduction of high-quality industrial capital, the Company will deeply integrate AI-powered investment technologies, comprehensively drive iterative business upgrades and digital transformation, further enhance the flexibility and efficiency of capital utilization, continuously strengthen its core market competitiveness, and effectively expand the Company's shareholder base while optimizing its shareholder structure. With the technical and resource support of the Phancy Group, the Group will effectively meet the compliance requirements, which help to accomplish a diversified and highly resilient investment portfolio. In addition, the Group will be able to leverage AI technology to optimize investment decision-making processes and risk management systems as well as to improve the valuation stability and operational efficiency of non-listed investment projects.

In addition to raising funds by way of the Share Subscription and the Warrant Subscriptions, the Board has considered other fund-raising methods, including borrowings or the issuance of bonds, open offers, and rights issues. However, the Board is of the view that the combination of the Share Subscription and the Warrant Subscriptions represents the most suitable option for the Company for the following reasons:

- (a) The Board considers equity or equity-related financing to be a more appropriate funding source for the Group. Debt financing or bond issuance would increase the Group's gearing ratio and result in additional interest expenses and potential collateral obligations. In the current environment of relatively high interest rates, investors are likely to demand higher yields, making it more difficult and costly for the Company to secure funding through such means.

LETTER FROM THE BOARD

- (b) With respect to other pre-emptive offerings, such as rights issues and open offers, although these methods allow existing Shareholders to subscribe for their entitlements and maintain their respective shareholding interests in the Company, they may impose a financial burden on Shareholders in uncertain market conditions. Furthermore, if conducted on a non-underwritten basis, the ultimate fund-raising amount cannot be assured. Even if an underwriter is successfully engaged, the underwriting commission is generally higher than the costs associated with the Share Subscription and/or Warrant Subscriptions, as underwriting commitments are typically on a fully underwritten basis, which may not be in the best interests of the Company and the Shareholders as a whole.
- (c) In addition, as the Company intends to introduce Phancy Group as a strategic investor in order to leverage its technical expertise, resources, and AI technology in enhancing the Group's investment decision-making process, pre-emptive offerings such as rights issues and open offers, which are limited to existing Shareholders, would not achieve this objective.
- (d) The combination of the Share Subscription and the Warrant Subscriptions enables the Company to receive immediate cash proceeds from the Share Subscription and the Issue Price of the Warrants, while any dilution arising from the exercise of the exercise rights attached to the Warrants will only occur if and when the Warrants are exercised in the future.
- (e) The Warrant Shares will be issued at a premium, resulting in higher proceeds upon the exercise of the exercise rights attached to the Warrants, as compared to other equity fund-raising methods under which shares are typically issued at a discount.

During the course of negotiations for Warrant Subscription II and Warrant Subscription III, the Directors were informed by Warrant Subscriber II and Warrant Subscriber III that, following the resumption of trading of the Company's shares in May 2025, they were seeking opportunities to increase their shareholding in the Company. They expressed that the Company's investment objectives align with their own investment purposes and that they are optimistic about the Company's future prospects.

The Directors consider that Warrant Subscription II and Warrant Subscription III demonstrate the continued support of the existing substantial shareholders and their associates for the Company, and convey a positive signal to the market regarding the Group's prospects.

The Directors further believe that the Subscription and the Warrant Subscriptions facilitate the Company to raise additional fund for the Company's investments and business operations and broaden the shareholder base of the Company. Meanwhile, the Board considers that the Warrant Subscriptions do not have any immediate dilution effect on the shareholding of the existing Shareholders and the Warrants are not interest-bearing. In addition to the net proceeds that would be raised upon completion of the Warrant Subscription, further capital would be raised upon exercise of the Exercise Rights attaching to the Warrants. The Board is of the view

LETTER FROM THE BOARD

that the Subscription and the Warrant Subscriptions would have a lower immediate dilution impact on the existing Shareholders compared with merely issuing the new Shares for subscription.

The Directors consider that the terms of the Share Subscription Agreement and the Warrant Subscription Agreements are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS

The gross proceeds from the Share Subscription will amount to approximately HK\$87.77 million. The net proceeds from the Share Subscription will amount to approximately HK\$87.27 million (or approximately HK\$0.0398 per Existing Share (equivalent to HK\$0.199 upon the Share Consolidation becoming effective) per Subscription Share). The gross proceeds from the issue of Warrants will amount to approximately HK\$12.51 million. The net proceeds from the issue of Warrants will amount to approximately HK\$11.51 million (with a net issue price of approximately HK\$0.0046 (equivalent to HK\$0.023 upon the Share Consolidation becoming effective) per Warrant). The aggregate of net proceeds from the Share Subscription and the issue of Warrants will amount to approximately HK\$98.78 million (the “**First Tranche Proceeds**”). Assuming all the Warrants are exercised in full, the Company will receive proceeds of HK\$145.09 million (the “**Second Tranche Proceeds**”). The net proceeds of the Second Tranche Proceeds of approximately HK\$145.00 million (with a net exercise price of approximately HK\$0.058 (equivalent to HK\$0.29 upon the Share Consolidation becoming effective) per Warrant Share) will be applied by the Company for future investments of the Group as mentioned below.

The Company intends to apply as to (i) 85% of the First Tranche Proceeds of approximately HK\$83.96 million for the Group’s future investments in financial assets; and (ii) 15% of the First Tranche Proceeds of approximately HK\$14.82 million for general working capital of the Group including, but not limited to, salary expenses, rental expenses, professional fee, administrative fees and other corporate expenses. The Company also intends to apply as to (i) 85% of the Second Tranche Proceeds of approximately HK\$123.33 million for the Group’s future investments in financial assets; and (ii) 15% of the Second Tranche Proceeds of approximately HK\$21.76 million for general working capital of the Group including, but not limited to, salary expenses, rental expenses, professional fee and other corporate expenses.

In the event that the Warrants are not fully exercised, the Group will utilise the proceeds for the above purposes on a pro-rata basis.

The Company’s intended investments in financial assets would mainly focus on private fixed income instruments and publicly offered wealth management products. The Investment Committee will be responsible for approving these potential investments, with the investment committee currently includes a member with professional investment background and a responsible officer of Type 9 (asset management) regulated activity under the SFO. All the investment decisions will strictly follow the Risk Management Committee Policy adopted by the Company.

LETTER FROM THE BOARD

CHANGES OF SHAREHOLDING STRUCTURE

The changes of the shareholding structure of the Company as a result of the Share Subscription and the Warrant Subscriptions (assuming there is no other change in the issued share capital of the Company between the Latest Practicable Date and the Closing of the Subscription as well as the date on which the Exercise Rights attaching to such Warrants are exercised in full) are as follows:

Shareholders	As at the Latest Practicable Date		Immediately after the Share Consolidation becoming effective		Immediately after the Share Consolidation becoming effective and after the Closing of the Share Subscription		Immediately after the Share Consolidation becoming effective and after the Closing of the Share Subscription and exercise of the Warrants at the initial Exercise Price in full	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Warrant Subscriber II (Note 1)	2,000,270,000	18.23	400,054,000	18.23	400,054,000	15.19	520,054,000	16.60
Subscriber/ Warrant Subscriber I (Note 2)	-	-	-	-	438,865,361	16.67	759,171,873	24.23
Warrant Subscriber III	-	-	-	-	-	-	60,000,000	1.91
Sub-total	2,000,270,000	18.23	400,054,000	18.23	838,919,361	31.86	1,339,225,873	42.74
Other public Shareholders	8,971,364,030	81.77	1,794,272,806	81.77	1,794,272,806	68.14	1,794,272,806	57.26
Total	10,971,634,030	100.00	2,194,326,806	100.00	2,633,192,167	100.00	3,133,498,679	100.00

Notes:

- The Warrant Subscriber II is interested in 2,000,270,000 Existing Shares (equivalent to 400,054,000 Consolidated Shares) (of which 1,000,270,000 Existing Shares (equivalent to 200,054,000 Consolidated Shares) are held by Eteam Global Limited, a company owned as to 90% by the Warrant Subscriber II and 1,000,000,000 Existing Shares (equivalent to 200,000,000 Consolidated Shares) are held by Century Golden Resources Investment Co., Ltd, a company owned as to 40% by the Warrant Subscriber II), representing in aggregate of approximately 18.23% of the issued share capital of the Company as at the Latest Practicable Date.
- The Subscriber is the same entity as the Warrant Subscriber I. The Company shall not, and shall not be required to, issue any Warrant Share, and the Warrant Subscriber I shall not exercise the Warrants, if, as a result of the relevant exercise the Warrant Subscriber I and/or parties acting in concert with it will be interested in 30% or more of the Company's issued shares or voting rights of the Company or such amount as may from time to time

LETTER FROM THE BOARD

be specified in the Takeovers Code as being the level for triggering a mandatory general offer under the Takeovers Code, unless the mandatory general offer obligation under the Takeovers Code is being complied with or the Company, the Warrant Subscriber I and/or parties acting in concert with it have obtained a Whitewash Waiver.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

The Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

SGM

The SGM is convened to be held at 10:00 a.m. on Friday, 29 May 2026 at Suite 2001, 20th Floor, Tower 1, The Gateway, Harbour City, Kowloon, Hong Kong, the notice of which is set out on pages SGM-1 to SGM-6 of this circular, for the Shareholders to consider, and if thought fit, to approve the Share Subscription Agreement, the Warrant Subscription Agreements and their respective transactions contemplated thereunder (including the grant of the Subscription Specific Mandate and the Warrant Specific Mandates). The voting in relation to resolutions to be proposed at the SGM will be conducted by way of a poll.

The Warrant Subscriber II and his associates, who are interested in 2,000,270,000 Existing Shares (equivalent to 400,054,000 Consolidated Shares), representing in aggregate of approximately 18.23% of the issued share capital of the Company, will abstain from voting the resolution to approve the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions thereunder at the SGM. Save as disclosed above, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Shareholder will be required to abstain from voting on the relevant resolution(s) to approve the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions thereunder at the SGM.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed above no other Shareholder is, as at the Latest Practicable Date, materially interested in or involved in the Subscription and the Warrant Subscriptions (including the grant of the Subscription Specific Mandate and the Warrant Specific Mandates) and will be required to abstain from voting on the resolution(s) to the Share Subscription Agreement, the Warrant Subscription Agreements and their respective transactions contemplated thereunder (including the grant of the Subscription Specific Mandate and the Warrant Specific Mandates) at the SGM.

CLOSURE OF REGISTER OF MEMBERS

To ascertain the Shareholders' entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Tuesday, 26 May 2026 to Friday, 29 May 2026, both days inclusive, during which period no transfer of Shares will be registered. The record date for ascertaining Shareholders' eligibility to participate in and vote at the SGM will be Friday, 29 May 2026. In order to qualify for the entitlement to attend and vote at the SGM, all

LETTER FROM THE BOARD

transfer of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Friday, 22 May 2026.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 10:00 a.m. on Wednesday, 27 May 2026 or not less than 48 hours before the time appointed for holding any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

RECOMMENDATIONS

The Board considers that the terms of the Share Subscription Agreement and the Warrant Subscription Agreements and the transactions contemplated thereunder (including the grant of the Subscription Specific Mandate and the Warrant Specific Mandates) are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution(s) to be proposed at the SGM to approve the Share Subscription Agreement, the Warrant Subscription Agreements and the transactions contemplated thereunder (including the grant of the Subscription Specific Mandate and the Warrant Specific Mandates).

ADDITIONAL INFORMATION

Your attention is also drawn to the notice of the SGM set out on page SGM-1 to SGM-6 of this circular and the information set out in the appendices to this circular.

