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弘毅文化集團
HONY MEDIA GROUP

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 419)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

THE SUBSCRIPTIONS

On 3 July 2026 (after trading hours), the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Company has conditionally agreed to allot and issue to the Subscribers, and the Subscribers have conditionally agreed to subscribe for, an aggregate of 162,500,000 Subscription Shares at the Subscription Price of HK\$0.40 per Subscription Share.

As at the date of this announcement, the Company has 1,594,654,399 Shares in issue. Assuming that there will be no change in the total issued share capital of the Company between the date of this announcement and the Completion Date and an aggregate of the Subscription Shares are duly issued, the Subscription Shares represent (i) approximately 10.19% of the total issued share capital of the Company as at the date of this announcement, and (ii) approximately 9.25% of the total issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The Subscription Price of HK\$0.40 per Subscription Share represents (i) a discount of 16.67% to the closing price of HK\$0.480 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements, and (ii) a discount of approximately 9.71% to the average closing price of HK\$0.443 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately preceding the date of the Subscription Agreements.

The amount of gross proceeds from the Subscriptions is approximately HK\$65.0 million and the amount of net proceeds (after deducting the relevant costs and expenses) from the Subscriptions is estimated to be approximately HK\$64.8 million. On such basis, the net price of the subscriptions for the Subscription Shares will be approximately HK\$0.399 per Subscription Share. The Subscription Shares will be allotted and issued by the Company to the Subscribers pursuant to the General Mandate. Accordingly, the allotment and issue of the Subscription Shares are not subject to Shareholders' approval.

GENERAL

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

Shareholders and potential investors of the Company should note that Completion is subject to the fulfilment of the Conditions Precedent. Accordingly, the Subscriptions may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

THE SUBSCRIPTION AGREEMENTS

On 3 July 2026 (after trading hours), the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Company has conditionally agreed to allot and issue to the Subscribers, and the Subscribers have conditionally agreed to subscribe for, an aggregate of 162,500,000 Subscription Shares at the Subscription Price of HK\$0.40 per Subscription Share.

The principal terms and conditions of the Subscription Agreements are summarised as follows.

Date 3 July 2026 (after trading hours)

Parties (1) the Company; and
(2) the Subscribers

The Subscriptions

Subject to the fulfilment of the Conditions Precedent, the Subscribers shall subscribe for 162,500,000 Subscription Shares in aggregate as follows:

	Subscriber	Number of Subscription Shares	Percentage of the existing issued share capital as at the date of the Subscription Agreements	Consideration
1	Subscriber I	50,000,000	3.14%	HK\$20,000,000
2	Subscriber II	40,000,000	2.51%	HK\$16,000,000
3	Subscriber III	15,000,000	0.94%	HK\$6,000,000
4	Subscriber IV	15,000,000	0.94%	HK\$6,000,000
5	Subscriber V	12,500,000	0.78%	HK\$5,000,000
6	Subscriber VI	12,500,000	0.78%	HK\$5,000,000
7	Subscriber VII	10,000,000	0.63%	HK\$4,000,000
8	Subscriber VIII	5,000,000	0.31%	HK\$2,000,000
9	Subscriber IX	2,500,000	0.16%	HK\$1,000,000

Number of Subscription Shares

As at the date of this announcement, the Company has 1,594,654,399 Shares in issue. Assuming that there will be no other change in the total issued share capital of the Company between the date of this announcement and the Completion Date and an aggregate of 162,500,000 Subscription Shares are duly issued, the Subscription Shares represent (i) approximately 10.19% of the total issued share capital of the Company as at the date of this announcement, and (ii) approximately 9.25% of the total issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares under the Subscription Agreements is HK\$32,500,000.

Upon Completion, the Subscribers will not become a substantial shareholder of the Company.

The Subscription Agreements do not restrict the Company from issuing any new Shares or restrict the Subscribers from disposing the Shares in the future. There is no lock-up period under the Subscription Agreements for the Subscription Shares.

