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 registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **CMON Limited**, you should at once forward this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

CMON LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1792)

(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE RIGHTS SHARES FOR EVERY ONE EXISTING SHARE ON A NON-UNDERWRITTEN BASIS; AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

Placing Agent to the Company

元宇宙(國際)證券有限公司
Yuen Meta (International) Securities Limited

Yuen Meta (International) Securities Limited

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

Gram Capital Limited
嘉林資本有限公司

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from the Board is set out on pages 10 to 35 of this circular. A notice convening the EGM to be held on Wednesday, 29 July 2026 at 11:00 a.m. at Blk 163 Bukit Merah Central #03–3581, Singapore 150163 is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is also enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the Company at http://cmon.com.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. If the Rights Issue is not fully subscribed, the number of Rights Shares that are not subscribed by the Qualifying Shareholders or renouncees or transferees of the Nil-paid Rights under the PALs (i.e. the Unsubscribed Rights Shares) and for the NQS Unsold Right Shares will be placed to independent Placees on a best effort basis through the Placing. The Unsubscribed Rights Shares that are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue.

It should be noted that the Shares will be dealt in on an ex-rights basis from Friday, 31 July 2026. Dealings in the Rights Shares in nil-paid form are expected to take place from Thursday, 13 August 2026 to Thursday, 20 August 2026 (both days inclusive). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any Shareholder or other person dealing in the existing Shares and/or the Nil-paid Rights up to the date on which all the conditions to which the Rights Issue are fulfilled (which is expected to be on Tuesday, 1 September 2026) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Nil-paid Rights. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the EGM (i.e. before 11:00 a.m. on Monday, 27 July 2026), or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting (as the case may be) should you so wish. In such event, the instrument appointing a proxy shall be deemed revoked.

15 July 2026

CONTENTS

In this Circular, unless the context otherwise requires, the following terms shall have the following meaning:

"Announcement"	the announcement of the Company dated 17 June 2026 in relation to, among other things, the Rights Issue
"associate(s)"	has the same meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	a day (excluding Saturday and Sunday and any day on which "extreme conditions" caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning is hoisted or remains in effect between 9:00 a.m. and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
"CA SPV"	Cangsome Limited, a company wholly-owned by Mr. Ng
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
"Companies (WUMP) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
"Company"	CMON Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the same meaning ascribed thereto under the Listing Rules
"DD SPV"	Dakkon Holdings Limited, a company wholly-owned by Mr. Doust
"Director(s)"	the director(s) of the Company
"Existing Share(s)"	ordinary share(s) of HK$0.00175 each in the share capital of the Company

"Extraordinary General Meeting" or "EGM"	the extraordinary general meeting of the Company to be convened for the Independent Shareholders to consider and, if thought fit, approve, among other things, the Rights Issue and the Placing Agreement
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	an independent board committee of the Company comprising all the independent non-executive Directors, which has been established under the Listing Rules to advise the Independent Shareholders in respect of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder
"Independent Financial Adviser" or "Gram Capital"	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue, the Placing Agreement and the transactions contemplated thereunder
"Independent Shareholders"	any Shareholder(s) who are not required to abstain from voting at the EGM under the Listing Rules
"Independent Third Party(ies)"	third parties independent of the Company and its connected person and not connected with any of them or their respective associates
"Last Trading Day"	17 June 2026, the last day on which the Existing Shares were traded on the Stock Exchange immediately preceding the publication of the Announcement
"Latest Practicable Date"	10 July 2026, being the latest practicable date prior to printing of this circular for ascertaining certain information contained herein
"Latest Time for Acceptance"	4:00 p.m. on Tuesday, 25 August 2026, being the latest time for acceptance of the offer of and payment for the Rights Shares
"Listing Committee"	has the meaning ascribed thereto under the Listing Rules

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Chua"	Mr. Frederick Chua Oon Kian, a non-executive Director of the Company
"Mr. Doust"	Mr. David Doust, an executive Director of the Company
"Mr. Ng"	Mr. Ng Chern Ann, an executive Director of the Company
"Net Gain"	the premium paid by the Placees over the Subscription Price for the Placing Shares placed by the Placing Agent
"Nil-Paid Rights"	rights to subscribe for Rights Shares before the Subscription Price is paid
"No Action Shareholder(s)"	Qualifying Shareholders or their renounces who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or such persons who are the holders of Nil-Paid Rights when such Nil-Paid Rights lapse
"Non-Qualifying Shareholder(s)"	Overseas Shareholder(s), to whom the Directors, based on legal opinion(s) provided by the legal adviser(s) to the Company, consider it necessary or expedient not to offer the Rights Issue on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
"NQS Unsold Rights Shares"	the Rights Share(s) which would otherwise has/have been provisionally allotted to the Non-Qualifying Shareholder(s) in nil-paid form that has/have not been sold by the Company
"Option Shares"	up to 1,045,138 Existing Shares which may be allotted and issued by the Company upon the exercising of 1,045,138 outstanding Share Options
"Overseas Shareholder(s)"	Shareholders whose address on the register of members of the Company are outside Hong Kong on the Record Date
"PAL(s)" or "Provisional Allotment Letter(s)"	the provisional allotment letter(s) in respect of the Rights Issue to be issued to the Qualifying Shareholders

"Placee(s)"	any individuals, corporate, institutional investor(s) or other investor(s), who and whose ultimate beneficial owner(s) shall be the Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agent(s), who and whose ultimate beneficial owners shall be the Independent Third Party(ies), to subscribe for any of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares pursuant to the Placing Agreement
"Placing Agent" or "Yuen Meta (International) Securities Limited"	Yuen Meta (International) Securities Limited, a licensed corporation to carry out type 1 (dealing in securities) regulated activities under the SFO
"Placing Agreement"	the placing agreement dated 17 June 2026 entered into between the Company and the Placing Agent in relation to the Placing
"Placing" or "Compensatory Arrangements"	the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares on a best efforts basis by the Placing Agent and/or its sub-placing agent(s), to the independent placee(s) during the Placing Period on the terms and subject to the conditions set out in the Placing Agreement
"Placing Shares"	the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to be placed to the Placee(s) by the Placing Agent
"Prospectus"	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
"Prospectus Documents"	the Prospectus and the PAL
"Prospectus Posting Date"	11 August 2026 (or such later date as may be agreed by the Company) for the despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus to the Non-Qualifying Shareholders (as the case may be)
"Qualifying Shareholder(s)"	Shareholders whose names appear on the register of members of the Company at 4:00 p.m. on the Record Date, other than the Non-Qualifying Shareholders
"Quantum Asset"	Quantum Asset Management Pte. Ltd., a company owned as to 99.9% by Mr. Chua
"Record Date"	10 August 2026 or such other date as may be agreed by the Company for determination of the entitlements under the Rights Issue

"Registrar"	the branch share registrar of the Company in Hong Kong, being Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
"Rights Issue"	the proposed issue of three (3) Rights Shares for every one (1) Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents
"Rights Share(s)"	185,760,000 Shares (assuming no change in the number of Shares in issue on or before the Record Date) or 188,895,414 Shares (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Options) proposed to be offered to the Qualifying Shareholders pursuant to the Rights Issue
"S$"	Singapore dollars, the lawful currency of Singapore
"SFO"	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
"Share Option Scheme"	the share option scheme of the Company adopted on 17 November 2016
"Share Options"	the share options granted by the Company pursuant to the Share Option Scheme which give holders thereof the rights to subscribe for Shares at the exercise price determined in accordance with the rules of the Share Option Scheme
"Share(s)"	the Existing Share(s) and/or the Share(s) (as the case may be)
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	HK$0.81 per Rights Share
"Substantial Shareholder"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"treasury shares"	has the meaning ascribed to it under the Listing Rules

"Unsubscribed Rights Shares"	means those (if any) of the Rights Shares in respect of which valid application under the PALs (accompanied by remittances for the relevant amounts payable on acceptance or application) have not been received on or before the Latest Time for Acceptance
"USD" or "US$"	United States dollars, the lawful currency of the United States of America
"%"	per cent.

All times stated in this circular refer to Hong Kong times and dates. Any changes to the anticipated timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

Events	**Date (2026)**
Latest time for lodging transfers of Existing Shares in order to qualify for attendance and voting at the EGM	4:30 p.m. on Wednesday, 22 July
Register of members closes (both dates inclusive)	Thursday, 23 July to Wednesday, 29 July
Latest time for lodging proxy forms for the EGM	11:00 a.m. on Monday, 27 July
Record date for determining attendance and voting at the EGM	Wednesday, 29 July
Expected date and time of the EGM	11:00 a.m. on Wednesday, 29 July
Announcement of the poll result of the EGM	Wednesday, 29 July
Register of members re-opens	Thursday, 30 July
Last day of dealings in Shares on a cum-rights basis	Thursday, 30 July
First day of dealings in Shares on an ex-rights basis	Friday, 31 July
Latest time to the shareholders to lodge transfer of Shares in order to qualify for the Rights Issue	4:30 p.m. on Monday, 3 August
Closure of register of members of the Company for the Rights Issue (both dates inclusive)	Tuesday, 4 August to Monday, 10 August
Record Date for determining entitlements under the Rights Issue	Monday, 10 August
Register of members reopens	Tuesday, 11 August
Prospectus Documents to be posted	Tuesday, 11 August
First day of dealing in nil-paid Rights Shares	Thursday, 13 August

Latest time for splitting of the PALs	4:30 p.m. on Monday, 17 August
Last day of dealing in nil-paid Rights Shares	Thursday, 20 August
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Tuesday, 25 August
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the payment of Net Gain	4:00 p.m. on Tuesday, 25 August
Announcement of the number of Unsubscribed Rights Shares and the NQS Unsold Rights Shares subject to the Compensatory Arrangements	Tuesday, 1 September
Commencement of placing of Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent	Wednesday, 2 September
Latest time of placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent	6:00 p.m. on Tuesday, 8 September
Latest time for the Rights Issue and placing of the Unsubscribed Rights Shares and NQS Unsold Rights Shares to become unconditional	4:00 p.m. on Wednesday, 9 September
Announcement of results of the Rights Issue (including results of the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the amount of the Net Gain per Unsubscribed Rights Share and per NQS Unsold Rights Share under the Compensatory Arrangements)	Tuesday, 15 September
Refund cheques, if any, to be despatched (if the Rights Issue does not proceed)	Wednesday, 16 September
Certificates for fully-paid Rights Shares to be despatched	Wednesday, 16 September
Expected commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Thursday, 17 September

Expected date of payment of Net Gain (if any) to No Action Shareholders and Non-Qualifying Shareholders . . . . Friday, 2 October

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The Latest Time for Acceptance of and payment for the Rights Shares will not take place at 4: 00 p.m. on Tuesday, 25 August 2026 if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning or “extreme conditions” is:

(a) in force in Hong Kong at any local time before 12: 00 noon and no longer in force after 12: 00 noon on the date of the Latest Time for Acceptance, the Latest Time for Acceptance will not take place at 4: 00 p.m. on the date of the Latest Time for Acceptance, but will be extended to 5: 00 p.m. on the same day instead; or

(b) in force in Hong Kong at any local time between 12: 00 noon and 4: 00 p.m. on the date of the Latest Time for Acceptance, the Latest Time for Acceptance will not take place on the date of the Latest Time for Acceptance, but will be rescheduled to 4: 00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9: 00 a.m. and 4: 00 p.m.