Yours faithfully,

By order of the Board

China Financial International Investments Limited

Du Lin Dong

Executive Director and Chief Executive Officer

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED

中國金融國際投資有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 721)

12 May 2026

To the Independent Shareholders

Dear Sir or Madam,

**CONNECTED TRANSACTIONS ISSUANCE OF
NON-LISTED WARRANTS UNDER SPECIFIC MANDATE**

We refer to the circular of the Company dated 12 May 2026 (the “**Circular**”) to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members to form the Independent Board Committee and to advise the Independent Shareholders in respect of the Warrant Subscription II, the Warrant Subscription III and the transactions contemplated thereunder. Nuada Limited has been appointed by the Company as the Independent Financial Adviser to advise us and the Independent Shareholders in this regard. Details of its advice, together with the principal factors and reasons it has taken into consideration in giving its advice, are contained in its letter as set out on pages 44 to 73 of the Circular. Your attention is also drawn to the letter from the Board as set out on pages 11 to 41 of the Circular and the additional information set out in the appendix to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the terms of the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the situation of the Company, the interests of the Independent Shareholders and the advice of the Independent Financial Adviser, we consider that although the entering into of the Warrant Subscription Agreement II and the Warrant Subscription Agreement III are not in the ordinary and usual course of business of the Group, the terms of the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolutions approving of the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions contemplated thereunder (including the grant of the Warrant Specific Mandates) at the SGM.

Yours faithfully,
For and on behalf of the
Independent Board Committee

Mr. Zong Shijian
*Independent non-executive
Director*

Mr. Lu Lin
*Independent non-executive
Director*

Mr. Liu Xiaohong
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from the Independent Financial Adviser setting out its advice to the Independent Board Committee and the Independent Shareholders prepared in respect of the Warrant Subscription II and the Warrant Subscription III, which has been prepared for the purpose of incorporation in this Circular.

Nuada Limited

Unit 7, 10/F
Hing Yip Commercial Centre
272–284 Des Voeux Road
Sheung Wan, Hong Kong

香港上環德輔道中272–284號
興業商業中心10樓7室

12 May 2026

*To the Independent Board Committee and the Independent Shareholders
of China Financial International Investments Limited*

Dear Sir or Madam,

CONNECTED TRANSACTIONS ISSUANCE OF NON-LISTED WARRANTS UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Warrant Subscription II and the Warrant Subscription III, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in this circular dated 12 May 2026 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Our appointment as the Independent Financial Adviser has been approved by the Independent Board Committee. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 11 March 2026 (after trading hours), the Company entered into, among others, (i) the Warrant Subscription Agreement II (as amended by the Warrant Subscription Supplemental Agreement II entered into on 7 May 2026 (after trading hours)) with the Warrant Subscriber II; and (ii) the Warrant Subscription Agreement III (as amended by the Warrant Subscription Supplemental Agreement III entered into on 7 May 2026 (after trading hours)) with the Warrant Subscriber III. Pursuant to the Warrant Subscription Agreements, upon the Share Consolidation becoming effective, the Warrant Subscriber II agreed to subscribe for 600,000,000 Warrants (equivalent to 120,000,000 Warrants upon the Share Consolidation becoming effective) and the Warrant Subscriber III agreed to subscribe for 300,000,000 Warrants (equivalent to 60,000,000 Warrants upon the Share Consolidation becoming effective), at the Issue Price of HK\$0.005

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(equivalent to HK\$0.025 upon the Share Consolidation becoming effective) per Warrant and the Exercise Price is HK\$0.29 (equivalent to HK\$0.058 prior to the Share Consolidation becoming effective) per Warrant Share subject to the conditions set out in their respective Warrant Subscription Agreement.

As at the Latest Practicable Date, the Warrant Subscriber II is interested in 2,000,270,000 Existing Shares (equivalent to 400,054,000 Consolidated Shares) via his controlled corporations, representing in aggregate of approximately 18.23% of the issued share capital of the Company. Therefore, the Warrant Subscriber II is a substantial shareholder and a connected person of the Company. Accordingly, the Warrant Subscription Agreement II and the transactions contemplated thereunder constitutes a connected transaction of the Company and is therefore subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, the Warrant Subscriber III does not hold any Shares. As the Warrant Subscriber III is a brother-in-law of the Warrant Subscriber II, the Warrant Subscriber III is a relative of the Warrant Subscriber II under Rule 14A.21(1)(a) of the Listing Rules, and is therefore a deemed connected person of the Company. Accordingly, the Warrant Subscription Agreement III and the transactions contemplated thereunder constitutes a connected transaction of the Company and is therefore subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

We, Nuada Limited, have been appointed by the Company, with the approval of the Independent Board Committee, to advise the Independent Board Committee and the Independent Shareholders in relation to the Warrant Subscription Agreement II, the Warrant Subscription Agreement III and the transactions contemplated thereunder the said two agreements.

During the past two years immediately preceding the date of our appointment, save for this appointment as the Independent Financial Adviser in respect of the Warrant Subscription II and the Warrant Subscription III, there were no other engagements between (a) Nuada; and (b) the Group, the Warrant Subscriber II and the Warrant Subscriber III. Apart from normal professional fees for our services to the Company in connection with the aforesaid appointment, no other arrangement exists whereby we have received/will receive any fees and/or benefits from the Group, the Warrant Subscriber II, the Warrant Subscriber III or any other parties that could reasonably be regarded as relevant to our independence. Save for this appointment as the Independent Financial Adviser in respect of the Warrant Subscription II and the Warrant Subscription III and normal professional fees for our services to the Company in connection with this appointment, there is no other relationships or interests between (a) Nuada; and (b) the Group, the Warrant Subscriber II, the Warrant Subscriber III and, where applicable, their respective substantial shareholders, subsidiaries and associates. Accordingly, we consider that we are independent pursuant to Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to give independent advice on the Warrant Subscription II and the Warrant Subscription III.

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 the accuracy of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company (the “**Management**”). We have no reason to believe that any information or representation relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading. We have assumed that all information, representations and opinions contained or referred to in the Circular, which have been provided by the Company, the Directors and the Management and for which they are solely and wholly responsible, were true and accurate at the time when they were made and continue to be true up to the date of the SGM. Should there be any material changes to the information, representations and opinions contained or referred to in the Circular, which have been provided by the Company, the Directors and the Management and our opinions and/or recommendation after the despatch of the Circular, the Shareholders would be notified as soon as possible.

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 the Circular misleading.

Our review and analysis were based upon, among other things, the information provided by the Company including the Circular, and certain published information from the public domain including trading performance of the Shares on the Stock Exchange, the annual report of the Company for the financial year ended 30 June 2025 (“**Annual Report 2025**”) and the interim report of the Company for the six months ended 31 December 2025 (“**Interim Report 2025**”) respectively.

We consider that we have reviewed sufficient information, including relevant information and documents provided by the Company, the Directors and the Management and the information published by the Company, to enable us to reach an informed view and to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our opinions and advice. We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the Management, nor have we conducted an independent in-depth investigation into the business and affairs, financial condition and future prospects of the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our advice in respect of the Warrant Subscription II and the Warrant Subscription III, we have taken into consideration the following principal factors and reasons:

1. Background Information of the Group, and Warrant Subscriber II and Warrant Subscriber III

(a) Information of the Group

The Company is an investment company under Chapter 21 of the Listing Rules and its principal subsidiaries are engaged in the holding of equity or equity-related investments.

(b) Information of the Warrant Subscriber II and Warrant Subscriber III

The Warrant Subscriber II is an individual investor who is a PRC resident. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Warrant Subscriber II, who is a Professional Investor, is interested in or deemed to be interested in an aggregate of 2,000,270,000 Existing Shares (equivalent to 400,054,000 Consolidated Shares), representing approximately 18.23% of the issued share capital of the Company. This comprises (i) 1,000,270,000 Existing Shares (equivalent to 200,054,000 Consolidated Shares) held by Eteam Global Limited, a company owned as to 90% by Warrant Subscriber II; and (ii) 1,000,000,000 Existing Shares (equivalent to 200,000,000 Consolidated Shares) held by Century Golden Resources Investment Co., Ltd, a company owned as to 40% by Warrant Subscriber II. Therefore, the Warrant Subscriber II is deemed to be a Substantial Shareholder (as defined under the Listing Rules) and a connected person of the Company.

The Warrant Subscriber III is an individual investor who is a PRC resident. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Warrant Subscriber III, who is a Professional Investor, is a brother-in-law of the Warrant Subscriber II. Therefore, the Warrant Subscriber III is an associate of the Warrant Subscriber II, i.e. a connected person of the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(c) Financial information of the Group

The tables below summarises the key financial information of the Group for the financial years ended 30 June 2024 (“**FY2024**”) and 30 June 2025 (“**FY2025**”) and for the six months ended 31 December 2024 (“**1H2025**”) and 31 December 2025 (“**1H2026**”) as respectively extracted from the Annual Report 2025 and the Interim Report 2025.

Extract of Consolidated Statement of Profit or Loss

	For the six months ended 31 December		For the year ended 30 June	
	2025 <i>HK\$'000</i> (Unaudited)	2024 <i>HK\$'000</i> (Unaudited)	2025 <i>HK\$'000</i> (Audited)	2024 <i>HK\$'000</i> (Audited)
Revenue	–	164	164	1,224
Reversal of impairment loss of other receivables	–	3,677	3,677	6,722
Fair value (loss)/gain on financial assets at fair value through profit or loss (“ FVTPL ”)	2,958	1,139	(4,978)	24,543
Administrative expenses	(6,228)	(2,780)	(7,112)	(7,589)
(Loss)/profit for the period/year	(3,703)	1,641	(8,809)	27,897

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Financial performance for FY2025 as compared with FY2024

The Company recorded a loss for the year of approximately HK\$8.8 million for FY2025 as compared with a profit for the year of approximately HK\$27.9 million for FY2024, representing a net change of approximately HK\$36.7 million. According to the Management and Annual Report 2025, such change was mainly attributable to the fair value loss of approximately HK\$9.3 million on unlisted investments at FVTPL for FY2025 as compared with the fair value gain of approximately HK\$23.2 million on unlisted investments at FVTPL for FY2024 (representing a net change of approximately HK\$31.5 million), the latter of which was in turn mainly due to disposal of Jilin Jusheng Light Alloy Co. Ltd. with an one-off fair value gain of approximately HK\$53.5 million.

Financial performance for 1H2026 as compared with 1H2025

The Company recorded a loss for the period of approximately HK\$3.7 million for 1H2026 as compared with a profit for the period of approximately HK\$1.6 million for 1H2025, representing a net change of approximately HK\$5.3 million. According to the Management and Interim Report 2025, such change was mainly attributable to (i) the increase in administrative expenses by approximately HK\$3.4 million; and (ii) the lack of reversal of impairment loss of other receivables for 1H2026 as compared with that of approximately HK\$3.7 million for 1H2025. The reversal of impairment loss of other receivables in 1H2025 was related to the refundable deposits of HK\$10.0 million previously paid by the Company to an independent third party, which had been recognised as credit loss allowance and was later refunded by that independent third party in FY2024 and 1H2025 as to approximately HK\$6.7 million and HK\$3.7 million respectively.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Extract of Consolidated Statement of Financial Position

	As at 31 December 2025	As at 30 June 2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Audited)
Non-current assets		
– Interest in an associate	297	306
– Financial assets at FVTPL	28,422	27,888
– Equity instruments at fair value through other comprehensive income ("FVTOCI")	31,268	29,761
	59,987	57,955
Current assets		
– Prepayments, deposits and other receivables	1,571	1,824
– Financial assets at FVTPL	27,765	25,150
– Cash and cash equivalents	89,621	96,482
	118,957	123,456
Current liabilities		
– Other payable and accruals	6,379	13,739
– Amount due to an associate	68	67
– Borrowing	9,997	9,997
– Lease liability	54	371
	16,498	24,174
Net current assets	102,459	99,282
Net assets	162,446	157,237

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As stated in the Interim Report 2025, as at 31 December 2025, the financial assets at FVTPL of approximately HK\$27.8 million reclassified as current assets represented listed equity investments held for trading, i.e. 436,079,429 shares of China City Infrastructure Group Limited (a company listed in Hong Kong) held by the Group. The financial assets at FVTPL of approximately HK\$28.4 million reclassified as non-current assets represented unlisted equity investments, i.e. equity interests of nine companies in the PRC principally engaged in micro-loan services, clean energy, and financial management services respectively held by the Group. The equity instruments at FVTOCI of approximately HK\$31.3 million classified as non-current assets consisted of (i) listed investment of approximately HK\$17.0 million, i.e. 262,000,000 shares of China City Infrastructure Group Limited held by the Group; and (ii) unlisted equity investments of approximately HK\$17.3 million, i.e. equity interests in two companies principally engaged in provision of financial guarantees and provision of consultation services respectively. For details of the full investment portfolio of the Group as at 31 December 2025, please refer to the Interim Report 2025.