Subscription Price

The Subscription Price of HK\$0.40 per Subscription Share represents:

- (i) a discount of 16.67% to the closing price of HK\$0.480 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and
- (ii) a discount of approximately 9.71% to the average closing price of HK\$0.443 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately preceding the date of the Subscription Agreements.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscribers with reference to the current market conditions, the prevailing market price of the Shares and the recent trading performance and trading volume of the Shares.

Ranking of the Subscription Shares

The Subscription Shares will rank, upon allotment and issue, *pari passu* in all respects among themselves and with other Shares in issue as at the Completion Date.

Conditions Precedent of the Subscriptions

Completion is conditional upon fulfilment of the following conditions precedent:

- (a) the Listing Committee having granted approval for the listing of, and permission to deal in, the Subscription Shares; and
- (b) all other necessary consents and approvals required to be obtained by the Company and/or the Subscribers in respect of the Subscription Agreements and the transactions contemplated thereunder, if any, having been obtained.

If the Conditions Precedent are not fulfilled on or before thirty (30) days following the date of the Subscription Agreements (or such later date as may be mutually agreed between the Company and the Subscribers), the Subscription Agreements shall terminate and neither the Company nor the Subscribers shall have any claim against the other for costs, damages, compensation or otherwise save in respect of any antecedent breach of the Subscription Agreements which shall remain in full force and effect.

As at the date of this announcement, the Conditions Precedent have not yet been fulfilled.

Completion

Subject to the fulfilment of the Conditions Precedent and the performance of the Subscriber's obligation to pay for the Subscription Shares, the Completion shall take place within four (4) Business Day (or such other date as may be mutually agreed in writing between the Company and the Subscribers) after the fulfilment of the last of the Conditions Precedent and the performance of the Subscriber's respective obligation to pay for the respective Subscription Shares.

For the avoidance of doubt, completion of any Subscriptions is not inter-conditional upon each other.

GENERAL MANDATE TO ALLOT AND ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued to the Subscribers pursuant to the General Mandate granted to the Board at the AGM held on 19 May 2026, under which the Board is authorised to allot, issue, and otherwise deal with up to 296,430,879 Shares, representing not more than 20% of the total number of issued Shares as at the date of the passing of the resolution at the AGM.

Since the date of the AGM and as at the date of this announcement, 112,500,000 Share have been allotted or issued under the General Mandate. Accordingly, 183,930,879 Shares remains available for issuance under such General Mandate. Therefore, the General Mandate is sufficient for the allotment and issue of the Subscription Shares and the allotment and issue of the Subscription Shares will not be subject to the Shareholders' approval. None of the Directors has any interest in the Subscription Agreements or the transactions contemplated thereunder.

APPLICATION FOR LISTING OF THE SUBSCRIPTION SHARES

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

INFORMATION ON THE PARTIES

The Company

The principal activity of the Company is investment holding. The Group is principally engaged in (i) digitized operation services in healthcare industry; and (ii) entertainment and media business.

The Subscribers

Subscriber I is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding. Subscriber II, Subscriber IV, Subscriber V, Subscriber VII, Subscriber VIII and Subscriber IX are individual investors. Subscriber III and Subscriber VI are individual investors and interested in 1,200,000 Shares and 2,000,000 Shares, representing approximately 0.08% and 0.13% of the total issued share capital of the Company as at the date of this announcement, respectively. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscribers (including their ultimate beneficial owner(s), as applicable) are third party independent of and not connected with the Company and its connected persons.