If the Latest Time for Acceptance does not take place on the date of the Latest Time for Acceptance, the dates mentioned in the section headed “Expected Timetable” in this circular may be affected. An announcement will be made by the Company in such event as soon as practicable.

CMON LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1792)

Executive Directors:
Mr. Ng Chern Ann
(Chairman and Joint Chief Executive Officer)
Mr. David Doust
(Joint Chief Executive Officer)

Non-executive Directors:
Mr. Frederick Chua Oon Kian
Ms. Li Xuejin
Mr. Lau Kai San

Independent non-executive Directors:
Mr. Wong Yu Shan Eugene
Mr. Choy Man
Mr. Leung Yuk Hung Paul
Ms. Szeto Huen Sum Hannah

Registered office:
Offices of Conyers Trust Company
(Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Headquarters and principal place of business:
Blk 163 Bukit Merah Central #03–3581
Singapore 150163

Principal place of business in Hong Kong:
31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

15 July 2026

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE RIGHTS SHARES FOR EVERY ONE EXISTING SHARE ON A NON-UNDERWRITTEN BASIS; AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Announcement.

The purpose of this circular is to provide you with, among other things, (i) further details of the Rights Issue and the Placing Agreement; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue, the Placing Agreement and the transactions Contemplated thereunder; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue, the Placing Agreement and the transactions Contemplated thereunder; and (iv) a notice convening the EGM.

PROPOSED RIGHTS ISSUE

The Company proposes to raise up to approximately HK$150.5 million before expenses by way of a rights issue of 185,760,000 Rights Shares at the Subscription Price of HK$0.81 each and on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date (assuming no change in the issued share capital of the Company on or before the Record Date). The Rights Issue is not underwritten and will not be extended to the Non-Qualifying Shareholder(s) (if any).

Further details of the Rights Issue are set out below:

Issue statistic

Basis of the Rights Issue	:	Three (3) Rights Shares for every one (1) Share held on the Record Date
Subscription Price	:	HK$0.81 per Rights Share
Number of Shares in issue as at the date of the Announcement	:	61,920,000 Shares
Number of Rights Shares	:	185,760,000 Rights Shares (assuming no new Shares are issued or repurchased on or before the Record Date); or 188,895,414 Rights Shares (assuming no further issue or repurchase of Shares other than the issue of Option Shares upon the exercising of outstanding Share Options in full on or before the Record Date)
Amount to be raised by the Rights Issue before expenses	:	Approximately HK$150.5 million (assuming no change in the number of Shares in issue on or before the Record Date) or approximately HK$153.0 million (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Options)

As at the Latest Practicable Date, there are 1,045,138 outstanding Share Options which are exercisable during the period from 13 August 2018 to 12 August 2028 (both dates inclusive) entitling the holders thereof to subscribe for a total of 1,045,138 Option Shares at the prevailing exercise price. The holders of the Share Options have indicated that they have no intention to exercise any of their Share Options prior to the Record Date.

Save as disclosed above, the Company does not have any outstanding convertible securities, options or warrants in issue or similar rights which confer any right to subscribe for, convert or exchange into the Shares.

Assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the Record Date, the 185,760,000 Rights Shares to be allotted and issued pursuant to the Rights Issue represent (i) 300% of the existing issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 75.00% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

Assuming all the outstanding Share Options are exercised in full and Option Shares have been issued pursuant thereto on or before the Record Date, and no further issue or repurchase of Shares on or before the Record Date save for the aforesaid Option Shares, the 188,895,414 Rights Shares proposed to be allotted and issued represent (i) approximately 300% of the existing issued share capital of the Company; and (ii) approximately 75% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares immediately after completion of the Rights Issue.

Save as disclosed below, the Company has not conducted any rights issue, open offer and/or specific mandate placing within the 12-month period immediately preceding the Latest Practicable Date or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

The Company had announced a placing of 10,320,000 new shares under general mandate on 19 January 2026 and which was completed on 12 February 2026. Net proceeds of approximately HK$7.9 million is stated to be used for the (i) marketing and events; (ii) game developments and (iii) general working capital.

Non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placees under the Compensatory Arrangements. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. There are no applicable statutory requirements under the laws of the Cayman Islands regarding minimum subscription levels in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, a Qualifying Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Qualifying Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Qualifying Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which (i) does not result in any non-compliance with the public float requirements prescribed under the Listing Rules on the part of the Company; and (ii) does not trigger an obligation on part of the relevant Qualifying Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 7.19(5)(b) of the Listing Rules.

Undertaking

As at the Latest Practicable Date, the Company has not received any indication from any Substantial Shareholder of the Company whether or not they intend to take up their entitlement under the Rights Issue.

Subscription Price

The Subscription Price of HK$0.81 per Rights Share, is payable in full when a Qualifying Shareholder accepts his/her/its provisional allotment under the Rights Issue or a transferee of nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

(i) a discount of approximately 14.74% to the closing price of HK$0.950 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 19.80% to the average closing price of approximately HK$1.010 per Existing Share for the last five (5) consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day;

(iii) a discount of approximately 23.51% to the average closing price of approximately HK$1.059 per Existing Share for the last ten (10) consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day;

(iv) a discount of approximately 14.74% to the closing price of HK$0.950 per Existing Share as quoted on the Stock Exchange on the date of the Announcement;

(v) a discount of approximately 6.25% to the theoretical ex-rights price of approximately HK$0.864 per Share based on the benchmarked price of approximately HK$1.026 per Share; and

(vi) a theoretical dilution effect (as defined under Rule 7.19A of the Listing Rules) of approximately 15.79%, represented by the theoretical diluted price of approximately HK$0.864 per Share to the benchmarked price of approximately HK$1.026 per Share (as defined under Rule 7.19A of the Listing Rules, taking into account the closing price on the Last Trading Day of HK$0.950 per Existing Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the Last Trading Day of approximately HK$1.026 per Existing Share).

The Rights Issue will not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Subscription Price was determined taking into consideration (i) the recent low average market price of HK$1.13 over the previous 60 days prior to the Last Trading Day; (ii) the prevailing market conditions of the capital market in Hong Kong. The Hang Seng Index has experienced a downward trend, declining from approximately 26,160 points in 17 April 2026 to 24,448 points as at the date prior to the Last Trading Day, representing a decrease of approximately 6.55%; (iii) the low trading volume of the Shares (for the twelve months ended 31 May 2026 (excluding entire month of October 2025 which represented an abnormal, event-driven trading spike arising from the placing of new Shares as announced by the Company on 19 October 2025), the value of the Company's average monthly turnover was approximately HK$11.9 million, representing approximately 16.71% of the total market capitalization of the Company as at the 31 May 2026 and the Company had an average trading volume of approximately 4.62 million Shares per month (for the 24-month period from 1 June 2024 to 31 May 2026 (excluding month(s) with no recorded trading and excluding entire month of October 2025 which represented an abnormal, event-driven trading spike arising from the placing of new Shares as announced by the Company on 19 October 2025), representing approximately 7.47% as compared to a current issued share capital of approximately 62 million Shares)); and (iv) the amount of funds the Company intends to raise under the Rights Issue for the purposes described in the section headed "Reasons for and benefits of the Rights Issue and use of proceeds" in this circular. The Directors consider that the Subscription Price, being at a discount to the current market price of the Shares, would enhance the attractiveness of the Rights Issue, and in turn encourage the Shareholders to participate in the Rights Issue, and accordingly allow them to maintain their shareholdings in the Company and participate in the future growth and development of the Group.

As all Qualifying Shareholders are entitled to subscribe for the Rights Shares in the same proportion to his/her/its existing shareholding in the Company held on the Record Date, the Board considers that the discount of the Subscription Price would encourage the Qualifying Shareholders to participate in the future growth of the Group. The Board (excluding the members of the Independent Board Committee whose opinion will be rendered after considering the advice from Gram Capital) considers that the Subscription Price is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

The estimated net price per Rights Share after deducting the related expenses of the Rights Issue will be approximately HK$0.787 (assuming no change in the number of Shares in issue on or before the Record Date); or approximately HK$0.787 (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Options).

Conditions of the Rights Issue

The Rights Issue is conditional upon:

(i) the passing by the Independent Shareholders (as the case may be) at the EGM of the necessary resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;

(ii) the Listing Committee granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, all the Rights Shares (in their nil-paid and fully-paid forms);

(iii) the submission to the Stock Exchange and the filing and registration with the Registrar of Companies in Hong Kong respectively one duly certified copy of each of the Prospectus and the PALs (and all other documents required to be attached thereto) in compliance with the Companies (WUMP) Ordinance and the Listing Rules by no later than the Prospectus Posting Date;

(iv) the despatch of the Prospectus Documents to the Qualifying Shareholders (and, where applicable, the despatch of the Prospectus to the Non-Qualifying Shareholders, if any, for information only), by no later than the Prospectus Posting Date. Copies of the Prospectus Documents will also be made available on the websites of the Company (www.cmon.com) and the Stock Exchange (www.hkexnews.hk). The Prospectus only (excluding the PAL) will be made available and/or despatched (as the case may be) to the Non-Qualifying Shareholders (if any) for their information purpose only to the extent permitted under the relevant laws and regulations and reasonably practicable; and

(v) the Placing Agreement not being terminated.

The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions by the respective dates specified above. As the Rights Issue is subject to the above conditions, it may or may not proceed. As at the Latest Practicable Date, none of the conditions have been satisfied.