As stated in the Interim Report 2025, the borrowing of the Group as at 31 December 2025 represented a bond (the “**Bond**”) issued by the Company with principal amount of HK\$10,000,000 at an interest rate of 8% per annum with maturity date on 30 June 2026, effective from 1 July 2023.

As stated in the annual report for FY2024, the Group disposed of its equity interest in Jilin Jusheng Light Alloy Co. Ltd. in FY2024 at a consideration of HK\$64,465,000. We have discussed with the Management regarding the cash and cash equivalents of approximately HK\$89.6 million as at 31 December 2025 and understand that the majority of them consists of the proceeds from the aforesaid disposal and are intended to be utilised for investment in China’s bioethanol sector. According to the Interim Report 2025, the total fair value of the unlisted equity investment portfolio of the Group as at 31 December 2025 was approximately HK\$42.7 million, of which fair value of investments in clean energy related companies amounted to approximately HK\$28.4 million.

As stated in the Annual Report 2025, the Group will continue to focus on the bioethanol industry as its strategic core. In exploring emerging fields, the Group will closely monitor development opportunities in the global virtual asset market.

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2. Reasons for and Benefits of the Warrant Subscription II and the Warrant Subscription III and Use of Proceeds

(a) Reasons for and Benefits of the Warrant Subscription II and the Warrant Subscription III

As stated in the Letter from the Board, during the course of negotiations for the Warrant Subscription II and the Warrant Subscription III, the Directors were informed by Warrant Subscriber II and Warrant Subscriber III that, following the resumption of trading of the Company's shares in May 2025, they were seeking opportunities to increase their shareholding in the Company. They expressed that the Company's investment objectives align with their own investment purposes and that they are optimistic about the Company's future prospects.

The Directors consider that the Warrant Subscription II and the Warrant Subscription III demonstrate the continued support of the existing substantial shareholders and their associates for the Company, and convey a positive signal to the market regarding the Group's prospects.

(b) Financing alternatives

The Directors further believe that the Warrant Subscriptions facilitate the Company to raise additional fund for the Company's investments and business operations and broaden the shareholder base of the Company. Meanwhile, the Board considers that the Warrant Subscriptions do not have any immediate dilution effect on the shareholding of the existing Shareholders and the Warrants are not interest-bearing. In addition to the net proceeds that would be raised upon completion of the Warrant Subscription, further capital would be raised upon exercise of the Exercise Rights attaching to the Warrants. The Board is of the view that the Warrant Subscriptions would have a lower immediate dilution impact on the existing Shareholders compared with merely issuing the new Shares for subscription.

We note that the Warrants are not interest-bearing. As mentioned in the section headed "(c) Financial information of the Group" above, the Company has issued the Bond at an interest rate of 8% per annum. The issue of Warrants under the Warrant Subscription II and the Warrant Subscription III will provide the Company gross proceeds of HK\$4,500,000 as immediate funds, and further gross proceeds of HK\$52,200,000 upon full exercise of such Warrants. Assuming the Company raises fund through issue of debts with terms similar to the Bond at an interest rate of 8% per annum instead of pursuing the Warrant Subscription II and the Warrant Subscription III, an estimated additional interest expenses of approximately HK\$4.5 million may be incurred annually. Notwithstanding the fact that bank borrowings or issue of bonds or notes will not result in any dilution effect to the shareholding of the Company for the existing Shareholders, increased debts may lead to significant interest expenses, which would have adverse impact to the profitability and gearing

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ratio of the Group. In addition, the Warrant Subscription II and the Warrant Subscription III do not have any immediate dilution effect on the shareholding of the existing Shareholders unlike issue of Shares through placing of new Shares, open offer and rights issue, while still generating immediate proceeds upon issue of Warrants.

Having considered our analysis of possible financing alternatives by the Company above, we are of the view that the Warrant Subscription II and the Warrant Subscription III is a suitable financial method for the Company.

(c) Use of proceeds

As stated in the Letter from the Board, the Company intends to apply the proceeds from the issue and exercise of Warrants as to 85% for the Group's future investments in financial assets and 15% for general working capital.

As stated in the Letter from the Board, the Company's intended investments in financial assets would mainly focus on private fixed income instruments and publicly offered wealth management products. The Investment Committee will be responsible for approving these potential investments, with the investment committee currently includes a member with professional investment background and a responsible officer of Type 9 (asset management) regulated activity under the SFO. All the investment decisions will strictly follow the Risk Management Committee Policy adopted by the Company.

Internal policy of the Company and experience of the Management

We have discussed with the Management and reviewed relevant documents and information, including (i) Risk Management Committee Policy and ancillary documents; and (ii) background of members of the Investment Committee.

Regarding financial assets in general, we note that the Risk Management Committee Policy include details of (i) the composition and duties of Investment Committee; (ii) duties of relevant departments of the Company and procedures before and after investment or divestment. We understand that the Investment Committee currently consists of Mr. Du Lin Dong, the chief executive officer of the Company, as the chairman and Mr. Chan Wing Yau as committee member. Based on the information provided by the Company, we note that Mr. Du Lin Dong has over 25 years' experience in investment and finance sector in the PRC, serve as a chief executive officer of a company listed on the Main Board of the Stock Exchange and had held senior management positions in various unlisted investment companies incorporated in the PRC. Meanwhile, Mr. Chan Wing Yau has over 30 years of experience in the fund management industry and has served a number of world-known financial institutions. He is currently the chief executive officer of Capital Focus Asset Management Limited, a registered

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institution licensed to carry out Type 9 (asset management) regulated activities under the SFO.

In view of the above, we are of the view that the Company has established an internal control framework and that the Management possesses relevant experience to oversee the Company's intended investments.

Market outlook

We have discussed with Management and understand that no specific target has been identified at this stage. Therefore, we focus our analysis on the benefits and general prospects of financial assets.

As stated in the section headed "(c) Financial information of the Group" above, the investment portfolio of the Group consists of equity securities listed in Hong Kong and unlisted equity investments. The Group has experienced volatility in its equity investment portfolio, recording fair value loss of approximately HK\$9.3 million on unlisted investments at FVTPL for FY2025. Fixed income assets typically exhibit lower price volatility and provide predictable cash flows, which can help stabilise the Group's overall financial performance. The Company in general seeks returns from its existing equity investments in medium to long term. In contrast, the investment in fixed income instruments and wealth management products offer better liquidity, strengthening risk management of the Company. Furthermore, the Group's investment portfolio has historically been concentrated in the clean energy and micro-loan sectors, exposing it to sector-specific policy and operational risks. The Company can achieve portfolio diversification through investment in fixed income instruments and wealth management products, thereby reducing overall risks of its investment portfolio. As such, we consider that it is justifiable to invest part of the proceeds for such instruments and products.

3. Proposed Issuance of Warrants under Specific Mandate

(a) Principal terms of the Warrant Subscription Agreement II

Date

The Warrant Subscription Agreement II dated 11 March 2026 and the Warrant Subscription Supplemental Agreement II dated 7 May 2026

Parties

- (i) The Company as issuer
- (ii) The Warrant Subscriber II as subscriber

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Number of Warrants to be issued

Pursuant to the Warrant Subscription Agreement II, the Warrant Subscriber II agreed to subscribe for 600,000,000 Warrants (equivalent to 120,000,000 Warrants upon the Share Consolidation becoming effective), which are exercisable up to 600,000,000 Warrant Shares (equivalent to 120,000,000 Warrant Shares upon the Share Consolidation becoming effective) at the initial Exercise Price (subject to Adjustment Events).

The 600,000,000 Warrant Shares (equivalent to 120,000,000 Warrant Shares upon the Share Consolidation becoming effective) represent approximately 5.47% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 3.83% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the issue of all Warrant Shares upon completion of the Warrant Subscription Agreements (assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date to the Completion Date, save for the allotment and issue of the Subscription Shares and Warrants). The aggregate nominal value of 600,000,000 Warrants (equivalent to 120,000,000 Warrants upon the Share Consolidation becoming effective) will be HK\$6,000,000.00.

Conditions to the Completion of the Warrant Subscription II

Completion of the Warrant Subscription II shall be conditional upon the satisfaction or, if applicable, waiver of such conditions precedent as set out in the Warrant Subscription Agreement II:

- (a) the passing by the Independent Shareholders of necessary resolutions at the general meeting approving the Warrant Subscription Agreement and the transactions contemplated thereunder, including the Warrant Specific Mandates for the issue of the Warrant and, upon exercise of the subscription rights attached to the Warrant, the allotment and issue of the Warrant Shares;
- (b) the Listing Committee of the Stock Exchange granting or agreeing to grant the approval for the listing of, and permission to deal in, the Warrant Shares to be allotted and issued upon exercise of the subscription rights attached to the Warrant, and such listing approval not being revoked or withdrawn;
- (c) the issued Shares remain listed on the Stock Exchange, and the listing of the issued Shares has not been or is threatened with being withdrawn, suspended, revoked or cancelled at any time prior to the Completion Date;

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- (d) all necessary approvals and licences required to be obtained by the issuer in relation to the Warrant having been obtained and remain in full force and effect;
- (e) all necessary approvals and licences required to be obtained by the Warrant Subscriber II in relation to the Warrant having been obtained and remain in full force and effect; and
- (f) the warranties remain true and accurate, and are not misleading, and there is no situation, fact or circumstance relating to the issuer and/or the Group that constitutes or may constitute a breach of the warranties or the terms of the Warrant Subscription Agreement II.

The Company shall use its best efforts to ensure that all the conditions precedent set out in conditions (a), (b), (c), (d) and (f) of above are fulfilled. The Warrant Subscriber II will use his best efforts to ensure that condition (e) above is fulfilled. Save for conditions (a) and (b) which are incapable of being waived, the Warrant Subscriber II may, at his absolute discretion, waive any of the conditions above. The Company may, at its absolute discretion, waive the condition (e) above. As at the Latest Practicable Date, none of the conditions above has been fulfilled or waived.

In the event that the conditions of the Warrant Subscription II are not fulfilled or waived (as the case may be) on or before 12 June 2026 (or such later date as the Company and the Warrant Subscriber II may agree in writing from time to time), any party to the Warrant Subscription Agreement II may terminate the Warrant Subscription Agreement II by providing written notice to the other party, and neither the Company nor the Warrant Subscriber II shall have any claim against each other, except in respect of claims arising out of any antecedent breach of any of the provisions of the Warrant Subscription Agreement II.

(b) *Principal terms of the Warrant Subscription Agreement III*

Date

The Warrant Subscription Agreement III dated 11 March 2026 and the Warrant Subscription Supplemental Agreement III dated 7 May 2026

Parties

- (i) The Company as issuer
- (ii) The Warrant Subscriber III as subscriber

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Number of Warrants to be issued

Pursuant to the Warrant Subscription Agreement III, the Warrant Subscriber III agreed to subscribe for 300,000,000 Warrants (equivalent to 60,000,000 Warrants upon the Share Consolidation becoming effective), which are exercisable up to 300,000,000 Warrant Shares (equivalent to 60,000,000 Warrant Shares upon the Share Consolidation becoming effective) at the initial Exercise Price (subject to adjustment).