REASONS FOR THE SUBSCRIPTIONS AND USE OF PROCEEDS

As at 31 May 2026, the Group had cash and cash equivalents of approximately HK\$15.2 million. The cash and cash equivalents of the Group has been increased to approximately HK\$60.0 million following the completion of the subscription of 112,500,000 Shares (the “**May 2026 Subscription**”) which generated net proceeds of approximately HK\$44.8 million, details of which are disclosed in the announcements of the Company dated 26 May 2026, 1 June 2026 and 15 June 2026. Up to the date of this announcement, approximately HK\$14.9 million out of the net proceeds of approximately HK\$44.8 million from the May 2026 Subscription has been utilized. Furthermore, according to the annual report of the Company for the year ended 31 December 2025, the Group recorded (i) marketing and selling expenses of approximately HK\$352.95 million and HK\$156.75 million; (ii) research and development expenses of approximately HK\$17.32 million and HK\$10.37 million and (iii) administrative expenses of approximately HK\$70.37 million and HK\$51.54 million for the two years ended 31 December 2024 and 2025, respectively. The Directors consider that the Subscriptions represent a good opportunity to broaden the shareholders base and capital base of the Company, raise capital for the Group's working capital requirements, and strengthen its financial position.

Assuming all the Subscription Shares are duly issued, the gross proceeds from the Subscriptions will amount to approximately HK\$65.0 million. After deducting the relevant costs and expenses for the Subscriptions of approximately HK\$0.20 million, the net proceeds from the Subscriptions are estimated to be approximately HK\$64.8 million. On such basis, the net price of the subscriptions for the Subscription Shares will be approximately HK\$0.399 per Subscription Share.

The Company intends to apply (a) approximately 25% (equivalent to approximately HK\$16.20 million) for staff costs and rental expenses; (b) approximately 20% (equivalent to approximately HK\$12.96 million) for research and development expenses (such as IT and AI related cost supporting the operations and continuous

upgrade of the Group's Echartnow system and other operating systems); (c) approximately 15% (equivalent to approximately HK\$9.72 million) for capital expenditures (such as computer and equipment, software and intellectual properties) of the Group; and (d) approximately 40% (equivalent to approximately HK\$25.92 million) for settlement of the outstanding accruals, payable and liabilities, convertible bonds interest payment and/or short-term bank and other borrowings of the Group. It is expected that the net proceeds from the Subscriptions will be fully utilised on or before 31 March 2027.

The Directors (including the independent non-executive Directors) consider that the Subscription Agreements were entered into on normal commercial terms after arm's length negotiations between the Company and the Subscribers, and the terms of the Subscription Agreements (including the Subscription Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon Completion, assuming that there will be no other change to the total issued share capital of the Company between the date of this announcement and the Completion Date and all the Subscription Shares are duly issued:

	As at the date of this announcement		Immediately upon Completion	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
Mr. YUEN Hoi Po ^(Note 1) (“Mr. YUEN”)	239,734,010	15.03	239,734,010	13.64
Tencent Holdings Limited ^(Note 2)	207,505,146	13.01	207,505,146	11.81
Mr. KO Chun Shun, Johnson ^(Note 3) (“Mr. KO”)	126,200,000	7.91	126,200,000	7.18
Hony Capital Group Limited ^(Note 4)	59,820,538	3.75	59,820,538	3.40
Subscriber I	-	-	50,000,000	2.85
Subscriber II	-	-	40,000,000	2.28
Subscriber III	1,200,000	0.08	16,200,000	0.92
Subscriber IV	-	-	15,000,000	0.85
Subscriber V	-	-	12,500,000	0.71
Subscriber VI	2,000,000	0.13	14,500,000	0.83

Subscriber VII	-	-	10,000,000	0.57
Subscriber VIII	-	-	5,000,000	0.29
Subscriber IX	-	-	2,500,000	0.14
Other public	958,194,705	60.09	958,194,705	54.53
Shareholders				
Total	1,594,654,399	100.00%	1,757,154,399	100.00%