Basis of provisional allotment

The basis of the provisional allotment shall be three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date. Acceptance of all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully-paid, will rank *pari passu* with the Shares then in issue in all respects. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Rights Shares in their fully-paid form.

Fractional entitlements to the Rights Shares

On the basis of provisional allotment of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

Closure of register of members

The register of members of the Company will be closed from Tuesday, 4 August 2026 to Monday, 10 August 2026, both dates inclusive, to determine entitlements of the Qualifying Shareholders to participate in the Rights Issue. No transfer of Shares will be registered during this period.

Qualifying Shareholders

The Rights Issue will only be available to the Qualifying Shareholders. Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Prospectus Posting Date.

To qualify for the Rights Issue, a Shareholder must (i) be registered as a member of the Company on the Record Date and (ii) not be a Non-Qualifying Shareholder.

Shareholders whose Shares are held by nominee companies (or held in CCASS) should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies (or held in CCASS) are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in doubt as to their status and action to be taken.

Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Prospectus Documents will be made available and/or despatched (as the case may be) to the Qualifying Shareholders on the Prospectus Posting Date. Copies of the Prospectus Documents will also be made available on the websites of the Company (www.cmon.com) and the Stock Exchange (www.hkexnews.hk). The Prospectus only (excluding the PAL) will be made available and/or despatched (as the case may be) to the Non-Qualifying Shareholders (if any) for their information purpose only to the extent permitted under the relevant laws and regulations and reasonably practicable. The Company will despatch the PALs in printed form to the Qualifying Shareholders, but will not despatch any PAL to Non-Qualifying Shareholders (if any).

Qualifying Shareholders who take up their pro rata assured entitlement in full will not suffer any dilution to their interests in the Company apart from any nominal dilution resulting from the non-issuance of fractional Rights Shares.

In order to be registered as members of the Company on the Record Date, Shareholders must lodge any transfers of the Shares (together with the relevant share certificates) with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Monday, 3 August 2026.

The last day for dealing in the Shares on a cum-rights basis is Thursday, 30 July 2026. The Shares will be dealt with on an ex-rights basis from Friday, 31 July 2026.

The latest time for acceptance of and payment for the Rights Shares is expected to be at 4:00 p.m. on Tuesday, 25 August 2026.

If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

Non-Qualifying Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

Based on the register of members of the Company as at the Latest Practicable Date, there was 1 Shareholder with registered address in the British Virgins Islands and 1 Shareholder with registered address in Singapore. Saved as disclosed, no other Shareholders have a registered address situated outside Hong Kong.

Pursuant to Rule 13.36(2) of the Listing Rules, the Company will make enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. The Company is currently in the process of engaging legal advisers in the British Virgin Islands and Singapore to advise on the legal and regulatory requirements applicable to the Rights Issue, including any restrictions under the relevant laws of such jurisdictions or the requirements of the relevant regulatory authorities or stock exchanges, in respect of the participation of Overseas Shareholders located in the British Virgin Islands and Singapore. The Company is in the course of obtaining the relevant legal opinions and will, upon receipt thereof, assess whether it is necessary or expedient to exclude such Overseas Shareholders from the Rights Issue in compliance with the applicable laws and regulations. Further update is expected to be disclosed in the Prospectus. The Company notes the requirements specified in section 140 of the Companies Ordinance and Rule 13.36(2) of the Listing Rules and will only exclude the Overseas Shareholders from the Rights Issue whom the Directors, after making enquiries, consider it necessary or expedient to exclude on account of either the legal restrictions under the laws of the relevant jurisdictions or any requirements of the relevant regulatory bodies or stock exchanges in such jurisdictions. The basis of exclusion of the Non-Qualifying Shareholders from the Rights Issue, if any, will be disclosed in the Prospectus. The Company will not offer the Rights Shares to the Non-Qualifying Shareholders. Accordingly, no provisional allotment of Rights Shares will be sent to the Non-Qualifying Shareholders. The Company will, subject to the advice of the Company's legal advisers in the relevant jurisdiction(s) where the Non-Qualifying Shareholders are located and to the extent reasonably practicable, send copies of the Prospectus to the Non-Qualifying Shareholders (if any) for their information only, but the Company will not send any PAL to them.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders had they been Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and in any event before dealings in the nil-paid Rights Shares end, if a premium in excess of all expenses of sale can be obtained. The aggregate net proceeds of such sale will be distributed by the Company to the Non-Qualifying Shareholders (pro-rata to their respective entitlements on the Record Date and round down to the nearest cent) in Hong Kong dollars, provided that if any of such Non-Qualifying Shareholders would be entitled to a sum not less than HK$100. In view of administrative costs, the Company will retain individual amount of less than HK$100 for its own benefit.

Any NQS Unsold Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form, will be placed by the Placing Agent at the price at least equal to the Subscription Price under the Compensatory Arrangements together with the Unsubscribed Rights Shares. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed after completion of the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. For the nil-paid Rights Shares that were sold as described above and the buyer of such nil-paid Rights Shares who will not take up the entitlement, such Unsubscribed Rights Shares will be subject to the Compensatory Arrangements.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Share certificates and refund cheques for the Rights Shares

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully paid Rights Shares are expected to be posted to those who have accepted and (where applicable) applied for and paid for the Rights Shares on or before Wednesday, 16 September 2026 by ordinary post at their own risk. If the Rights Issue is terminated or for unsuccessful application for Rights Issue, refund cheques in respect of the acceptance for Rights Shares are expected to be posted on or before Wednesday, 16 September 2026 by ordinary post to the applicants at their own risk.

Application for listing of the Rights Shares

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully paid forms on the Stock Exchange.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully paid forms on the Stock Exchange as well as compliance with the stock admission requirement of HKSCC, the Rights Shares in both their nil-paid and fully paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of dealings in Rights Shares in both their nil-paid and fully paid forms on the Stock Exchange or such other date as may be 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 CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

The nil-paid Rights Shares shall have the same board lot size as the Shares, i.e. 2,000 Shares per each board lot.

Dealings in the Rights Shares in both their nil-paid and fully paid forms, which are registered in the branch register of members of the Company in Hong Kong, will be subject to the payment of stamp duty, Stock Exchange trading fee, the Securities and Futures Commission transaction levy, and any other applicable fees and charges in Hong Kong.

TAXATION

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposals of, or dealings in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Non-Qualifying Shareholders (if any) as regards their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

Those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled should note that their shareholdings in the Company will be diluted.

As at the Latest Practicable Date, the Company has not received any indication from any Substantial Shareholder of the Company of whether or not they intend to take up their entitlement under the Rights Issue.

Any Shareholder, together with parties acting in concert with it (if any), who as a result of the Rights Issue collectively hold 30% or more of the voting rights in the Company will, subject to any waiver which may be granted by the Securities and Futures Commission, be obliged to make a mandatory general offer under Rule 26 of the Takeovers Code for all the Shares not already held by it. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not (i) trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and/or (ii) result in any non-compliance of the public float requirement prescribed under the Listing Rules on the part of the Company.

REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is principally engaged in the design, development and sales of board games, miniature war games and hobby products.

Over the years, traditional board and other table top games have merged with digital ones providing digital convenience, offering online multiplayers, automated rules and apps that enhance physical play. The Company believes that in order to continue to be relevant in the games industry and to expand the Group's revenue stream, the Group would need to conduct digital transitioning, including but not limited to in relation to the existing board and other table top games. Digital transitioning would have the benefits of enhanced visual effects, have apps that handle scoring, timing etc, would enable a diversified number of players and are more accommodating to players not within the same vicinity. However, the Group would continue to supplement this digital transformation as physical games would still offer a "screen break" for individuals as well as foster direct face to face interaction.

As disclosed in the annual report of the Company for the year ended 31 December 2025, the Group's cash and bank balances as at 31 December 2025 amounted to approximately USD430,000 (approximately HK$3,358,000) for the daily operating expenses usage with a net decrease in bank and cash equivalents for the year ended 31 December 2025 of USD1.68 million (approximately HK$13,120,000). The Directors consider the proceeds from the Rights Issue can strengthen the financial position as well as liquidity of the Group, decrease the gearing ratio and replenish the working capital of the Group especially in times when working capital requirement over the last several years has increased but as a result of a downturn in the Group's business, lesser profit has been generated which can be used as working capital and moreover, the anticipated additional working capital required in light of potential expansion and corporate activities. As at the Latest Practicable Date, the Group had outstanding amount due to a Director of approximately of USD2.25 million (equivalent to approximately HK$17.55 million) and unsecured advances from employees of approximately USD385,000 (equivalent to approximately HK$3 million). These outstanding amount due to a Director and unsecured advances from employees are repayable on demand and non-interest-bearing. As disclosed in the annual report of the Company for the year ended 31 December 2025, selling and distribution expenses and general and administrative expenses of the Company amounted to approximately USD4.79 million (approximately HK$37,362,000) and USD9.29 million (approximately HK$72,462,000) respectively. The working capital requirement for the next 12 months remains consistent with the position disclosed in annual report for the year ended 31 December 2025. As at 31 December 2025, the Group recorded net current liabilities of approximately US$6.9 million and net liabilities of approximately US$3.6 million. As at 30 April 2026, the Group's net current liabilities stood at approximately USD7.15 million, indicating no improvement in the underlying working capital position notwithstanding placing of 10,320,000 new Shares under general mandate which was completed on 12 February 2026 and disposal of the Group's office unit in Singapore at a consideration of approximately S$3.1 million (approximately US$2.4 million) which was completed in January 2026. The relevant proceeds have been fully utilised as intended as at the Latest Practicable Date. In addition, as at the Latest Practicable Date, the Group had approximately USD298,000 (approximately HK$2.3 million) bank and cash balances covering approximately less than one month daily operating expenses usage. The cash position on hand will not be sufficient for the Company to capture suitable investment opportunities as they arise in the near future which is anticipated to require a substantial amount of money, hence the Rights Issue is being undertaken with a view to strengthening the capital base of the Company and providing it with readily available funds for capturing suitable investment opportunities in a timely fashion to provide investment returns to the Company and Shareholders as well as additional financial resources to support its long-term business strategy and investment objectives.