The 300,000,000 Warrant Shares (equivalent to 60,000,000 Warrant Shares upon the Share Consolidation becoming effective) represent 2.73% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 1.91% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the issue of all Warrant Shares upon completion of the Warrant Subscription Agreements (assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date to the Completion Date, save for the allotment and issue of the Subscription Shares and Warrants). The aggregate nominal value of the 300,000,000 Warrants (equivalent to 60,000,000 Warrants upon the Share Consolidation becoming effective) will be HK\$3,000,000.00.

Conditions to the Completion of the Warrant Subscription III

Completion of the Warrant Subscription III shall be conditional upon the satisfaction or, if applicable, waiver of such conditions precedent as set out in the Warrant Subscription Agreement III:

- (a) the passing by the Independent Shareholders of necessary resolutions at the general meeting approving the Warrant Subscription Agreement and the transactions contemplated thereunder, including the Warrant Specific Mandates for the issue of the Warrant and, upon exercise of the subscription rights attached to the Warrant, the allotment and issue of the Warrant Shares;
- (b) the Listing Committee of the Stock Exchange granting the approval or agreeing to grant for the listing of, and permission to deal in, the Warrant Shares to be allotted and issued upon exercise of the subscription rights attached to the Warrant, and such listing approval not being revoked or withdrawn;
- (c) the issued Shares remain listed on the Stock Exchange, and the listing of the issued Shares has not been or is threatened with being withdrawn, suspended, revoked or cancelled at any time prior to the Completion Date;

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- (d) all necessary approvals and licences required to be obtained by the issuer in relation to the Warrant having been obtained and remain in full force and effect;
- (e) all necessary approvals and licences required to be obtained by the Warrant Subscriber III in relation to the Warrant having been obtained and remain in full force and effect; and
- (f) the warranties remain true and accurate, and are not misleading, and there is no situation, fact or circumstance relating to the issuer and/or the Group that constitutes or may constitute a breach of the warranties or the terms of the Warrant Subscription Agreement III.

The Company shall use its best efforts to ensure that all the conditions precedent set out in conditions (a), (b), (c), (d) and (f) of above are fulfilled. The Warrant Subscriber III will use his best efforts to ensure that condition (e) above is fulfilled. Save for conditions (a) and (b), the Warrant Subscriber III may, at his absolute discretion, waive any of the conditions above. The Company may, at its absolute discretion, waive the condition (e) above. As at the Latest Practicable Date, none of the conditions above has been fulfilled or waived.

In the event that the conditions of the Warrant Subscription III are not fulfilled or waived on or before 12 June 2026 (or such later date as the Company and the Warrant Subscriber III may agree in writing from time to time), any party to the Warrant Subscription Agreement III may terminate the Warrant Subscription Agreement III by providing written notice to the other party, and neither the Company nor the Warrant Subscriber III shall have any claim against each other, except in respect of claims arising out of any antecedent breach of any of the provisions of the Warrant Subscription Agreement III.

(c) Common Principal Terms of the Warrant Subscription Agreements

Apart from the identities of the Warrant Subscribers, the condition precedents to each Warrant Subscriptions, and the number of Warrants to be subscribed by each of the Warrant Subscribers set out above, the principal terms of each of the Warrant Subscription Agreements are identical.

Set out below are the key terms of the Warrant Subscription Agreements:

Issue Price

The Issue Price of the Warrants is HK\$0.005 (equivalent to HK\$0.025 upon the Share Consolidation becoming effective) per Warrant.

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Exercise Price

HK\$0.058 (equivalent to HK\$0.29 upon the Share Consolidation becoming effective) per Warrant Share. The Exercise Price is subject to adjustment in certain events as described in the paragraph headed “Adjustment to the Exercise Price of the Warrants” below.

The effective issue price of HK\$0.063 (equivalent to HK\$0.315 upon the Share Consolidation becoming effective) per Warrant (being the aggregate of the Issue Price of HK\$0.005 (equivalent to HK\$0.025 upon the Share Consolidation becoming effective) per Warrant and the Exercise Price of HK\$0.058 (equivalent to HK\$0.29 upon the Share Consolidation becoming effective) per Warrant Share) represents: (i) a premium of approximately 10.53% over the closing price of HK\$0.057 per Existing Share (equivalent to HK\$0.285 per Consolidated Share) quoted on the Stock Exchange on the Last Trading Day, and (ii) a premium of approximately 15.81% over the average closing price of HK\$0.0544 per Existing Share (equivalent to HK\$0.272 per Consolidated Share) for the last five consecutive trading days for the Shares immediately preceding the Last Trading Day.

The Exercise Price represents (i) a premium of approximately 1.75% over the closing price of HK\$0.057 per Existing Share (equivalent to HK\$0.285 per Consolidated Share) as quoted on the Stock Exchange on the Last Trading Day; and (ii) a premium of approximately 6.62% over the average closing price of HK\$0.0544 per Existing Share (equivalent to HK\$0.272 per Consolidated Share) for the last five consecutive trading days for the Shares immediately preceding the Last Trading Day.

Both the Issue Price and the Exercise Price are determined based on negotiations on arm’s length basis between the Company and the Warrant Subscribers with reference to the current market sentiment, liquidity flow in the capital market, the prevailing market price of the Shares before entering into the Warrant Subscription Agreements. The Directors consider that both the Issue Price and the Exercise Price are fair and reasonable based on the then market conditions and is in the interests of the Company and the Shareholders as a whole.

For details of our view on the Issue Price and the Exercise Price, please refer to our analysis in the following sections.

Exercise Conditions

The right of the Warrantholder to exercise the Warrants shall be subject to the fulfilment, to the reasonable satisfaction of the Company, of each of the following conditions:

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- (1) the Warrantholder must make or procure third-party investor(s) to make an investment with the minimum cash amount or equivalent (or such other amount as mutually agreed between the Company and the Warrantholder) (the “**Minimum Investment**”), in cash and/or assets of equivalent value, by the second (2nd) anniversary of the issue date of the Warrants (the “**Minimum Investment Deadline**”), in accordance with the conditions set forth in the warrant instrument. Such investment must comply with all applicable laws and the Listing Rules, and all necessary consents, approvals, and waivers required for the investment must be obtained. The Minimum Investment shall be made in the form of Consolidated Shares to or debt to be issued by the Company. The determination of whether the Minimum Investment threshold has been met shall be made by the Company in good faith and acting reasonably, and the Company’s determination shall be final and binding, absent manifest error. Such Minimum Investment to be made by the Warrantholder(s) and/or investor(s) procured by them does not include the Issue Price paid by the Warrant Subscribers or the Exercise Price to be paid by the Warrantholder(s) upon exercise of the Exercise Rights. If this exercise condition is not fulfilled to the satisfaction of the Company on or before the Minimum Investment Deadline, the right of the Warrantholder to exercise the Warrants shall lapse and become null and void, unless the Company agrees, in writing and at its sole discretion, to extend the Minimum Investment Deadline;

Pursuant to the Warrant Subscription Agreements, the agreed Minimum Investment to be made by the Warrant Subscriber II and Warrant Subscriber III or the third party investor(s) procured by them amounted to HK\$719,558.89 and HK\$359,779.45, respectively. For the avoidance of doubt, investment(s) with aggregate amount not less than the Minimum Investment shall be made by the Minimum Investment Deadline and shall not form part of the Exercise Price to be paid by the Warrantholder(s) upon exercise of any of the Exercise Rights attaching to the Warrants;

- (2) if as a result of the relevant exercise, the Warrantholder and/or parties acting in concert with it will be interested in 30% or more of the Company’s issued Shares or voting rights of the Company or such amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer under the Takeovers Code, unless the mandatory general offer obligation under the Takeovers Code is being complied with or the Warrantholder and/or parties acting in concert with it have obtained a Whitewash Waiver; and

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- (3) no less than 25% or the prescribed minimum percentage as set out in the Listing Rules of the Company's issued Shares would be held by the public immediately after the relevant exercise of the Warrants.

In this regard, we have reviewed six announcements for similar transactions in relation to the issuance of warrants under specific mandate by listed companies published on the website of the Stock Exchange during recent period (please refer to section headed "(g) Comparable Analysis" below for details). Among them, we noted that warrants issued/to be issued under (i) four of them have no exercise condition; (ii) one of them has exercise condition related to minimum profit of a joint venture company where one of its beneficial owners is the subscriber of the relevant warrant; and (iii) one of them has exercise condition related to minimum investment in the listed company (i.e. issuer of the warrants), which is similar to the corresponding terms of the Warrants. We consider that the inclusion of the Minimum Investment as one of the exercise conditions would provide additional funds and/or introduce new investor(s) (if third-party investor(s) are procured by the Warrantholder) to the Company and would be beneficial to the Company, and therefore such terms are fair and reasonable.

Exercise Period

The Warrantholder has the right to exercise the Warrants in whole or in part and subscribe for Shares at the Exercise Price (subject to and upon compliance with the exercise conditions) anytime during the Exercise Period. After the Exercise Period, the Exercise Rights shall irrevocably lapse and the Warrants shall cease to be valid for any purpose.

Completion of the Warrant Subscriptions

Completion of each of the Warrant Subscriptions shall take place on the fifth (5th) Business Day after the conditions of the corresponding Warrant Subscriptions are fulfilled or waived (or such other date as may be agreed between the parties) when the Company and the Warrant Subscribers shall perform their respective obligations pursuant to the Warrant Subscription Agreements.

Status

The Warrants will be issued in registered form and constituted by way of deed poll to be executed by the Company. The Warrants will rank *pari passu* in all respects among themselves.

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Information of Warrants

The Warrants Shares to be allotted and issued shall rank *pari passu* in all respects with the Shares in issue and in particular will have the right to receive all dividends or other distributions thereafter declared, paid or made on such Shares with reference to a record date occurring on or after the respective date of exercise of the Exercise Rights attaching to the Warrants.

The Exercise Rights attaching to the Warrants may be exercised at any time during the period of twenty-four (24) months commencing from the date of issue of the Warrant. The Exercise Rights shall only be exercised on the condition that the exercise of the Exercise Rights and the allotment and issue of the Warrant Shares will not cause the public float of the Shares to be less than 25% (or any given percentage as required by the Listing Rules for the minimum percentage of Shares being held by the public as per Rule 8.08(1) of the Listing Rules) of the issued Shares of the Company.

Each one (1) Warrant carries the right to subscribe for one (1) Warrant Share at a price per Share equal to the Exercise Price.

A total of up to 2,501,532,559 Warrants (equivalent to 500,306,512 Warrants upon the Share Consolidation becoming effective) are proposed to be issued. Assuming full exercise of the Exercise Rights attaching to the 2,501,532,559 Warrants (equivalent to 500,306,512 Warrants upon the Share Consolidation becoming effective) at the initial Warrant Exercise Price of HK\$0.058 (equivalent to HK\$0.29 upon the Share Consolidation becoming effective) per Warrant Share, (i) approximately 22.80% of the existing issued share capital of the Company of 10,971,634,030 Existing Shares (equivalent to 2,194,326,806 Consolidated Shares) as at the Latest Practicable Date; (ii) approximately 19.00% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares (assuming there is no other change in the issued share capital of the Company from the Last Trading Day to the Completion Date, save for the allotment and issue of the Subscription Shares); and (iii) approximately 15.97% of the Company's issued share capital as enlarged by the issue of the Subscription Shares and the Warrant Shares (assuming there is no other change in the issued share capital of the Company from the Last Trading Day to the Completion Date, save for the allotment and issue of the Subscription Shares and the Warrant Shares upon full exercise of the Exercise Rights attaching to the Warrants).

Transferability

The holder of the Warrants may assign or transfer the Warrants to the transferee subject to the compliance of the Listing Rules. The Warrants may not be assigned or transferred, in whole or in part, to any connected person of the Company without prior written consent of the Company.