1. Mr. YUEN is beneficially interested in 45,931,000 Shares. Smart Concept is wholly-owned by Mr. YUEN and is beneficially interested in 193,803,010 Shares. Pursuant to the SFO, Mr. YUEN is also deemed to be interested in the Shares owned by Smart Concept.
2. Mount Qinling Investment Limited is a wholly-owned subsidiary of Tencent Holdings Limited and is beneficially interested in 207,505,146 Shares. Pursuant to the SFO, Tencent Holdings Limited is deemed to be interested in the Shares owned by Mount Qinling Investment Limited.
3. Greater Harmony Limited is wholly-owned by Mr. KO and is beneficially interested in 126,200,000 Shares. Pursuant to the SFO, Mr. KO is deemed to be interested in the Shares owned by Greater Harmony Limited.
4. Mr. ZHAO John Huan (“**Mr. ZHAO**”) is deemed to have an interest in 119,641,076 Shares through his interest in United Strength LS Limited, a company incorporated in the British Virgin Islands with limited liability (the “**Bondholder**”). This interest comprises 59,820,538 Shares, together with the convertible bonds with aggregate outstanding principal amount of HK\$60,000,000, which is convertible into 59,820,538 Shares at the conversion price of HK\$1.003 per Share. The Bondholder is a wholly-owned subsidiary of Hony HK Co-Investment, L.P., being a limited partnership formed under the laws of the British Virgin Islands, which is managed by United Strength Youthful Limited (as the general partner). United Strength Youthful Limited is a wholly-owned subsidiary of Hony Capital Group Limited, which is in turn a wholly-owned subsidiary of Hony Capital Group, L.P., being an exempted limited partnership formed under the laws of the Cayman Islands, managed by Hony Group Management Limited (as the general partner). Hony Group Management Limited is 80% owned by Hony Managing Partners Limited and 20% owned by Right Lane Limited. Right Lane Limited is wholly owned by Legend Holdings Corporation, a company listed on the Main Board of the Stock Exchange (stock code: 3396). Hony Managing Partners Limited is a wholly-owned subsidiary of Exponential Fortune Group Limited, in which (i) Mr. ZHAO owns 49% interest; (ii) Mr. Cao Yonggang owns 25.5% interest and (iii) Mr. Xu Minsheng owns 25.5% interest.

5. The above shareholding information of the Company is based on publicly available information and to the best of the Company's knowledge and information.

EQUITY FUND-RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

The Company has conducted the following equity fundraising activities in the 12 months immediately preceding the date of this announcement.

Date of announcement	Fund raising activity	Net proceeds	Intended use of proceeds	Actual use of proceeds
6 November 2025	Subscription of 638,000,000 new shares at the subscription price of HK\$0.039 under general mandate ^(Note)	approximately HK\$24,662,000	(i) approximately 40% for settlement and future payment of staff costs and office rental expenses; (ii) approximately 25% for settlement and future payment of statutory, compliance, audit, legal, valuation and other professional fees; and (iii) approximately 35% for settlement and future payment of other expenses and general working capital.	Fully utilised as intended
26 May 2026 1 June 2026 15 June 2026	Subscription of 112,500,000 new Shares at the subscription price of HK\$0.40 under general mandate	approximately HK\$44,800,000	(i) approximately 40% for staff costs and rental expenses; (ii) approximately 10% for statutory, compliance and professional fees; (iii) approximately 20% for research and	As at the date of this announcement, the Company has utilised the net proceeds of (i) approximately 2.83% (equivalent to approximately HK\$1.27 million) for

development expenses (such as IT and AI related cost supporting the operations and continuous upgrade of the Group's Echartnow system and other operating systems); (iv) approximately 15% for capital expenditures (such as computer and equipment, software and intellectual properties) of the Group; and (v) approximately 15% for other expenses (such as insurances, travelling and investor relations expenses) and partial settlement of the Group's existing accrual and payable balances.	staff costs and rental expenses; (ii) approximately 2.01% (equivalent to approximately HK\$0.90 million) for statutory, compliance and professional fees; (iii) approximately 19.29% (equivalent to approximately HK\$8.64 million) for research and development expenses (such as IT and AI related cost supporting the operations and continuous upgrade of the Group's Echartnow system and other operating systems); (iv) approximately 0.47% (equivalent to approximately HK\$0.21 million) for capital expenditures (such as computer and equipment, software and intellectual properties) of the Group; and (v) approximately 8.68% (equivalent to approximately HK\$3.89 million) for other expenses (such as insurances, travelling and investor relations expenses)
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and partial settlement
of the Group's existing
accrual and payable
balances.