The Group's standard operational cash flows are currently net-negative. This is driven by a prolonged structural downturn in the Group's core business segments, making it impossible to naturally sustain the Group's historical annual operational cash burn rate (which includes selling and distribution expenses of approximately USD4.79 million and general and administrative expenses of approximately USD9.29 million, totaling approximately USD14.08 million). Given the Group's net current liabilities of approximately USD7.15 million and a net liability position of approximately USD3.6 million as at 30 April 2026, traditional commercial bank borrowings and debt financing channels carry heavy interest-bearing obligations. Under prevailing high-interest lending conditions, securing such financing would severely strain the Group's remaining liquidity. Accordingly, equity financing via the Rights Issue is the most viable strategic path to recapitalize the Group's capital base without increasing debt distress, while offering all qualifying Shareholders an equal opportunity to participate and protect their stakes from dilution.

The use of part of the Rights Issue proceeds for administrative and marketing expenses is mainly due to the Group's limited operating cash inflow, which is insufficient to fully support such expenses under the slower trading environment and the reduced pace of game launches and fulfilment activities, rather than slower settlement of trade receivables. In light of current market conditions, including weaker demand and tariff-related uncertainty, the Group has maintained a more cautious approach to launches and related spending in order to preserve liquidity. The Directors therefore consider it appropriate to apply part of the Rights Issue proceeds toward administrative and marketing expenses to support normal operations, maintain market presence, and prepare the Group to resume business development and game launch activities when market conditions improve.

The estimated gross proceeds from the Rights Issue will be approximately HK$150.5 million (assuming no new Shares are issued or repurchased on or before the Record Date) or approximately HK$153.0 million (assuming no further issue or repurchase of Shares other than the issue of Option Shares upon the exercising of outstanding Share Options in full on or before the Record Date). The net proceeds from the Rights Issue after deducting the estimated expenses in relation to the Rights Issue are estimated to be approximately HK$146.2 million (assuming no change in the number of Shares in issue on or before the Record Date); or approximately HK$148.7 million (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Options).

It is the intention of the Company to use the net proceeds from the Rights Issue as follows:

(i) approximately 40% will be used for the general working capital for operation; of which approximately 30% shall be applied to staff costs (including salary, bonus and allowances) covering approximately 12 months, approximately 30% on selling and distribution expenses (including royalties expenses and shipping and handling charges) covering approximately 12 months, approximately 5% on professional fee and approximately 35% on general administrative and operating expenses (including normal operation of its sales of board games, miniature war games and other hobby products business, utilities, insurance, government registration and filing fees, listing fee and repair and maintenance, etc) covering approximately 12 months;

(ii) approximately 20% will be used for the repayment of debts/borrowings and settlement of outstanding liabilities, including approximately USD2.635 million (approximately HK$20.55 million) for repayment of borrowings, comprising an amount due to a Director of approximately USD2.25 million and unsecured advances from employees of approximately USD385,000. The remaining approximately HK$8.7 million is expected to be applied towards settlement of other outstanding liabilities and obligations of the Group which are due or expected to become due within the next 12 months, including accrued operating expenses, production costs, shipping and handling costs, royalties, professional fees and other operating liabilities as they become due in the ordinary course of business. Such amount excludes payment for the promissory note in the event the acquisition as announced by the Company on 23 April 2026 proceeds;

(iii) approximately 15% will be used for potential future mergers and acquisitions of major shareholding of companies in the IT gaming industry which align with the Group's existing board game business, proposed digital transitioning and also relate to the strategies of the Group's current business. The Company is acquiring the target company as a strategic, long-term initiative. As at the Latest Practicable Date, the Company has not currently identified any targets for the mergers and acquisitions which will require the use of this amount from the proceeds of the Rights Issue. The Company will identify one to three potential target companies with business valuation ranging from HK$10 million to HK$20 million starting from forth quarter of 2026 through different means and channels, mainly focusing on asia pacific region. Once a potential target is identified and communication channel has been set up, a preliminary due diligence will be conducted. The Company will review and evaluate the results of the preliminary due diligence in order to decide what further action will be taken. The Company considers the identification and selection process may take nine to twelve months, and the acquisition can be completed within twelve months thereafter; and

(iv) approximately 25% will be used for the expansion and development of the Group's business in existing and new markets. Existing markets are expected to include Europe, where the Group intends to continue supporting its sales and marketing activities, participation in industry events and conventions, and engagement with distribution partners and gaming communities, covering approximately 12–18 months. New markets are expected to include selected territories in Asia, including Japan and the Philippines, where the Group has recently participated in industry events such as Tokyo Game Market and All Aboard Expo.

The Group currently expects to utilize these proceeds over the next 12 to 24 months. Planned activities include business development, market research, localization efforts, advertising and promotional campaigns to improve and enhance brand awareness and customer engagement, as well as prototype design, content development and artwork creation supporting future product launches. In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be utilised in proportion to the above uses. The Company will also reconsider the other equity financing methods such as placing or subscription of new shares as well as debt financing to fulfill the funding needs of the Group if there is an under-subscription of the Rights Issue.

The Board has considered other fund raising alternatives before resolving to the Rights Issue, including but not limited to debt financing and issue of new shares. Debt financing will result in additional interest burden which interest rate currently is already extremely high, higher gearing ratio of the Group and subject the Group to repayment obligations.

The Board considers that equity financing methods such as placing or subscription of new shares is not a viable alternative. The Company has conducted a placing of new Shares under general mandate on 12 February 2026. Therefore, further dilution of Shareholders without giving them a chance to maintain their pro rata shareholding interest is not considered appropriate at this time. The Directors noted that placings will dilute the interests of Shareholders without allowing them to participate in the exercise. The Directors consider that over-reliance on debt financing would expose the Group to a huge liquidity risk, especially when there are any unforeseen economic downturns and the additional finance costs would also affect the Group's financial performance. The total liabilities of the Group as at 31 December 2025 were approximately USD12.44 million (approximately HK$96,997,000). The Group's debt to equity ratio as at 31 December 2025 was approximately 352%, which is calculated as the Group's total liabilities over the Group's total equity attributable to the owners of the Company of approximately USD3.53 million (approximately HK$27,558,000). Unlike an open offer, the Rights Issue enables the Shareholders to sell the nil-paid rights in the market. The Rights Issue will allow the Qualifying Shareholders to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company.

The Directors (excluding the members of the Independent Board Committee, whose opinion will be provided after taking into account the advice of the Independent Financial Adviser) consider that, despite any potential dilution impact of the proposed Rights Issue on the shareholding interests of the Shareholders, the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account that (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue can sell the nil-paid rights in the market; (ii) the Rights Issue allows the Qualifying Shareholders to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a relatively low price as compared to the historical market price of the Shares and discount to the recent closing prices of the Shares; and (iii) the proceeds from the Rights Issue can improve the financial condition and reduce the gearing ratio and interest burden of the Group. In view of the above, the Board considered that raising funds by way of the Rights Issue is beneficial to the Company and its Shareholders as a whole.

Procedures in respect of Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements

The Company will make arrangements described in Rule 7.21(b) of the Listing Rules to dispose of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent Placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue.

The Company therefore appointed the Placing Agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares after the Latest Time for Acceptance of the Rights Shares to be allotted and issued under the Rights Issue to independent Placees on a best effort basis. Any premium over the Subscription Price for those Rights Shares that is realised will be paid to the No Action Shareholders and Non-Qualifying Shareholders on a pro-rata basis. The Placing Agent will, on a best effort basis, procure, by not later than 6:00 p.m., on Tuesday, 8 September 2026, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the NQS Unsold Rights Shares if a premium over the Subscription Price and the expenses of procuring such acquirers (including any related commissions and any other related expenses/fees) can be obtained. Any Unsubscribed Rights Shares and the NQS Unsold Rights Shares remain not placed after completion of the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders and Non-Qualifying Shareholders as set out below on pro rata basis (but rounded down to the nearest cent):

A. the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and

B. the relevant Non-Qualifying Shareholders with reference to their shareholdings in the Company on the Record Date.

It is proposed that Net Gain to any of the No Action Shareholder(s) or Non-Qualifying Shareholders of HK$100 or more will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders and Non-Qualifying Shareholders may or may not receive any Net Gain.

THE PLACING AGREEMENT

On 17 June 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed as agent of the Company (either by itself or through its sub-placing agents) to procure independent Placees, on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares. Details of the Placing Agreement are as follows:

Date	:	17 June 2026 (after trading hours)
Parties	:	(i) the Company, as issuer; and
		(ii) the Placing Agent

Placing agent	:	Yuen Meta (International) Securities Limited, a corporation licensed to carry out type 1 (dealing in securities) regulated activities under the SFO and its ordinary course of business includes securities brokerage and underwriting and placement of securities. As at the Latest Practicable Date, it is independent of and not connected with the Company or its connected persons.
Number of placing Shares	:	185,760,000 Rights Shares (assuming no new Shares are issued or repurchased on or before the Record Date) or 188,895,414 Rights Shares (assuming no further issue or repurchase of Shares other than the issue of Option Shares upon the exercising of outstanding Share Options in full on or before the Record Date)
Placing Period	:	Wednesday, 2 September 2026 to Tuesday, 8 September 2026
Fees and expenses	:	2.5% of the amount which is equal to the placing price multiplied by the Unsubscribed Rights Shares and NQS Unsold Rights Shares, that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement and reimbursed for the expenses in relation to the placing of the Unsubscribed Rights Shares and NQS Unsold Rights Shares, which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion.
Placing price of each of the Unsubscribed Rights Share and/or the NQS Unsold Rights Share (as the case may be)	:	The placing price of each of the Unsubscribed Rights Share and/or the NQS Unsold Rights Share (as the case may be) shall be at least equal to the Subscription Price. The final price determination is depended on the demand and market conditions of the Unsubscribed Rights Shares and the NQS Unsold Rights during the process of placement.

Placees	:	Any individuals, corporate, institutional investor(s) or other investor(s), who and whose ultimate beneficial owner(s) shall be the Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agents, who and whose ultimate beneficial owners shall be the Independent Third Party(ies), to subscribe for any of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares pursuant to the Placing Agreement. The Placing Agent has undertaken in the Placing Agreement undertakes (i) to make all reasonable enquiries to ensure that the Placee(s) and their respective ultimate beneficial owners (if applicable) will be Independent Third Parties; and (ii) that it will ensure the Placing will not, upon its completion, result in the Company being unable to comply with the public float requirement.
Ranking of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares	:	The Unsubscribed Rights Shares and the NQS Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue.
Termination	:	The Compensatory Arrangements shall end on 8 September 2026 or any other date by mutual written agreement between the Placing Agent and the Company. The engagement of the Placing Agent may also be terminated by the Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill their respective duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.