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Adjustment to the Exercise Price of the Warrants

The Exercise Price of the Warrants is subject to the Adjustment Events if any of the following occurs, with effect from the date of the relevant event or, if earlier, the record date for the Adjustment Event:

- (a) a subdivision, consolidation or reclassification of the Shares;
- (b) an issue of Shares by way of capitalization of profits or reserves (including share premium account and any capital redemption reserve);
- (c) capital distribution to all holders of Shares (including, but not limited to, such a distribution pursuant to a reduction or redemption of share capital, share premium account or capital redemption reserve fund or otherwise) or grant of rights to such holders to acquire for cash assets of the Company or any of its subsidiaries;
- (d) an issue of new Shares for subscription by way of rights, or shall grant to all holders of Shares any options or warrants to subscribe for new Shares, at a price per new Share which is less than 90% of the market price;
- (e) an issue of Shares or other securities convertible or exchangeable into Shares by way of dividend or distribution;
- (f) an issue of new Shares at a price which is less than 90% of the market price;
- (g) an issue of new Shares as consideration for the acquisition of asset at the price which is less than 90% of the market price.

So that, after such Adjustment Event: (i) the number of Warrant Shares corresponding to the Warrants for which the outstanding Exercise Rights would then be capable of being exercised carry as nearly as possible (and in any event not less than) the same proportion of the voting rights attached to the fully diluted share capital of the Company and the same entitlement to participate in the profits and assets of the Company (including on liquidation) as if there had been no such event giving rise to the Adjustment Events; and (ii) the aggregate price payable for all Warrant Shares subject to outstanding Exercise Rights attached to the Warrants shall equal the same aggregate price as would be payable for the number of Warrant Shares of the Warrants, subject to outstanding Exercise Rights attached to the Warrants, immediately before the occurrence of the event giving rise to the Adjustment Events.

For the adjustment mechanism to the Exercise Price, please refer to Appendix II of the circular.

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In this regard, we have reviewed six announcements for similar transactions in relation to the issuance of warrants under specific mandate by listed companies published on the website of the Stock Exchange during recent period (please refer to section headed “(g) Comparable Analysis” below for details). We noted that the adjustment terms are customary for issuance of warrants. Therefore, we are of the view that the adjustments terms of the Warrants are fair and reasonable.

Voting and other rights for the holders of the Warrants

The holders of the Warrants will not have any right to attend or vote at any meeting of the Company by virtue of them being the holders of the Warrants. The holders of the Warrants shall not have the right to participate in any distributions and/or offers of further securities made by the Company.

Rights of the holders of the Warrants on the liquidation of the Company

If an effective resolution is passed during the Exercise Period for the voluntary winding-up of the Company, then:

- (a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the holders of the Warrants, or some person designated by them for such purpose by special resolution of the holders of the Warrants, shall be a party or in conjunction with which a proposal is made to the holders of the Warrants and is approved by such special resolution, the terms of such scheme of arrangement or (as the case may be) proposal shall be binding on the holders of the Warrants; and
- (b) in any other case, the holders of the Warrants shall be entitled at any time within six weeks after the passing of such resolution by irrevocable surrender of his/her/its Warrant certificate to the Company at its head office and principal place of business in Hong Kong with the subscription form(s) duly completed, together with payment of the Warrant Exercise Price, to elect to be treated as if he/she/it had immediately prior to the commencement of such winding-up exercised such of the subscription rights represented by his/her/its Warrant(s) as are specified in the subscription form(s) submitted by him/her/it and had on such date been the holder of the Shares to which he/she/it would have become entitled pursuant to such exercise and the Company and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the holders of the Warrants of the passing of any such resolution within seven days after the passing thereof and such notice shall contain a reminder to the holders of the Warrants with respect to his/her/its/their rights under this paragraph (b) (to the extent applicable).

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Subject to the foregoing, if the Company is wound up, all Exercise Rights which have not been exercised at the date of the passing of such resolution shall lapse and Warrant certificate shall cease to be valid for any purpose.

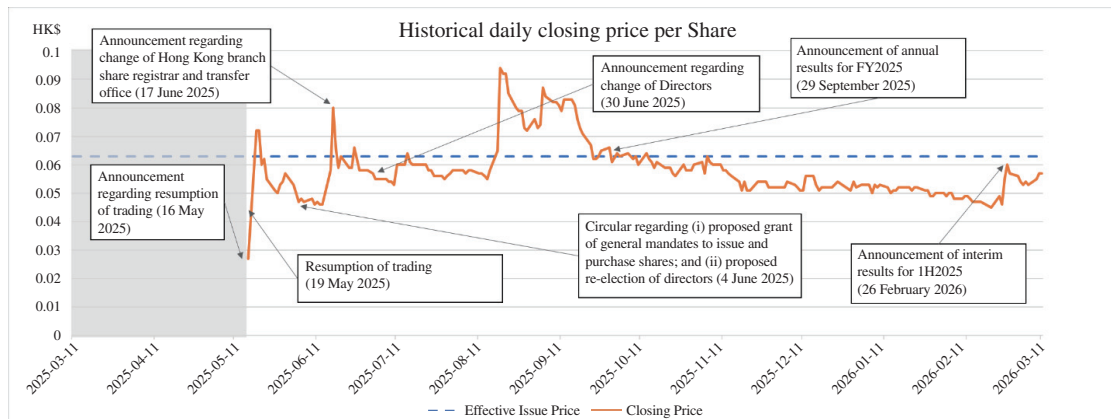
Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the Warrant Shares. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

For details of the Warrants Subscription Agreements and principal terms of the Warrants, please refer to the Letter from the Board.

(d) Historical closing prices of the Shares

The graph below shows the Effective Issue Price and the movement of the closing prices of the Shares during the period from 11 March 2025, being the day twelve months prior to the Last Trading Day (i.e. 11 March 2026), to the Last Trading Day (the “**Review Period**”), with key/relevant events labelled. We consider that the Review Period can reflect the latest market conditions and the recent price performance and trading volume of the Shares for conducting an analysis against the Effective Issue Price. Accordingly, we consider that the Review Period adopted is fair and reasonable.



Source: Website of the Stock Exchange (www.hkex.com.hk)

Note: Please refer to the paragraphs below for the details of the relevant publications as indicated in the graph above. Trading of the Shares was suspended from 3 October 2023 to 16 May 2025 (both days inclusive) as indicated by the shaded area in the Review Period.

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As disclosed in the announcement of the Company dated 3 October 2023, the Company had to delay the publication of the annual results for the year ended 30 June 2023. As a result, pursuant to the requirements under Rule 13.50 of the Listing Rules, trading in the Shares was suspended on 3 October 2023. As disclosed in the announcement of the Company dated 16 May 2025, the Company fulfilled all resumption guidance set by the Stock Exchange as at 16 May 2025. Accordingly, trading in the Shares resumed on 19 May 2025.

After resumption of trading in the Shares, the closing price of the Shares surged from HK\$0.027 to HK\$0.072 on 20 May 2025 in two days, followed by a drop to HK\$0.046 on 13 June 2025. The closing prices of the Shares experienced a rebound to HK\$0.08 on 17 June 2025, followed by another drop to a level around HK\$0.06 in a few days and remained at that level until 14 August 2025. The closing price of the Shares spiked again to a maximum of HK\$0.094 (within the Review Period) on 19 August 2025 and made a U-shape in late August 2025 to early September 2025 by declining to HK\$0.073 and going back to HK\$0.084 in two weeks. As marked in the graph above, for the period between 16 May 2025 to early September 2025, where the closing prices of the Shares experienced several significant surges/drops, we note that the Company published (i) a circular regarding (a) proposed grant of general mandates to issue and purchase Shares and (b) proposed re-election of Directors on 4 June 2025; (ii) an announcement regarding the change of Hong Kong branch share registrar and transfer office on 17 June 2025; and (iii) an announcement regarding change of Directors on 30 June 2025.

The closing price of the Shares then showed a slow but generally downward trend from early September 2025 down to a level of around HK\$0.05 in late November 2025, and stayed at that level until 24 February 2026. The closing price of the Shares then rose sharply from HK\$0.046 on 24 February 2026 to HK\$0.06 on 26 February 2026, and fluctuated slightly below HK\$0.06 until 11 March 2026, i.e. the Last Trading Day. For the period from early September 2025 to the Last Trading Day, we note that the Company published (i) the announcement regarding annual results for FY2025 on 29 September 2025; and (ii) the announcement regarding interim results for 1H2025 on 26 February 2026.

Based on our observation of the movement of closing price of the Shares and our examination of publications made by the Company during the Review Period, we consider that the movement in the closing price of the Shares did not seem to be correlated with any publication made by the Company. We have also discussed with the Management on any other possible reason for the fluctuation in closing price of the Shares in the Review Period but they were not aware of any.

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During the Review Period, the closing prices of the Shares ranged from the highest of HK\$0.094 per Share recorded on 19 August 2025 to the lowest of HK\$0.045 per Share recorded on 20 February 2026, with an average of approximately HK\$0.059 per Share. During the Review Period, the Effective Issue Price of HK\$0.063 per Share (i) represents a discount of approximately 33.0% to the highest closing price of HK\$0.094 per Share; (ii) represents a premium of approximately 40.0% over the lowest closing price of HK\$0.045 per Share; and (iii) represents a premium of approximately 6.8% to the average closing price of approximately HK\$0.059 per Share.

While we have adopted the Review Period of one year to show a more comprehensive analysis on the closing price performance, given that the resumption of trading in the Shares after a prolonged suspension might have effect on the first half of the Review Period, we also separately examine the closing price of the Shares for the second half of the Review Period. During the second half of the Review Period (i.e. a six-month period from 12 September 2025 to 11 March 2026, both date inclusive), the closing prices of the Shares ranged from the highest of HK\$0.083 per Share recorded on 12 September 2025 and 15 September 2025 to the lowest of HK\$0.045 per Share recorded on 20 February 2026, with an average of approximately HK\$0.056 per Share. The closing price of the Shares was below the Effective Issue Price for 104 out of 120 days during the second half of the Review Period.

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(e) Historical trading volume of the Shares

The following table sets out the historical trading liquidity of the Shares during the Review Period:

	Number of trading days in each month/period	Average daily trading volume <i>(Note 1)</i>	Percentage of average daily trading volume to the total issued share capital (%) <i>(Note 2)</i>	Percentage of average daily volume of the Shares to the total number of Shares held by public Shareholders (%) <i>(Note 3)</i>
2025				
May	10	53,746,000	0.490	0.599
June	21	41,887,619	0.382	0.467
July	22	24,469,455	0.223	0.273
August	21	46,044,762	0.420	0.513
September	22	14,739,622	0.134	0.164
October	20	6,432,500	0.059	0.072
November	20	6,597,000	0.060	0.074
December	21	2,843,371	0.026	0.032
2026				
January	21	3,312,857	0.030	0.037
February	17	7,421,765	0.068	0.083
March (up to the Last Trading Day)	8	3,962,500	0.036	0.044
Review Period	203	18,691,529	0.170	0.208

Source: Website of the Stock Exchange (www.hkex.com.hk)

Notes:

1. It is calculated by dividing the total trading volume of the Shares for the month/period by the corresponding number of trading days of that month/period.
2. It is calculated by dividing the average daily trading volume of the Shares by the total issued share capital of the Company at the end of each month or as at the Last Trading Day, where applicable.

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3. It is calculated by dividing the average daily trading volume of the Shares by the total issued share capital of the Company held by public Shareholders.
4. Trading of the Shares was suspended from 3 October 2023 to 16 May 2025 (both days inclusive) and therefore March 2025 and April 2025 are excluded from the table.