Note: It was completed prior to the effective date of the share consolidation of the Company, which announced by the Company on 3 November 2025. Please refer to the announcement of the Company dated 3 November 2025 for further details.

Save as disclosed above, the Company has not conducted any equity fundraising activities in the 12 months immediately preceding the date of this announcement.

Shareholders and potential investors of the Company should note that Completion is subject to the fulfilment of the Conditions Precedent. Accordingly, the Subscriptions may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“AGM”	the annual general meeting of the Company held on 19 May 2026 at which, among other things, a resolution for the grant of the General Mandate to the Directors was duly passed by the Shareholders
“Board”	board of the Directors
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Company”	Hony Media Group, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 419)
“Completion”	completion of the Subscriptions in accordance with the Subscription Agreements

“Completion Date”	a date falling within four (4) Business Days (or such other date as may be mutually agreed in writing between the Company and the Subscribers) after the date on which the last of the Conditions Precedent is satisfied pursuant to the Subscription Agreements and the performance of the Subscriber’s respective obligation to pay for the respective Subscription Shares
“Condition(s) Precedent”	condition(s) precedent to Completion under the Subscription Agreements
“connected person(s)”	has the same meaning ascribed to such term under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Board pursuant to the resolution passed by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued Shares (excluding Treasury Shares) of the Company (being 1,482,154,399 Shares) as at the date of passing such resolution, which is equivalent to 296,430,879 Shares and remains unutilized as to 183,930,879 new Shares as at the date of the Subscription Agreements and immediately prior to Completion
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company

“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber I”	Metro Surplus Limited is a company incorporated in Hong Kong with limited liability and is wholly-owned by XIA Yibo (夏一波)
“Subscriber II”	HOU Xiang (侯祥), an individual investor
“Subscriber III”	XUE Shouguang (薛守光), an individual investor
“Subscriber IV”	XU Jingbo (徐靜波), an individual investor
“Subscriber V”	SUNG Ka Woon (宋嘉桓), an individual investor
“Subscriber VI”	LIU Jinlan (劉矜蘭), an individual investor
“Subscriber VII”	YANG Yang (楊陽), an individual investor
“Subscriber VIII”	CHEN Bing (陳冰), an individual investor
“Subscriber IX”	TANG Po Shing (鄧寶城), an individual investor
“Subscribers”	collectively, Subscriber I, Subscriber II, Subscriber III, Subscriber IV, Subscriber V, Subscriber VI, Subscriber VII, Subscriber VIII and Subscriber IX
“Subscriptions”	subscriptions for the Subscription Shares by the Subscribers pursuant to the Subscription Agreements
“Subscription Agreements”	the subscription agreements dated 3 July 2026 entered into between the Company and the Subscribers in respect of the Subscriptions
“Subscription Price”	HK\$0.40 per Subscription Share, being the subscription price payable by the Subscribers for each Subscription Share to the Company for the Subscriptions

“Subscription Share(s)”	new Share(s) to be allotted and issued by the Company and subscribed by the Subscribers pursuant to the Subscription Agreements, amounting in total to 162,500,000 Shares
“substantial shareholder(s)”	has the same meaning ascribed to such term under the Listing Rules
“Treasury Shares”	Shares repurchased and held by the Company in treasury (if any), as authorised by the laws and regulations of the Cayman Islands and/or the articles of association of the Company
“%”	per cent.

By Order of the Board
Hony Media Group
HAU Wai Man, Raymond
Company Secretary

Hong Kong, 3 July 2026

As at the date of this announcement, the Board comprises:

Mr. YUEN Hoi Po¹ (CEO), Mr. CHENG Wu¹, Mr. YUEN Kin², Ms. WANG Song Song² and Ms. PAN Min²

¹ *Executive director*

² *Independent non-executive director*

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.