Conditions Precedent	:	The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions (the "**Conditions**") being fulfilled (or being waived by the Placing Agent in writing, if applicable):

(i) the passing by the Shareholders or Independent Shareholders (as the case may be) at the EGM of the necessary resolution(s) to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares);

(ii) the Listing Committee granting the approval for the listing of, and the permission to deal in, the Rights Shares, including the Unsubscribed Rights Shares and/or the NQS Unsold Rights Shares;

(iii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and

(iv) the Placing Agreement not having been terminated in accordance with the provisions thereof. The Placing Agent may, in its absolute discretion, waive the fulfilment of all or any or any part of the Conditions (other than those set out in paragraph (ii) above) by notice in writing to the Company.

Completion	:	Placing completion shall take place at the offices of the Placing Agent within five Business Days after publication of an announcement of results of the Rights Issue or waiver (as the case may be) of the Conditions or such other date as the Company and the Placing Agent may agree in writing.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its associates do not hold any Shares as at the Latest Practicable Date. The Placing Agent and its ultimate beneficial owners are independent third parties and not connected with the Company or its connected persons as defined under the Listing Rules.

The engagement between the Company and the Placing Agent for the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares (including the placing commission of 2.5%) was determined after arm's length negotiations between the Placing Agent and the Company and is on normal commercial terms with reference to the market conditions, the existing financial position of the Group and the size of the Rights Issue. The Board considers the terms of the Placing Agreement (including the commission payable) are on normal commercial terms. In determining the placing commission, the Company reviewed the prevailing market rate with reference to the recent rights issue exercise conducted by the companies listed on the Stock Exchange. The placing commission falls within the range of the comparables. The placing commission of the rights issue transactions announced in the Stock Exchange during the period from 18 March 2026 to the Last Trading Day, ranged from 1% to 4%, with the average and median of approximately 1.5% and 1.86%, respectively (the "**Comparables**"). Having considered that (i) the placing commission of 2.5% falls within the range of the Comparables; and (ii) the recent commission rate of the rights issue transactions in the market, i.e. 7 out of 17 of the Comparables announced from 18 March 2026 to the Last Trading Day have a placing commission between 2.0% to 4.0% which is higher than the average of the Comparables, and meanwhile, among the placing commission of all Comparables announced from 18 March 2026 to Last Trading Day, 9 Comparables are either equivalent or higher than the average of the Comparables, the Board is of the view the commission rate of 2.5% is on normal commercial terms, fair and reasonable. The Directors consider that the terms of the Placing Agreement are fair and reasonable and on normal commercial terms.

SHAREHOLDING STRUCTURE OF THE COMPANY

The tables below sets out some possible changes in the shareholding structure of the Company arising from the Rights Issue which are for illustrative purpose only.

Scenario 1

As at the Latest Practicable Date, the Company has 61,920,000 Shares in issue. Set out below is the shareholding structures of the Company (i) as at the Latest Practicable Date, (ii) immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders; (iii) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of Unsubscribed Rights Shares and NQS Unsold Rights Shares have been placed by the

Placing Agent; and (iv) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and NQS Unsold Rights Shares have been placed by the Placing Agent:

Shareholder	As at the Latest Practicable Date		Immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders		Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of Unsubscribed Rights Shares and NQS Unsold Rights Shares have been placed by the Placing Agent		Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and NQS Unsold Rights Shares have been placed by the Placing Agent	
	No. of Shares	*Approximate %*	*No. of Shares*	*Approximate %*	*No. of Shares*	*Approximate %*	*No. of Shares*	*Approximate %*
Mr. Ng(1)	12,432,115	20.08	49,728,460	20.08	12,432,115	20.08	12,432,115	5.02
Mr. Doust(2)	7,459,269	12.05	29,837,076	12.05	7,459,269	12.05	7,459,269	3.01
Mr. Chua(3)	5,501,120	8.88	22,004,480	8.88	5,501,120	8.88	5,501,120	2.22
Placees	—	—	—	—	—	—	185,760,000	75.00
Other public Shareholders	36,527,496	58.99	146,109,984	58.99	36,527,496	58.99	36,527,496	14.75
Total	**61,920,000**	**100**	**247,680,000**	**100**	**61,920,000**	**100**	**247,680,000**	**100**

Notes:

(1) The issued share capital of CA SPV is wholly-owned by Mr. Ng, an executive Director and the sole director of CA SPV. CA SPV is beneficially interested in 12,432,115 Shares whereas Mr. Ng is beneficially interested in 442,855 Share Options.

(2) The issued share capital of DD SPV is wholly-owned by Mr. Doust, an executive Director and the sole director of DD SPV. DD SPV is beneficially interested in 7,459,269 Shares whereas Mr. Doust is beneficially interested in 442,855 Share Options.

(3) Mr. Chua, a non-executive Director, beneficially owns approximately 99.99% of the issued share capital of Quantum Asset which holds 5,501,120 Shares and is beneficially interested in 159,428 Share Options.

Scenario 2

Assuming all outstanding Share Options are exercised and all Option Shares are allotted and issued on or before the Record Date, and no further issue of new Shares or repurchase of Shares up to completion of the Rights Issue save for the Rights Shares and Option Shares:

Shareholder	As at the Latest Practicable Date		Immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the existing Shareholders		Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of Unsubscribed Rights Shares and NQS Unsold Rights Shares have been placed by the Placing Agent		Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all Unsubscribed Rights Shares and NQS Unsold Rights Shares have been placed by the Placing Agent	
	No. of Shares	*Approximate %*	*No. of Shares*	*Approximate %*	*No. of Shares*	*Approximate %*	*No. of Shares*	*Approximate %*
Mr. Ng(1)	12,874,970	20.45	51,499,880	20.45	12,874,970	20.45	12,874,970	5.11
Mr. Doust(2)	7,902,124	12.55	31,608,496	12.55	7,902,124	12.55	7,902,124	3.14
Mr. Chua(3)	5,660,548	8.99	22,642,192	8.99	5,660,548	8.99	5,660,548	2.25
Placees	—	—	—	—	—	—	188,895,414	75.00
Other public Shareholders	36,527,496	58.01	146,109,984	58.01	36,527,496	58.01	36,527,496	14.50
Total:	**62,965,138**	**100**	**251,860,552**	**100**	**62,965,138**	**100**	**251,860,552**	**100**

Notes:

(1) The issued share capital of CA SPV is wholly-owned by Mr. Ng, an executive Director and the sole director of CA SPV. CA SPV is beneficially interested in 12,432,115 Shares whereas Mr. Ng is beneficially interested in 442,855 Share Options.

(2) The issued share capital of DD SPV is wholly-owned by Mr. Doust, an executive Director and the sole director of DD SPV. DD SPV is beneficially interested in 7,459,269 Shares whereas Mr. Doust is beneficially interested in 442,855 Share Options.

(3) Mr. Chua, a non-executive Director, beneficially owns approximately 99.99% of the issued share capital of Quantum Asset which holds 5,501,120 Shares and is beneficially interested in 159,428 Share Options.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue. The Company will take appropriate steps to ensure the compliance with public float requirement under Rule 13.32B of the Listing Rules after the Compensatory Arrangements.

POSSIBLE ADJUSTMENTS RELATING TO THE SHARE OPTIONS

Pursuant to the terms of the Share Option Scheme, the exercise prices and/or number of Shares to be issued upon exercise of the Share Options may be adjusted in accordance with the terms and conditions of the Share Option Scheme due to the Rights Issue. The Company will notify the holders of the Share Options the adjustments, if any, in compliance with the said terms and conditions and, if necessary, make further announcement in respect thereof.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

Set out below are the fund raising activities conducted by the Company in the past 12 months immediately preceding the Latest Practicable Date:

Date of initial announcement	Fund raising activity	Net proceeds raised *Approximate (HK$)*	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
19 January 2026	Placing of new shares under general mandate	7.9 million	For marketing and events, design and development and artwork creation and general working capital for operation	Fully used as intended

As at the Latest Practicable Date, save for the Rights Issue and Placing, there is no agreement, arrangement, understanding, intention or negotiation (concluded or otherwise) for any fund raising activity for the Group in the coming 12 months; and the Company has no intention to carry out any other corporate actions or arrangements that may affect the trading in the Shares (including share consolidation, share subdivision and change in board lot size) in the coming 12 months.

LISTING RULES IMPLICATION

Rights Issue

In accordance with Rule 7.19A of the Listing Rules, as the Rights Issue will increase the total number of issued Shares by more than 50% within a 12 months period immediately preceding the Latest Practicable Date, the Rights Issue is conditional upon the Independent Shareholders' approval at the EGM, and any controlling shareholders of the Company and their respective associates, or where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) in relation to the Rights Issue at the EGM.

As at the Latest Practicable Date, the Company has no controlling shareholder (as defined under the Listing Rules) and Mr. Ng, Mr. Doust and Mr. Chua (all Directors of the Company), are beneficially interested in 12,432,115 Shares (representing approximately 20.08% of all the issued Shares) and 442,855 Share Options, 7,459,269 Shares (representing approximately 12.05% of all the issued Shares) and 442,855 Share Options and 5,501,120 Shares (representing approximately 8.88% of all the issued Shares) and 159,428 Share Options, respectively. Accordingly, they are required to abstain from voting in favour of the proposed resolutions to approve the Rights Issue, the Placing Agreement and the transaction contemplated thereunder at the EGM.

EGM

The EGM will be convened and held for the purpose of considering and, if thought fit, to approve the Rights Issue and the Placing Agreement. The proposed resolutions will be conducted by way of a poll at the EGM pursuant to Rule 13.39(4) of the Listing Rules and an announcement on the results of the EGM will be made by the Company after the EGM.

A notice convening the EGM to be held at Blk 163 Bukit Merah Central #03–3581, Singapore 150163 on Wednesday, 29 July 2026 at 11:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for the EGM is enclosed with this circular. Whether or not the Shareholders are able to attend and vote at the EGM, they are requested to read the notice and to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not less than forty-eight (48) hours before the time appointed for holding the EGM (i.e. before 11:00 a.m. on Monday, 27 July 2026) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should they so wish and, in such event, the form of proxy shall be deemed to be revoked.

CLOSURE OF REGISTER OF MEMBERS

The record date for determining the entitlement of the holders of Shares to attend and vote at the EGM will be Wednesday, 29 July 2026. For the purpose of determining Shareholders' entitlement to attend and vote at the EGM, the register of members will be closed from Thursday, 23 July 2026 to Wednesday, 29 July 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to determine the entitlement to attend and vote at the EGM, all transfer of Shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 22 July 2026.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolution(s) as set out in the notice convening the EGM will be voted by poll.