As depicted above, during the Review Period, the average daily trading volume in each month/period represents approximately (i) 0.490% to 0.026% of total issued share capital (with an average of 0.170% of the entire Review Period); and (ii) 0.599% to 0.032% of the total number of Shares in issue held by public Shareholders (with an average of 0.208% of the entire Review Period). We note that the average daily trading volume was higher from May 2025 to September 2025 than other months in the Review Period, which corresponded to the aforesaid fluctuations in closing prices of the Shares in the first half of the Review Period as detailed in the paragraph headed “(d) Historical price performance of the Shares” above, and possibly due to resumption of trading of the Shares after trading of the Shares being suspended for over one year and a half. The trading volume gradually subsided to less than 0.1% of total issued share capital in October 2025 and stayed below 0.1% since then. Accordingly, we consider that the liquidity of the Shares has been generally thin for the second half of the Review Period.

(f) Valuation regarding the Issue Price

Both the Issue Price and the Exercise Price are determined based on negotiations on arm’s length basis between the Company and the Warrant Subscribers with reference to the current market sentiment, liquidity flow in the capital market, the prevailing market price of the Shares before entering into the Warrant Subscription Agreements.

We have discussed with the Management and understand that they engaged Roma Appraisals Limited (the “**Valuer**”) for assessment of the fair value of the Warrants, i.e. the Issue Price. We have reviewed the valuation report and note that the Valuer has adopted Binomial Option Pricing Model in deriving the fair value of the Warrants, which is a common pricing methodology used to value options, with the following key basis and parameters:

- (i) risk free rate of 2.57%, which is the yield of Hong Kong dollar zero coupon swap rate with maturity matching the contractual life of the warrants. Since (i) swap rate reflects the market’s expectations of future interest rate movements and the current market conditions; and (ii) the maturity of the swap rate is the same as that of the Warrants, we consider that such the adopted risk free rate is reasonable;
- (ii) stock price of HK\$0.057, which is the closing price of the Shares as at the date of valuation and the date of the Warrant Subscription Agreements;

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- (iii) zero dividend yield, which is based on the historical record and the fact that the Management has indicated that they currently do not plan to issue any dividends in the future;
- (iv) expected volatility of the Share of 92.22%, which is based on the historical volatility of the Share of 92.22% and the assumption that the historical volatility is indicative of future trends;
- (v) probability of making Minimum Investment of 50%, which is based on the expectation of the Management; and
- (vi) discount for lack of marketability of 45%, which is adopted due to the warrants being unlisted. We understand that Chaffe Put Option Model is adopted to calculate such discount, which is based on the parameters also used in the Binomial Option Pricing Model.

Having considered the above, we are of the opinion that the key basis and parameters adopted by the Valuer in assessing the fair value of the Warrants are fair and reasonable. As the Issue Price is the same as the fair value of Warrants per unit determined through the Binomial Option Pricing Model, i.e. HK\$0.005, we consider that the Issue Price of the Warrants is fair and reasonable.

(g) *Comparable analysis*

To assess the fairness and reasonableness of the Effective Issue Price, we have identified transactions regarding issuance of warrants under specific mandate conducted by companies listed on the Stock Exchange for a six-month period, i.e. from 12 September 2025 to 11 March 2026, as references to understand the market practice. To the best of our knowledge and as far as we are aware of, there are six transactions which we consider exhaustive and have met the above-stated criteria (the “**Reference Warrant Issuance(s)**”). While we initially intended to set additional criterion to only include issuance of warrants under specific mandate to connected person of listed companies, we note that there is only one such issuance which would not be representative. As such, we relaxed such criterion to include issuances of warrants to either independent third parties or connected persons of the listed companies.

Although the Reference Warrant Issuances include companies engaged in different business or having different financial performance and funding needs from the Company, having considered that (i) all of the issuers of the Reference Warrant Issuances and the Company are listed on the Stock Exchange; (ii) including Reference Warrant Issuances conducted by companies with different funding needs and businesses represent a more comprehensive overall market sentiment; (iii) a six-month period for the selection of the Reference Warrant Issuances has generated a reasonable samples size to reflect the market practice regarding issuance of warrants under

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specific mandate in the recent period, we consider that the list of Reference Warrant Issuances are fair and representative samples.

Set out below are the list of Reference Warrants Issuances:

Date of initial announcement	Stock Code	Company name	Term	Premium/ (discount) of the effective issue price of warrant over/(to) closing price of shares on the last trading day prior to announcement	Premium/ (discount) of the effective issue price of warrant over/(to) average closing price for the last five trading days prior to announcement
15 September 2025	1709	DL Holdings Group Limited	24 months	0.53%	9.51%
30 October 2025	1028	C.banner International Holdings Limited	24 months	28.46%	23.92%
11 November 2025	1003	Huanxi Media Group Limited	60 months	16.88%	48.03%
9 January 2026	1538	Zhong Ao Home Group Limited	36 months	0.00%	4.20%
19 January 2026	199	ITC Properties Group Limited	12 months	27.04%	34.83%
10 February 2026	8041	IntelliMark AI International Limited	12 months	(15.49%)	(16.67%)
			Mean	9.57%	17.30%
			Median	8.71%	16.72%
			Maximum	28.46%	48.03%
			Minimum	(15.49%)	(16.67%)
11 March 2026	721	China Financial International Investments Limited	24 months	10.53%	15.81%

Source: Website of the Stock Exchange (www.hkex.com.hk)

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As shown in the table above, the effective issue price of the Reference Warrants Issuances represented (i) a range of discount of approximately 15.49% to premium of approximately 28.46% to/over the closing price of shares on the last trading day, with a mean and median premium of approximately 9.57% and 8.71% respectively; (ii) a range of discount of approximately 16.67% to premium of approximately 48.03% to/over the average closing price of shares for the last five trading days prior to announcement, with an mean and median premium of approximately 17.30% and 16.72% respectively. The premiums represented by the Effective Issue Price of (i) approximately 10.53% to the closing price of Shares on the Last Trading Day is slightly above both the mean and median of approximately 9.57% and 8.71% represented by the Reference Warrants Issuances; and (ii) approximately 15.81% to the average closing price of Shares for the last five trading days prior to the Last Trading Day is slightly below the mean and median of approximately 17.30% and 16.72% but is well within the range of discount of approximately 16.67% to premium of approximately 48.03% represented by the Reference Warrants Issuances.

(h) Our view on the terms of the Warrant Subscription II and the Warrant Subscription III

Having considered the above, in particular, that (i) based on our review of the terms of the Warrant Subscription II and the Warrant Subscription III, including review of adjustment terms regarding the Exercise Price as compared with the Reference Warrant Issuances, we considered the terms are in line with market practice; (ii) we have reviewed the valuation carried out by the Valuer regarding the Issue Price, and note that the key basis and parameters used to determine the Issue Price are fair and reasonable and the model adopted is one of the commonly used pricing models for options; (iii) the Effective Issue Price represents a premium of approximately 6.8% to the average closing price of approximately HK\$0.059 per Share during the Review Period and is higher than the closing price of the Shares for 104 out of 120 days during the second half of the Review Period; (iv) the premium of the Effective Issue Price over the closing price of Shares on the Last Trading Day is slightly above the mean and median represented by the Reference Warrants Issuances, while the premium of the Effective Issue Price over the average closing price of Shares for the last five trading days is slightly below the mean and median but is well within the ranges of premium/discount represented by the Reference Warrants Issuances; and (v) the Warrant Subscription II and the Warrant Subscription III is a suitable financial method for the Company, we are of the view that the terms of the Warrant Subscription II and the Warrant Subscription III (including the Issue Price and the Exercise Price) are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

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4. Dilution Effect of the Warrant Subscription II and the Warrant Subscription III

As disclosed in the Letter from the Board, the shareholding of the Public Shareholders will be diluted by approximately 10.88% from approximately 68.14% immediately after the Closing of the Subscription to approximately 57.26% immediately after exercise of the Warrants at the initial Exercise Price in full. As mentioned in the section headed “2. Reasons for and Benefits of the Warrant Subscription II and the Warrant Subscription III and Use of Proceeds” above, the Warrant Subscription II and the Warrant Subscription III is a suitable financial method for the Company as the Warrants are not interest-bearing and will not incur significant interest expenses to the Group as compared with debt financing. Meanwhile, the Warrant Subscription II and the Warrant Subscription III will generate gross proceeds of HK\$4.5 million when the Warrants are issued while avoiding immediate dilution. Furthermore, the Warrant Subscription II and the Warrant Subscription III can demonstrate the continued support of the existing substantial shareholders and their associates for the Company, and convey a positive signal to the market regarding the Group’s prospects. Having considered the above, we are of the view that the Warrant Subscription II and the Warrant Subscription III are in the interest of the Company and the Shareholders as a whole, and the dilution to the Independent Shareholders is justifiable.

RECOMMENDATION

Having considered the principal factors and reasons mentioned above, we are of the view that (i) Warrant Subscription II and the Warrant Subscription III are in the interest of the Company and Shareholders as a whole; and (ii) the terms of Warrant Subscription II and the Warrant Subscription III are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to approve Warrant Subscription II and the Warrant Subscription III at the SGM.

Yours faithfully,
For and on behalf of
Nuada Limited
Nigel Ng
Vice President

Mr. Nigel Ng is a person licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO and is a responsible officer of Nuada Limited who has over 11 years of experience in corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the 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

Directors' and chief executive's interests and short positions in the Shares, underlying shares and debentures of the Company

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required to be entered in the register referred to therein pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules, are set out below:

Long position in the Shares and underlying shares of the Company

Name of Directors	Nature of interest	Number of Existing Shares held	Approximate percentage of issued share capital of the Company
Du Lin Dong (<i>Note</i>)	Beneficial owner	171,624,830	1.56%
	Interests of spouse	34,400,000	0.31%

Note: Mr. Du Lin Dong is personally holding 171,624,830 Existing Shares. The 34,400,000 Existing Shares were held by Ms. Liu Zan, who is the spouse of Mr. Du Lin Dong. Under SFO, Mr. Du Lin Dong is deemed to be interested in the ordinary shares in which Ms. Liu Zan is interested in and vice versa.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had any interest or short position in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including

interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Listing Rules, to be notified to the Company and the Stock Exchange.

Substantial Shareholders' interests and short positions in the Shares, underlying shares and debentures of the Company

As at the Latest Practicable Date, so far as any Directors are aware based on the filings under Disclosure of Interest under Part XV of the SFO retrieved by the Company from public records, persons (other than the Directors or chief executive of the Company) who have interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company under 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 the Shares and underlying shares of the Company

Name of Shareholder	Nature of interest	Number of Existing Shares held	Approximate percentage of issued share capital of the Company (Note 1)
Huang Shiyong (Notes 1, 2)	Interests of controlled corporation	2,000,270,000	18.23%
Eteam Global Limited ("Eteam Global") (Note 1)	Beneficial owner	1,000,270,000	9.12%
Huang Tao (Note 2)	Interests of controlled corporation	1,000,000,000	9.11%
Century Golden Resources Investment Co., Ltd ("Century Golden") (Note 2)	Beneficial owner	1,000,000,000	9.11%
Zhang Zuhao	Beneficial owner	1,000,000,000	9.11%
Chen Jian (Note 3)	Beneficial owner	663,600,000	6.05%
	Interests of controlled corporation	186,860,000	1.70%
Gan Xiaoqing	Beneficial owner	761,760,000	6.94%
Li Zebin	Beneficial owner	662,070,000	6.03%

Notes:

1. 90% of the issued share capital of Eteam Global is owned by Huang Shiyong, Huang Shiyong is therefore deemed to be interested in the ordinary shares held by Eteam Global.
2. 40% and 50% of the issued share capital of Century Golden is owned by Huang Shiyong and Huang Tao, respectively, and Huang Shiyong and Huang Tao are therefore deemed to be interested in the ordinary shares held by Century Golden.
3. Mr. Chen Jian held 88% of the issued share capital of Jumbo View Holdings Limited (“**Jumbo View**”), which in turn held 186,860,000 Existing Shares of the Company, Chen Jian is therefore deemed to be interested in the ordinary shares held by Jumbo View.