RECOMMENDATION

The Independent Board Committee comprising all the independent non-executive Directors has been established to provide recommendations to the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are fair and reasonable and in the interest of the Company and the Shareholders as a whole and to make recommendations to the Independent Shareholders on how to vote at the EGM. In this connection, Gram Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are fair and reasonable.

You are advised to read carefully the letter of recommendation from the Independent Board Committee set out on pages 36 to 37 of this circular and the letter of advice from Gram Capital set out on pages IFA-1 to IFA-21 of this circular. The Independent Board Committee, having taken into account the advice of Gram Capital, considers that the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the proposed resolutions approving the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM.

ADDITIONAL INFORMATION

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

WARNING ON THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

Shareholders and potential investors of the Company should note that the Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed "Conditions of the Rights Issue" in this circular. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.

Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

Any dealings in the Shares from the Latest Practicable Date up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares and/or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

Shareholders should note that the Shares are expected to be dealt in on an ex-right basis from Friday, 31 July 2026. Dealings in the Rights Shares in the nil-paid form will take place from Thursday, 13 August 2026 to Thursday, 20 August 2026 (both dates inclusive).

Any Shareholder or other person contemplating selling or purchasing the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the Shares and any dealings in the Rights Shares in their nil-paid form from Thursday, 13 August 2026 to Thursday, 20 August 2026 (both dates inclusive) will accordingly bear the risk that the Rights Issue cannot become unconditional and may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

Yours faithfully,
By order of the Board
CMON Limited
Ng Chern Ann
Chairman, Joint Chief Executive Officer and Executive Director

The following is the text of the letter of recommendation, prepared for the purpose of incorporation in this circular, from the Independent Board Committee to the Independent Shareholders regarding the Rights Issue.

CMON LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1792)

15 July 2026

To the Independent Shareholders

Dear Sir/Madam,

(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE RIGHTS SHARES FOR EVERY ONE EXISTING SHARE ON A NON-UNDERWRITTEN BASIS; AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

We refer to the circular dated 15 July 2026 (the "**Circular**") of the Company of which this letter forms part. Unless the context requires otherwise, terms defined in the Circular shall have the same meanings when used herein.

We have been appointed by the Board as the member of the Independent Board Committee to advise the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole. Details of the Rights Issue are set out in the "**LETTER FROM THE BOARD**" on pages 10 to 35 of the Circular.

Gram Capital has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect. Details of its advice, together with the principal factors taken into consideration in arriving thereat, are set out in its letter on pages IFA-1 to IFA-21 of the Circular.

Having taken into account the terms of the Rights Issue, the information contained in the Circular and the advice from the Independent Financial Adviser, we are of the opinion that the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend you to vote in favour of the resolutions to be proposed at the EGM to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder.

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

Mr. Wong Yu Shan Eugene	**Mr. Choy Man**	**Mr. Leung Yuk Hung Paul**	**Ms. Szeto Huen Sum Hannah**

Independent non-executive Directors

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder, for the purpose of inclusion in this circular.

Gram Capital Limited
嘉林資本有限公司

Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

15 July 2026

To: The independent board committee and the independent shareholders of CMON Limited

Dear Sir/Madam,

PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE RIGHTS SHARES FOR EVERY ONE EXISTING SHARE ON A NON-UNDERWRITTEN BASIS

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 Rights Issue, the Placing Agreement and the transactions contemplated thereunder, details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 15 July 2026 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 17 June 2026, the Company announced that the Company proposes to raise up to approximately HK$150.5 million before expenses by way of a rights issue of 185,760,000 Rights Shares at the Subscription Price of HK$0.81 each and on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date (assuming no change in the issued share capital of the Company on or before the Record Date). The Rights Issue is not underwritten and will not be extended to the Non-Qualifying Shareholder(s) (if any).

With reference to the Board Letter, as the Rights Issue will increase the issued share capital of the Company by more than 50%, under Rules 7.19A and 7.27A(1) of the Listing Rules, the Rights Issue is subject to approval of the Independent Shareholders at the EGM.

The Independent Board Committee comprising Mr. Wong Yu Shan Eugene, Mr. Choy Man, Mr. Leung Yuk Hung Paul and Ms. Szeto Huen Sum Hannah (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable; (ii) whether the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole; and (iii) how to vote in relation to the Rights Issue and the Placing Agreement at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Company; or (ii) any services provided by Gram Capital to the Company relating to any transaction of the Company with executed agreement, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as 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 statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Rights Issue. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The 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 Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in the 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 therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Rights Issue. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Rights Issue, we have taken into consideration the following principal factors and reasons:

Information on the Group

With reference to in the Board Letter, the Company is principally engaged in the design, development and sales of board games, miniature war games and hobby products.

Set out below are the audited consolidated financial information of the Group as extracted from the Company's annual report for the year ended 31 December 2025 (the "**2025 Annual Report**"):

	For the year ended 31 December 2025 ("FY2025") *US$*	For the year ended 31 December 2024 ("FY2024") *US$*	Year-on-year change *%*
Revenue	9,907,433	37,353,249	(73.48)
Gross profit	737,724	17,997,494	(95.90)
Other gains and losses	(8,055,658)[(Note)]	35,646	Nil
Total comprehensive loss attributable to owners of the Company	(19,900,374)	(3,043,943)	553.77

Note: Other gains and losses for FY2025 included loss on disposal of intellectual properties and related assets of approximately US$2.44 million, impairment losses of approximately US$4.62 million on property, plant and equipment, approximately US$0.29 million on right-of-use assets, approximately US$0.76 million on intangible assets, and gain of approximately US$0.06 million on early termination of lease.

As depicted from the table above, the Group's revenue decreased by approximately 73.48% from approximately US$37 million for FY2024 to approximately US$10 million for FY2025. With reference to the 2025 Annual Report, such decrease mainly resulted from (i) softer demand in the wholesale and crowd-funding segments, particularly in North America following the introduction of US import tariffs on certain products since the first half of 2025; (ii) reduced fulfilment and shipping activities in line with lower sales volume; and (iii) the Group's deliberate efforts to rationalise its product portfolio and intellectual property assets, focusing on titles with clearer long-term commercial prospects.

The Group's gross profit also decreased by approximately 95.90% from FY2024 to FY2025 (with gross profit margin decreased from approximately 48.18% for FY2024 to 7.45% for FY2025). With reference to the 2025 Annual Report, such decrease was primarily due to the lower economies of scale arising from significantly reduced revenue, while certain fixed costs in production and fulfilment could not be proportionately reduced.

Moreover, the total comprehensive loss attributable to owners of the Company increased by approximately 553.77% from approximately US$3 million for FY2024 to approximately US$20 million for FY2025. With reference to the 2025 Annual Report, such increase was mainly to due to aforesaid decrease in the Group's gross profit and that the Group recorded substantial other losses for FY2025 (FY2024: other gains), as partially offset by decrease in selling and distribution expenses and general and administrative expenses.

According to the 2025 Annual Report, the Group had net current liabilities of approximately US$6.9 million and net liabilities of approximately US$3.6 million as at 31 December 2025. Included therein, the Group recorded the contract liabilities of approximately US$7.6 million. These conditions, together with the total comprehensive loss attributable to owners of the Company for FY2025, indicate a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern (the "**Material Going Concern Uncertainty**"). With reference to the Board Letter, as at 30 April 2026, the Group's net current liabilities stood at approximately USD7.15 million.

Reasons for and Benefits of the Rights Issue and use of proceeds

With reference to the Board Letter:

(i) Over the years, traditional board and other table top games have merged with digital ones providing digital convenience, offering online multiplayers, automated rules and apps that enhance physical play. The Company believes that in order to continue to be relevant in the games industry and to expand the Group's revenue stream, the Group would need to conduct digital transitioning, including but not limited to in relation to the existing board and other table top games. Digital transitioning would have the benefits of enhanced visual effects, have apps that handle scoring, timing etc, would enable a diversified number of players and are more accommodating to players not within the same vicinity. However, the Group would continue to supplement this digital transformation as physical games would still offer a "screen break" for individuals as well as foster direct face to face interaction.

(ii) The Directors consider the proceeds from the Rights Issue can strengthen the financial position as well as liquidity of the Group and replenish the working capital of the Group especially in times when working capital requirement over the last several years has increased but as a result of a downturn in the Group's business, lesser profit has been generated which can be used as working capital and moreover, the anticipated additional working capital required in light of potential expansion and corporate activities.

(iii) The Rights Issue is being undertaken with a view to strengthening the capital base of the Company and providing it with readily available funds for capturing suitable investment opportunities in a timely fashion to provide investment returns to the Company and Shareholders as well as additional financial resources to support its long-term business strategy and investment objectives.

Detailed reasons for the Rights Issue are set out under the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" of the Board Letter.

Financing alternatives

With reference to the Board Letter:

- The Board has considered other fund raising alternatives before resolving to the Rights Issue, including but not limited to debt financing and issue of new shares. Debt financing will result in additional interest burden and subject the Group to repayment obligations.

- The Board considers that equity financing methods such as placing or subscription of new shares are not viable alternatives. The Company conducted a placing of new Shares under general mandate on 12 February 2026. Therefore, further dilution of Shareholders without giving them a chance to maintain their pro rata shareholding interest is not considered appropriate at this time.

- Unlike an open offer, the Rights Issue enables the Shareholders to sell the nil-paid rights in the market.

Having considered the Material Going Concern Uncertainty, the Group's net current liabilities and net liabilities as at 31 December 2025, and the Group's net current liabilities as at 30 April 2026, we are also of the view that debt financing (which will incur interest burden and repayment obligations to the Group) is not an optimal financing alternative for the Group. Having also considered that the Rights Issue (i) will strengthen the financial positions of the Company and provides an equal opportunity to all Qualifying Shareholders to participate in this fund raising activity, maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company; and (ii) enables the Shareholders to sell the nil-paid rights in the market, we are of the view that the Rights Issue is an appropriate fund-raising method currently available to the Group.

Use of proceeds

With reference to the Board Letter, the net proceeds from the Rights Issue (after deducting the estimated expenses) (the "**Net Proceeds**") are estimated to be approximately HK$146.2 million (assuming no change in the number of Shares in issue on or before the Record Date); or approximately HK$148.7 million (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Options). It is the intention of the Company to use the net proceeds from the Rights Issue as follows:

(i) approximately 40% will be used for the general working capital for operation (the "**Proceeds for Operation**"); of which approximately 30% shall be applied to staff costs (including salary, bonus and allowances) covering approximately 12 months, approximately 30% on selling and distribution expenses (including royalties expenses and shipping and handling charges) covering approximately 12 months, approximately 5% on professional fee and approximately 35% on general administrative and operating expenses (including normal operation of its sales of board games, miniature war games and other hobby products business, utilities, insurance, government registration and filing fees, listing fee and repair and maintenance, etc) covering approximately 12 months;

(ii) approximately 20% will be used for the repayment of debts/borrowings and settlement of outstanding liabilities (the "**Proceeds for Repayment**"), including approximately USD1.985 million (approximately HK$15.5 million) for repayment of borrowings, comprising an amount due to a director of approximately USD1.6 million and unsecured advances from employees of approximately USD385,000. The remaining approximately HK$13.7 million is expected to be applied towards settlement of other outstanding liabilities and obligations of the Group which are due or expected to become due within the next 12 months, including accrued operating expenses, production costs, shipping and handling costs, royalties, professional fees and other operating liabilities as they become due in the ordinary course of business;

(iii) approximately 15% will be used for potential future mergers and acquisitions (the "**Proceeds for M&A**") of major shareholding of companies in the IT gaming industry which align with the Group's existing board game business, proposed digital transitioning and also relate to the strategies of the Group's current business. The Company is acquiring the Target Company as a strategic, long-term initiative. As at the Latest Practicable Date, the Company has not currently identified any targets for the mergers and acquisitions which will require the use of this amount from the proceeds of the Rights Issue. The Company will identify one to three potential target companies with business valuation ranging from HK$10 million to HK$20 million starting from fourth quarter of 2026 through different means and channels, mainly focusing on Asia pacific region. Once a potential target is identified and communication channel has been set up, a preliminary due diligence will be conducted. The Company will review and evaluate the results of the preliminary due diligence in order to decide what further action will be taken. The Company considers the identification and selection process may take nine to twelve months, and the acquisition can be completed within twelve months thereafter; and

(iv) approximately 25% will be used for the expansion and development of the Group's business in existing and new markets (the "**Proceeds for Expansion**"). Existing markets are expected to include Europe, where the Group intends to continue supporting its sales and marketing activities, participation in industry events and conventions, and engagement with distribution partners and gaming communities, covering approximately 12–18 months. New markets are expected to include selected territories in Asia, including Japan and the Philippines, where the Group has recently participated in industry events such as Tokyo Game Market and All Aboard Expo.

According to the 2025 Annual Report:

(i) The Group's bank and cash balances was approximately US$0.43 million only;

(ii) the Group's net cash used in operating activities was approximately US$1.86 million for FY2025; and

(iii) the Group had net current liabilities of approximately US$6.9 million and net liabilities of approximately US$3.6 million as at 31 December 2025.

The above circumstances indicated that the Group is lack of financial resources to support its business operation and development.

With reference to the Board Letter, as at 30 April 2026, the Group's net current liabilities stood at approximately USD7.15 million, indicating no improvement in the underlying working capital position notwithstanding placing of 10,320,000 new shares under general mandate which was completed on 12 February 2026 and disposal of the Group's office unit in Singapore at a consideration of approximately S$3.1 million (equivalent to approximately US$2.4 million) which was completed in January 2026. The relevant proceeds has been fully utilised as intended as at the Latest Practicable Date. In addition, as at the Latest Practicable Date, the Group had approximately US$298,000 (approximately HK$2.3 million) bank and cash balances covering approximately less than one month daily operating expenses usage. The cash position on hand will not be sufficient for the Company to capture suitable investment opportunities as they arise in the near future which is anticipated to require a substantial amount of money.

Accordingly, we consider that intended uses of the Net Proceeds could (a) support the Group's operation, business development and expansion; and (b) enhance the Group's financial position. For our due diligence purpose, we obtained from the Company relevant debt/credit schedule in relation to the liabilities as mentioned in paragraph (ii) above and budgeting for the Group's expansion and development as mentioned in paragraph (iv) above. Despite that the Company has not currently identified any targets for the mergers and acquisitions as mentioned in paragraph (iii) above, the Directors advised us that the intended size of potential target companies (i.e. valuation ranging from HK$10 million to HK$20 million) was determined after considering the scale of the Group (given the Group's total assets of approximately US$8.8 million (equivalent to approximately HK$69.0 million) as at 31 December 2025 and the Company's market capitalisation of approximately HK$59.4 million as at the Latest Practicable Date, we consider the intended size of potential targets and the allocation of the Proceeds for M&A to be moderate).

In light of the above, we consider that it is fair and reasonable for the Company to allocate (i) the Proceeds for Operation to cover staff costs, selling and distribution expenses, professional fee and general administrative & operating expenses for 12 months; (ii) the Proceeds for Repayment to settlement substantial part of the Group's liabilities; and (iii) the Proceeds for Expansion to implement the Group's expansion and development, aiming for improvement of the Groups' operating results, and retain a moderate amount of Proceeds for M&A for penetrating into the IT gaming industry.

Having also considered (i) reasons for the Rights Issue as mentioned above; (ii) that the Rights Issue is an appropriate fund-raising method currently available to the Group, we are of the view that although the Rights Issue is not conducted in the Group's ordinary and usual course of business, it is in the interest of the Company and the Shareholders as a whole.

Principal terms of the Rights Issue

Set out below are the principal terms of the Rights Issue as extracted from the Board Letter:

Basis of the Rights Issue:	Three (3) Rights Shares for every one (1) Share held on the Record Date
Subscription Price:	HK$0.81 per Rights Share
Number of Shares in issue as at the Latest Practicable Date:	61,920,000 Shares
Number of Rights Shares:	185,760,000 Rights Shares (assuming no new Shares are issued or repurchased on or before the Record Date); or 188,895,414 Rights Shares (assuming no further issue or repurchase of Shares other than the issue of Option Shares upon the exercising of outstanding Share Options in full on or before the Record Date)
Amount to be raised by the Rights Issue before expenses:	Approximately HK$150.5 million (assuming no change in the number of Shares in issue on or before the Record Date) or approximately HK$153.0 million (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Options)

For further details of the Rights Issue, please refer to the section headed "PROPOSED RIGHTS ISSUE" of the Board Letter.

Analysis on the Subscription Price

With reference to the Board Letter, the Subscription Price of HK$0.81 per Rights Share represents:

(i) a discount of approximately 15.63% to the closing price of HK$0.96 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 14.74% to the closing price of HK$0.95 per Share as quoted on the Stock Exchange on the Last Trading Day (the "**LTD Discount**");

(iii) a discount of approximately 19.80% to the average of the closing prices of approximately HK$1.01 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day (the "**5 Days Discount**");

(iv) a discount of approximately 6.25% to the theoretical ex-rights price of approximately HK$0.864 per Share based on the benchmarked price of approximately HK$1.026 per Share; and (the "**TERP Discount**"); and

(v) a premium of approximately HK$1.25 over the audited deficit attributable to the owners of the Company of approximately US$0.06 (equivalent to approximately HK$0.44) per Share as at 31 December 2025 (the "**Premium Over Deficit**"), calculated based on audited deficit attributable to the owners of the Company of approximately US$3.52 million (equivalent to approximately HK$27.47 million) as at 31 December 2025 and 61,920,000 Shares in issue as the Latest Practicable Date.

The Subscription Price was determined with reference to the factors as set out under the sub-section headed "Subscription Price" of the Board Letter.

a) Share price performance

In order to assess the fairness and reasonableness of the Subscription Price, we reviewed the daily closing price of the Shares as quoted on the Stock Exchange from 2 June 2025 up to and including the Latest Practicable Date (the "**Review Period**"), being a period of approximately one year up to and including the Latest Practicable Date, which is commonly adopted for analysis, and the number of trading days during the Review Period is sufficient for us to perform a thorough analysis on the historical closing prices of Shares with the Subscription Price. Hence, we consider the duration of the Review Period is adequate and appropriate. The comparison of daily closing prices of the Shares and the Subscription Price is illustrated as follows:

Source: The Stock Exchange's website

During the Review Period, the lowest and highest closing prices of the Shares as quoted on the Stock Exchange were HK$0.455 recorded in June 2025 and HK$2.240 recorded on 27 October 2025 respectively, with average closing price of approximately HK$0.980 and median closing price of HK$1.040.

From the start of the Review Period to mid-October 2025, the closing price of the Shares fluctuated between HK$0.455 and HK$0.875. Subsequently, the closing price of the Shares surged and reached its highest of HK$2.240 on 27 October 2025. Thereafter, the closing price of Shares highly fluctuated and reached HK$0.780 on 23 December 2025. After a recovery from late-December 2025 to end of March 2026, the closing price was HK$1.430 on 31 March 2026. Subsequently, the closing price of Shares formed a general decreasing trend up to the Latest Practicable Date.

Save for the possible market responses to the announcements stated in the above closing price chart, the Company is not aware of any specific reasons for the fluctuation in the Share closing prices during the Review Period.

The Subscription Price of HK$0.81 is within the ranged of closing prices of Shares and below the average closing price and the median closing price during the Review Period. Please refer to the latter sections of this letter for our analyses on the Subscription Price.

b) Liquidity

Set out below are (i) the number of trading days; (ii) the percentage of the Shares' average daily trading volume (the "**Average Volume**") as compared to the total number of issued Shares held by the public Shareholders as at the Latest Practicable Date; and (iii) the percentage of the Average Volume as compared to the total number of issued the Shares as at the Latest Practicable Date, during the Review Period:

Month	No. of trading days in each month	% of the Average Volume to total number of issued Shares as at the Latest Practicable Date *(Note 1)*	% of the Average Volume to total number of issued Shares held by the public Shareholders as at the Latest Practicable Date *(Note 2)*
2025			
June	21	0.30	0.50
July	22	0.06	0.10
August	21	0.24	0.41
September	22	0.34	0.57
October	20	1.49	2.52
November	20	0.31	0.52
December	21	0.65	1.11
2026			
January	21	0.18	0.31
February	17	2.52	4.28
March	22	0.68	1.15
April	19	0.26	0.44
May	19	1.47	2.50
June	21	0.34	0.57
July (up to and including the Latest Practicable Date)	7	0.07	0.11

Source: The Stock Exchange's website

Notes:

1. Based on 36,527,496 Shares held by the public Shareholders as at the Latest Practicable Date as disclosed under the Board Letter.