Save as disclosed above, as at the Latest Practicable Date, the Company has not been notified of any other person (other than the Directors and chief executive of the Company) who had an interest or short position in the Shares and/or underlying shares of the Company which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or pursuant to Section 336 of the SFO, which would have to be recorded in the register referred to therein, or the Takeovers Code.

As at the Latest Practicable Date, none of the Directors was a director or employee of Eteam Global and Century Golden.

3. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, there was no existing or proposed service contract between any of the Directors and any member of the Group other than service contracts that are expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS’ INTERESTS IN ASSETS AND/OR CONTRACTS AND OTHER INTERESTS

As at the Latest Practicable Date, none of the Directors had any interest, directly or indirectly, in any assets which have, since 30 June 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been 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. None of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which is significant in relation to the business of the Group.

5. DIRECTORS’ INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

6. EXPERT AND CONSENT

The following are the qualifications of the expert who has given opinion or advice which is contained in this circular:

Name	Qualifications
Nuada Limited	a corporation licensed to carry on Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Nuada Limited:

- (a) did not have any shareholding, directly or indirectly, 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; and
- (b) did not have any direct or indirect interest in any assets which have been 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 since 30 June 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

Nuada Limited has given and has not withdrawn its written consent to the issue of this circular, with the inclusion herein of its letter(s), report(s), advice(s) and/or opinion (as the case may be) and the references to its name in the form and context in which they are respectively included.

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

8. MATERIAL ADVERSE CHANGE

The Directors confirm there is no material adverse change in the financial or trading position of the Group since 30 June 2025, being the date to which the latest published audited financial statements of the Group were made up, up to and including the Latest Practicable Date.

9. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business carried on or intended to be carried on by the members of the Group) have been entered into by the members of the Group within the two years immediately preceding the date of this circular and up to the Latest Practicable Date, which are or may be material:

- (a) the Share Subscription Agreement dated 11 March 2026;
- (b) the Warrant Subscription Agreement I dated 11 March 2026;
- (c) the Warrant Subscription Agreement II dated 11 March 2026;
- (d) the Warrant Subscription Agreement III dated 11 March 2026;
- (e) the Share Subscription Supplemental Agreement dated 7 May 2026;
- (f) the Warrant Subscription Supplemental Agreement I dated 7 May 2026;
- (g) the Warrant Subscription Supplemental Agreement II dated 7 May 2026; and
- (h) the Warrant Subscription Supplemental Agreement III dated 7 May 2026.

Save as disclosed above, no material contract (not being a contract entered into in the ordinary course of business) has been entered into by any member of the Group within the two years immediately preceding the issue of this circular.

10. GENERAL

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda.
- (b) The principal place of business of the Company in Hong Kong is at Suite 2001, 20/F, Tower 1, The Gateway, Harbour City, Hong Kong.
- (c) The share registrar and transfer office of the Company in Bermuda is MUFG Fund Services (Bermuda) Limited, whose address is at The Belvedere Building, 69 Pitts Bay Road, Pembroke, HM08, Bermuda.
- (d) The share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited, whose address is at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

- (e) The independent financial adviser to the Independent Board Committee and the Independent Shareholders is Nuada Limited, whose address is at Unit 7, 10/F, Hing Yip Commercial Centre, 272–284 Des Voeux Road Central, Sheung Wan, Hong Kong.
- (f) The English text of this circular shall prevail over the Chinese text in case of inconsistency.

11. DOCUMENTS ON DISPLAY

The following documents will be published on the website of the Stock Exchange (www.hkexnews.hk) and the Company (www.irasia.com/listco/hk/cfii) for display from the date of this circular up to 14 days thereafter:

- (a) the Share Subscription Agreement dated 11 March 2026;
- (b) the Warrant Subscription Agreement I dated 11 March 2026;
- (c) the Warrant Subscription Agreement II dated 11 March 2026;
- (d) the Warrant Subscription Agreement III dated 11 March 2026;
- (e) the Share Subscription Supplemental Agreement dated 7 May 2026;
- (f) the Warrant Subscription Supplemental Agreement I dated 7 May 2026;
- (g) the Warrant Subscription Supplemental Agreement II dated 7 May 2026;
- (h) the Warrant Subscription Supplemental Agreement III dated 7 May 2026;
- (i) the letter from the Board, the text of which is set out in the section headed “Letter from the Board” in this circular;
- (j) the letter from the Independent Board Committee, the text of which is set out in the section headed “Letter from the Independent Board Committee” in this circular;
- (k) the letter from the Independent Financial Adviser, the text of which is set out in the section headed “Letter from the Independent Financial Adviser” in this circular;
- (l) the written consent(s) referred to in the paragraph headed “6. Expert and Consent” in this Appendix; and
- (m) a copy of each of the material contracts referred to in the paragraph headed “9. Material Contracts” in this Appendix.

The Exercise Price will be subject to adjustment in the following Adjustment Events:

- (a) *Subdivision, Consolidation or Reclassification:* If and whenever there shall be an alteration to the nominal value of the Shares as a result of consolidation, subdivision or reclassification, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A = the nominal amount of one Share immediately after such alteration; and

B = the nominal amount of one Share immediately before such alteration.

Such adjustment shall become effective from the close of business on the business day immediately preceding the date that the alteration takes effect.

- (b) *Capitalisation of Profits or Reserves:* If and whenever the Company shall issue (other than pursuant to a scrip dividend scheme in lieu of a cash dividend) any Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund), the Exercise Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$\frac{C}{C + D}$$

where:

C = the aggregate nominal amount of the Shares in issue immediately before such issue;
and

D = the aggregate nominal amount of the Ordinary Capital issued in connection with and as a result of such capitalization.

Such adjustment shall be effective from the commencement of the day next following the record date for such issue.

- (c) *Capital Distribution:* If and whenever the Company shall make (whether on a reduction of capital or otherwise) any capital distribution to all Shareholders (including, but not limited to, such a distribution pursuant to a reduction or redemption of share capital, share premium account or capital redemption reserve fund or otherwise) or shall grant to such

Shareholder rights to acquire for cash assets of the Company or any of its Subsidiaries, the Exercise Price in force immediately prior to such capital distribution or grant shall be adjusted by multiplying it by the following fraction:

$$\frac{E - F}{E}$$

where:

E = the closing price per Share on the Stock Exchange on the dealing day immediately preceding the date on which the capital distribution or, as the case may be, the grant is announced (whether or not such capital distribution or grant is subject to the approval of the holders of Shares or other persons) or (if there is no such announcement) immediately preceding the date on which the Share is traded ex such capital distribution or, as the case may be, the grant (or, where there is no closing price on such dealing day, the closing price on the dealing day on which there was a closing price immediately preceding the relevant date); and

F = the amount calculated by dividing the fair market value on the day of such announcement or (as the case may require) the day immediately preceding the date on which the Share is traded ex such capital distribution or, as the case may be, the grant, as determined in good faith by an approved merchant bank or Auditors, of such capital distribution or of such rights by the number of Shares participating in such capital distribution or, as the case may be, in the grant of such rights.

Such adjustment shall be effective from the commencement of the day next following the record date for the relevant capital distribution or grant.

- (d) *Rights Issues of Shares or Options over Shares:* If and whenever the Company shall offer to all holders of Shares new Shares for subscription by way of rights, or shall grant to all holders of Shares any options or warrants to subscribe for new Shares, at a price per new Share which is less than 90 per cent. of the market price on the date of the announcement of the terms of the offer or grant (whether or not such offer or grant is subject to the approval of the holders of Shares or other persons), the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before the date of the announcement of such offer or grant by the following fraction:

$$\frac{G + H}{G + I}$$

where:

G = the number of Shares in issue immediately before the date of such announcement;

H = the number of Shares which the aggregate of the two following amounts would purchase at such market price:

(a) the total amount (if any) payable for the rights, options or warrants being offered or granted by the Company; and

(b) the total amount payable for all of the new Shares being offered for subscription by way of rights or comprised in the options or warrants being granted; and

I = the aggregate number of Shares being offered for subscription or comprised in the rights, options or warrants being granted.

Such adjustment shall become effective from the commencement of the day next following the record date for the relevant offer or grant.

(e) *Issue of Shares or other securities convertible or exchangeable into Shares by way of dividend or distribution:*

A. If and whenever the Company or any of its Subsidiaries shall issue wholly for cash or for reduction of liabilities or acquisition of assets any securities which by their terms are convertible into or exchangeable for or carrying rights of subscription for new Shares, and the total Effective Consideration per new Share (as defined below) initially receivable for such securities is less than 90 per cent. of the market price on the date of the announcement of the terms of issue of such securities (whether or not such issue is subject to the approval of the holders of Shares or other persons), the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately prior to such issue by the following fraction:

$$\frac{J + K}{J + L}$$

J = the number of Shares in issue immediately before the date of the issue of such securities;

K = the number of Shares which the total Effective Consideration receivable for such securities would purchase at such market price (exclusive of any disbursements incurred in connection therewith); and

L = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the subscription rights conferred by, such securities at their relative initial conversion or exchange rate or subscription price.

Such adjustment shall become effective from the close of business on the business day immediately preceding the date on which the issuer of the relevant securities determines the conversion or exchange rate or subscription price in respect of such securities or, to the extent that the relevant issue is announced (whether or not subject to the approval of holders of Shares or other persons) and the date of such announcement is earlier than the said date, the business day immediately preceding the date of such announcement.

- B. If and whenever the rights of conversion or exchange or subscription attaching to any such securities as are mentioned in sub-paragraph A above are modified so that the total Effective Consideration per new Share initially receivable for such securities shall be less than 90 per cent. of the market price at the date of announcement of the proposal to modify such rights of conversion or exchange or subscription, the Subscription Price shall be adjusted by multiplying the Subscription Price in force immediately prior to such modification by the following fraction:

$$\frac{M + N}{M + O}$$

where:

M = the number of Shares in issue immediately before the date of such modification;

N = the number of Shares which the total Effective Consideration receivable for such securities at the modified conversion or exchange rate or subscription price would purchase at such market price; and

O = the maximum number of new Shares to be issued upon full conversion or exchange of, or the exercise in full of the subscription rights conferred by, such securities at their relative modified conversion or exchange rate or subscription price.

Such adjustment shall become effective (if appropriate retroactively) as at the date upon which such modification shall take effect.

Where:

“**total Effective Consideration**” receivable for the relevant securities shall be deemed to be the aggregate consideration receivable by the issuer of such securities for the issue thereof plus the additional minimum consideration (if any) to be received by such issuer and/or the Company (if not the issuer) upon (and assuming) the full conversion or exchange thereof or the exercise in full of the subscription rights; and

the “**Effective Consideration per new Share**” initially receivable for such securities shall be the total Effective Consideration divided by the maximum number of new Shares to be issued upon (and assuming) the full conversion or exchange thereof at the initial conversion or exchange rate or the exercise in full of the subscription rights attaching thereto at the initial subscription price, in each case without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue.

- (f) *Issues Shares for cash or for reduction of liabilities at less than Current Market Price:* If and whenever the Company shall issue wholly for cash or for reduction of liabilities any Shares at a price which is less than 90 per cent. of the market price on the date of the announcement of the terms of such issue, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately prior to the date of such announcement by the following fraction:

$$\frac{P + Q}{P + R}$$

where:

P = the number of Shares in issue immediately before the date of such announcement;

Q = the number of Shares which the aggregate amount payable for the Shares allotted pursuant to such issue would purchase at such market price (exclusive of expenses); and

R = the number of Shares allotted and issued pursuant to such issue.

Such adjustment shall become effective on the date of the issue of such Shares.

- (g) *Issues Shares for the Acquisition of Asset at a total Effective Consideration per Share at less than Current Market Price:* If and whenever the Company shall issue Shares wholly for the acquisition of asset at a total Effective Consideration per Share (as defined below) which is less than 90% of the market price at the date of the announcement of the terms of such issue, the Exercise Price shall be adjusted by multiplying the Exercise Price in force immediately before the date of such announcement by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A = the number of Shares in issue immediately before the date of such announcement;

B = the number of Shares which the total Effective Consideration receivable for the securities issued would purchase at such market price per Share; and

C = the number of Shares so issued.

Such adjustment shall become effective on the date of the issue.

Where:

“**total Effective Consideration**” shall be the aggregate consideration credited as being paid for such Shares by the Company on acquisition of the relevant asset without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue; and

the “**total Effective Consideration per Share**” shall be the total Effective Consideration divided by the number of Shares issued.

NOTICE OF THE SGM



CHINA FINANCIAL INTERNATIONAL INVESTMENTS LIMITED

中國金融國際投資有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 721)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (the “**SGM**”) of China Financial International Investments Limited (the “**Company**”) will be held at 10:00 a.m. on Friday, 29 May 2026 at Suite 2001, 20th Floor, Tower 1, The Gateway, Harbour City, Kowloon, Hong Kong to consider and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** subject to the satisfaction of the conditions set out in the Letter from the Board under the heading “Conditions and expected effective date of the Share Consolidation” in the circular of the Company dated 12 May 2026, with effect from the second business day immediately following the date on which this resolution is passed:
 - (a) every five (5) issued and unissued ordinary shares of the Company of a par value of HK\$0.01 each (the “**Existing Share(s)**”) in the share capital of the Company be consolidated into one (1) ordinary share with a par value of HK\$0.05 each (each a “**Consolidated Share**”) (the “**Share Consolidation**”), and such Consolidated Shares shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the memorandum of association and articles of association of the Company;
 - (b) all fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued to the shareholders of the Company but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company in such manner and on such terms as the directors of the Company (the “**Directors**”) may think fit;
 - (c) immediately following the Share Consolidation, the authorised share capital of the Company be changed from HK\$300,000,000 divided into 30,000,000,000 Existing Shares to HK\$300,000,000 divided into 6,000,000,000 Consolidated Shares; and

NOTICE OF THE SGM

- (d) any one of the Directors be and is hereby authorised to do all such acts and things, to sign and execute such documents or agreements on behalf of the Company and to do such other things and to take all such actions as he/she considers necessary, appropriate, desirable and expedient for the purposes of implementing and giving effect to or in connection with the Share Consolidation.”

2. **“THAT:**

Subject to and conditional upon the Share Consolidation having become effective,

- (a) the share subscription agreement (the **“Share Subscription Agreement”**) dated 11 March 2026 (as amended by the share subscription supplemental agreement dated 7 May 2026 (the **“Share Subscription Supplemental Agreement”**) and entered into between the Company as issuer and Phancy International Limited as the subscriber (the **“Subscriber”**) in relation to, among others, the subscription of 2,194,326,806 Existing Shares (equivalent to 438,865,361 Consolidated Shares upon the Share Consolidation becoming effective) (the **“Subscription Shares”**) at the subscription price of HK\$0.04 per Existing Share (equivalent to HK\$0.20 per Consolidated Share upon the Share Consolidation becoming effective), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;
- (b) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) granting the approval for the listing of, and permission to deal in, the Subscription Shares, a specific mandate be and is hereby granted to the Directors to allot and issue the Subscription Shares in accordance with the terms and conditions of the Share Subscription Agreement (as amended by the Share Subscription Supplemental Agreement); and
- (c) any Director be and is hereby authorised to do all such acts and things and execute all such documents and take all such actions as he or she considers necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Share Subscription Agreement (as amended by the Share Subscription Supplemental Agreement) and the transactions contemplated thereunder and all other matters incidental thereto or in connection therewith, and to agree to and make such variations, amendments or waivers of any of the matters relating thereto or in connection therewith.”

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3. **“THAT:**

Subject to and conditional upon the Share Consolidation having become effective,

- (a) the warrant subscription agreement (the **“Warrant Subscription Agreement I”**) dated 11 March 2026 (as amended by the warrant subscription supplemental agreement dated 7 May 2026 (the **“Warrant Subscription Supplemental Agreement I”**) and entered into between the Company as issuer and Phancy International Limited as the warrants subscriber (the **“Warrant Subscriber I”**) in relation to the subscription of 1,601,532,559 warrants (equivalent to 320,306,512 adjusted warrants upon the Share Consolidation becoming effective) (the **“Subscriber I Warrants”**) at the issue price of HK\$0.005 per warrant (equivalent to HK\$0.025 per adjusted warrant upon the Share Consolidation becoming effective), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;
- (b) the creation and issue of the Warrants by the Company in accordance with the terms and conditions of the Warrant Subscription Agreement I and the instrument of the Subscriber I Warrants be and is hereby approved;
- (c) subject to and conditional upon, among other things, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the shares of the Company to be allotted and issued upon exercise of the subscription rights attaching to the Subscriber I Warrants (the **“Subscriber I Warrant Shares”**), a specific mandate be and is hereby granted to the Directors to exercise the powers of the Company to allot and issue the Subscriber I Warrant Shares at the initial exercise price of HK\$0.058 per Existing Share (equivalent to HK\$0.29 per Consolidated Share upon the Share Consolidation becoming effective) (subject to adjustments in accordance with the terms and conditions of the Subscriber I Warrants) upon the exercise of the subscription rights attaching to the Subscriber I Warrants in accordance with the terms and conditions of the Subscriber I Warrants; and
- (d) any Director be and is hereby authorised to do all such further things and acts and execute all such further documents and take all such steps which he or she considers necessary, appropriate desirable or expedient to implement and give effect to any matters relating to or in connection with Warrant Subscription Agreement I (as amended by the Warrant Subscription Supplemental Agreement I) and the transactions contemplated thereunder and all other matters incidental thereto or in connection therewith and to agree to and make such variations, amendments and waivers of any of the matters relating thereto or in connection therewith.”

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4. **“THAT:**

Subject to and conditional upon the Share Consolidation having become effective,

- (a) the warrant subscription agreement (the **“Warrant Subscription Agreement II”**) dated 11 March 2026 (as amended by the warrant subscription supplemental agreement dated 7 May 2026 (the **“Warrant Subscription Supplemental Agreement II”**) and entered into between the Company as issuer and Mr. Huang Shiying as the warrants subscriber (the **“Warrant Subscriber II”**) in relation to the subscription of 600,000,000 warrants (equivalent to 120,000,000 adjusted warrants upon the Share Consolidation becoming effective) (the **“Subscriber II Warrants”**) at the issue price of HK\$0.005 per warrant (equivalent to HK\$0.025 per adjusted warrant upon the Share Consolidation becoming effective), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;
- (b) the creation and issue of the Warrants by the Company in accordance with the terms and conditions of the Warrant Subscription Agreement II and the instrument of the Subscriber II Warrants be and is hereby approved;
- (c) subject to and conditional upon, among other things, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the shares of the Company to be allotted and issued upon exercise of the subscription rights attaching to the Subscriber II Warrants (the **“Subscriber II Warrant Shares”**), a specific mandate be and is hereby granted to the Directors to exercise the powers of the Company to allot and issue the Subscriber II Warrant Shares at the initial exercise price of HK\$0.058 per Existing Share (equivalent to HK\$0.29 per Consolidated Share upon the Share Consolidation becoming effective) (subject to adjustments in accordance with the term and conditions of the Subscriber II Warrants) upon the exercise of the subscription rights attaching to the Subscriber II Warrants in accordance with the terms and conditions of the Subscriber II Warrants; and
- (d) any Director be and is hereby authorised to do all such further things and acts and execute all such further documents and take all such steps which he or she considers necessary, appropriate desirable or expedient to implement and give effect to any matters relating to or in connection with Warrant Subscription Agreement II (as amended by the Warrant Subscription Supplemental Agreement II) and the transactions contemplated thereunder and all other matters incidental thereto or in connection therewith and to agree to and make such variations, amendments and waivers of any of the matters relating thereto or in connection therewith.”

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5. “**THAT:**

Subject to and conditional upon the Share Consolidation having become effective,

- (a) the warrant subscription agreement (the “**Warrant Subscription Agreement III**”) dated 11 March 2026 (as amended by the warrant subscription supplemental agreement dated 7 May 2026 (the “**Warrant Subscription Supplemental Agreement III**”) and entered into between the Company as issuer and Mr. Liu Yongxing as the warrants subscriber (the “**Warrant Subscriber III**”) in relation to the subscription of 300,000,000 warrants (equivalent to 60,000,000 adjusted warrants upon the Share Consolidation becoming effective) (the “**Subscriber III Warrants**”) at the issue price of HK\$0.005 per warrant (equivalent to HK\$0.025 per adjusted warrant upon the Share Consolidation becoming effective), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;
- (b) the creation and issue of the Warrants by the Company in accordance with the terms and conditions of the Warrant Subscription Agreement III and the instrument of the Subscriber III Warrants be and is hereby approved;
- (c) subject to and conditional upon, among other things, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the shares of the Company to be allotted and issued upon exercise of the subscription rights attaching to the Subscriber III Warrants (the “**Subscriber III Warrant Shares**”), a specific mandate be and is hereby granted to the Directors to exercise the powers of the Company to allot and issue the Subscriber III Warrant Shares at the initial exercise price of HK\$0.058 per Existing Share (equivalent to HK\$0.29 per Consolidated Share upon the Share Consolidation becoming effective) (subject to adjustments in accordance with the term and conditions of the Subscriber III Warrants) upon the exercise of the subscription rights attaching to the Subscriber III Warrants in accordance with the terms and conditions of the Subscriber III Warrants; and
- (d) any Director be and is hereby authorised to do all such further things and acts and execute all such further documents and take all such steps which he or she considers necessary, appropriate desirable or expedient to implement and give effect to any matters relating to or in connection with Warrant Subscription Agreement III (as amended by the Warrant Subscription Supplemental Agreement III) and the transactions contemplated thereunder and all other matters incidental thereto or in connection therewith and to agree to and make such variations, amendments and waivers of any of the matters relating thereto or in connection therewith.”

By Order of the Board
Du Lin Dong
Executive Director and Chief Executive Officer

Hong Kong, 12 May 2026

NOTICE OF THE SGM

Notes:

1. All resolutions at the SGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the results of the poll will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in accordance with the Listing Rules.
2. For ascertaining the entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Tuesday, 26 May 2026 to Friday, 29 May 2026, both days inclusive, during which period no transfer of the shares of the Company will be registered. The record date for ascertaining shareholders’ eligibility to participate in and vote at the SGM will be Friday, 29 May 2026. In order to qualify for the entitlement to attend and vote at the SGM, all transfer of the shares of the Company accompanied by the relevant share certificates must be lodged with the Company’s share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Friday, 22 May 2026.
3. Any shareholder of the Company entitled to attend and vote at the SGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares of the Company may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company. On a poll, votes may be given either personally or by a duly authorised corporate representative or by proxy.
4. The form of proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
5. The form of proxy and (if required by the board of Directors) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority shall be delivered to the Company’s share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 10:00 a.m. on Wednesday, 27 May 2026 or not less than 48 hours before the time appointed for holding any adjourned meeting.
6. No form of proxy shall be valid after the expiration of twelve (12) months from the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in a case where the SGM was originally held within twelve (12) months from such date.
7. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the SGM, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at the SGM personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
8. Delivery of a form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the SGM or any adjournment thereof or upon the poll concerned, and in such event, the form of proxy should be deemed to be revoked.
9. If typhoon signal no. 8 or above remains hoisted or a black rainstorm warning signal is in force at 9:00 a.m. on the date of the SGM, the SGM will be postponed or adjourned. The Company will post an announcement on the website of the Company at <http://www.irasia.com/listco/hk/cfii> and on the HKEXnews website of the Stock Exchange at <http://www.hkexnews.hk> to notify the Company’s shareholders of the date, time and place of the re-scheduled meeting.
10. The SGM will be held as scheduled when an amber or a red rainstorm warning signal is in force. The shareholders of the Company should make their own decision as to whether they would attend the SGM under the bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.