2. Based on 61,920,000 issued Shares as at the Latest Practicable Date as disclosed under the Board Letter.

We noted from the above table that the liquidity of the Shares was thin during the Review Period. The Average Volume during the Review Period (except for October 2025, February and May 2026) was around 1% or below 1% of (i) the total number of issued Shares held by the Public Shareholders; and (ii) the total number of issued Shares, as at the Latest Practicable Date.

Given the thin liquidity of the Shares during the Review Period and the Group's net liabilities as at 31 December 2025, we consider that it is reasonable to offer discount for the Subscription Price to promote the attractiveness of the Rights Shares to the Qualifying Shareholders who are entitled to subscribe for the Rights Shares.

c) Comparables

As part of our analysis, we also searched for rights issue transactions from 18 March 2026 up to the Latest Practicable Date (being a period of four months to generate a reasonable and meaningful number of sample size of 23 Hong Kong listed companies and include sufficient comparables for analysis), by companies listed on the Stock Exchange and were not lapsed or terminated up to the Latest Practicable Date. To the best of our knowledge and as far as we are aware of, we found 23 rights issue transactions (the "**Comparables**") which met the aforesaid criteria and they are exhaustive. Shareholders should note that the businesses, operations and prospects of the Company are not the same as the subject companies of the Comparables and we have not conducted any independent verification with regard to the businesses and operations of such companies. Although the scale, entitlement and size of fundraising of Rights Issue and the market capitalisation may not be the same as the those of the Comparables, the Comparables can demonstrate the recent market practices of rights issue transactions conducted by Hong Kong listed companies.

Company name (stock code)	Date of announcement	Market capitalisation on last trading day *Approximately HK$ million*	Gross proceeds *Approximately HK$ million*	Premium/(discount) of the subscription price to the closing price per share on the last trading day immediately prior to publication of announcement in relation to the respective rights issue *%*	Premium/(discount) of the subscription price to the average closing price per share for the last five consecutive trading days prior to publication of announcement in relation to the respective rights issue *%*	Premium/(discount) of the subscription price to the theoretical ex-rights price per share based on the benchmark price/closing price on last trading day in relation to the respective rights issue *%*	Premium/(discount) of the subscription price over/(to) the net assets/(liabilities) value attributable to owners of the company per share *%*	Theoretical dilution effect in relation to the respective rights issue	Placing commission (if any) *%*
i.century Holding Limited (8507)	19 March 2026	76.0	40.0	(47.37)	(45.18)	(31.03)	89.99	(23.68)	N/A *(Note 2)*
WT Group Holdings Limited (8422)	20 March 2026	13.3	24.0	(9.91)	(10.39)	(3.54)	(64.79)	(6.61)	3.00
Alco Holdings Limited (328)	24 March 2026	39.5	126.0	(20.29)	(24.24)	(4.84)	HK$2.01 *(Note 1)*	(21.02)	1.50
Zhongshen Jianye Holding Limited (2503)	26 March 2026	250.6	343.3	(31.51)	(33.98)	(13.29)	(72.11)	(23.45)	0.50
China Health Technology Group Holding Company Limited (1069)	27 March 2026	32.4	51.5	(20.63)	(19.35)	(7.98)	(59.14)	(13.76)	4.00
Pa Shun International Holdings Limited (574)	16 April 2026	73.7	10.0	(72.88)	(69.04)	(64.18) *(Note 5)*	HK$0.12 *(Note 1)*	(24.29)	1.00
Hong Wei (Asia) Holdings Company Limited (8191)	17 April 2026	11.4	38.3	(16.13)	(10.47)	(3.70)	(85.43)	(12.90)	1.00
China Information Technology Development Limited (8178)	21 April 2026	27.3	10.3	(24.37)	(24.87)	(17.68)	(88.64)	(8.52)	1.00
Tasty Concepts Holding Limited (8096)	27 April 2026	23.1	28.9	(16.67)	(16.67)	(7.41)	34.98	(10.00)	3.00
Minerva Group Holding Limited (397)	29 April 2026	109.5	43.3	(20.83)	(18.45)	(14.93)	(91.77)	(6.94)	3.50
Citychamp Watch & Jewellery Group Limited (256)	5 May 2026	330.7	145.1	31.58 *(Note 5)*	29.20 *(Note 5)*	21.95	(88.94)	Nil *(Note 6)*	1.50 *(Note 3)*
MTT Group Holdings Limited (2350)	12 May 2026	481.3	68.8	(64.29)	(65.01)	(56.25)	1.63	(18.60)	2.20 *(Note 3)*
V & V Technology Holdings Limited (8113)	13 May 2026	64.7	32.7	1.12	5.88	0.75	(29.91)	Nil *(Note 6)*	N/A *(Note 4)*
MOG Digitech Holdings Limited (1942)	21 May 2026	196.2	44.6	(54.55)	(56.08)	(44.44)	(89.90)	(18.97)	1.00
Harbour Digital Asset Capital Limited (913)	26 May 2026	61.4	74.5	(19.08)	(20.90)	(8.62)	(84.45)	(12.76)	3.00
FDB Holdings Limited (1826)	29 May 2026	201.4	79.9	(20.63)	(1.19)	(14.77)	HK$0.11 *(Note 1)*	(6.88)	3.50
Gaodi Holdings Limited (1676)	5 June 2026	57.1	25.0	(12.44)	(12.44)	(8.65)	(46.42)	(4.31)	0.75
Asian Citrus Holdings Limited (73)	15 June 2026	28.6	61.7	(28.13)	(31.62)	(8.91)	(81.93)	(23.86)	1.00 *(Note 3)*
China Wood International Holding Co., Limited (1822)	18 June 2026	135.2	77.0	(43.80)	(44.68)	(28.04)	5.64	(22.42)	1.50
Imperium Technology Group Limited (776)	22 June 2026	255.3	42.6	(66.67)	(67.01)	(57.14)	HK$0.48 *(Note 1)*	(22.34)	3.00
Biosysen Limited (1355)	24 June 2026	167.0	40.0	(51.43)	(50.44)	(41.38)	HK$0.10 *(Note 1)*	(17.14)	1.50
Hong Kong Entertainment International Holdings Limited (8291)	9 July 2026	11.2	32.0	(4.76)	(4.76)	(1.23)	1.41 *(Note 1)*	(3.57)	3.00
Guoen Holdings Limited (8121)	10 July 2026	14.3	43.2	(24.21)	(27.27)	(6.01)	(72.45)	(22.40)	4.00
Maximum (excluding outliers, if any)				**1.12**	**5.88**	**21.95**		**Nil**	**4.00**
Minimum (excluding outliers, if any)				**(72.88)**	**(69.04)**	**(57.14)**		**(24.29)**	**0.50**
Average (excluding outliers, if any)				**(30.43)**	**(29.46)**	**(16.23)**		**(14.11)**	**2.12**
Median (excluding outliers, if any)				**(22.52)**	**(24.56)**	**(8.78)**		**(13.76)**	**1.50**
The Company	**17 June 2026**	**58.8**	**150.5**	**(14.74)**	**(19.80)**	**(6.25)**	**HK$1.25** *(Note 1)*	**(15.79)**	**2.50**

Source: The Stock Exchange's website

Notes:

1. This figure is presented in nominal amount as the subscription price represents premium over the net liabilities attributable to the owners of the Company per share.

2. The placing commission is a fixed amount.

3. The placing commission is also subject to a minimum fixed amount.

4. The transaction involves excess application with no placing arrangement.

5. This figure is considered to be an outlier as it is more than two standard deviations away from the mean.

6. There is no theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) led by the transaction as the theoretical diluted price is higher than the benchmarked price.

7. The figures contained in the above table were compiled with published historical data and financial figures, which may or may not be exactly the same as the announcements of the Comparables.

As shown by the above table, the premium/discount as represented by the subscription prices of Comparables (excluding outliers) to (i) the respective closing price per share on last trading day immediately prior to publication of announcement in relation to the respective rights issue ranged from discount of approximately 72.88% to premium of approximately 1.12% (the "**LTD Discount/Premium Market Range**"), with average discount of approximately 30.43% and median discount of approximately 22.52%; (ii) the average closing price per share for the last five consecutive trading days immediately prior to publication of announcement in relation to the respective rights issue ranged from discount of approximately 69.04% to premium of approximately 5.88% (the "**5 Days Discount/Premium Market Range**"), with average discount of approximately 29.46% and median discount of approximately 24.56%; and (iii) the respective theoretical ex-rights price per share based on the benchmark price/closing price on last trading day in relation to the respective rights issue ranged from discount of approximately 57.14% to premium of approximately 21.95% (the "**TERP Discount/Premium Market Range**"), with average discount of approximately 16.23% and median discount of approximately 8.78%.

We noted that the Subscription Price is below the average closing price and the median closing price of Shares during the Review Period. Nevertheless:

(i) the LTD Discount, the 5 Days Discount and the TERP Discount fall within the LTD Discount/Premium Market Range, 5 Days Discount/Premium Market Range and TERP Discount/Premium Market Range, and less than their average/median discounts respectively;

(ii) the Subscription Price of HK$0.81 is within the range of closing prices of Shares during the Review Period;

(iii) the Subscription Price represents the Premium Over Deficit; and

(iv) it is reasonable to offer discount for the Subscription Price to promote the attractiveness of the Rights Shares.

In light of the above, we consider the Subscription Price to be fair and reasonable.

Conditions of the Rights Issue

With reference to the Board Letter, the Rights Issue is conditional upon satisfaction of the conditions set out under the section headed "Conditions of the Rights Issue" of the Board Letter. The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions by the respective dates specified above. As the Rights Issue is subject to the above conditions, it may or may not proceed.

The Compensatory Arrangements and placing

With reference to the Board Letter, the Company will make arrangements described in Rule 7.21(b) of the Listing Rule to dispose of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent Placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue.

The Company therefore appointed the Placing Agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares after the Latest Time for Acceptance of the Rights Shares to be allotted and issued under the Rights Issue to independent Placees on a best effort basis. Any premium over the Subscription Price for those Rights Shares that is realised will be paid to the No Action Shareholders and Non-Qualifying Shareholders on a pro-rata basis.

Set out below are principal terms of the Placing Agreement as extracted from the Board Letter:

Date:	17 June 2026 (after trading hours)
Placing Agent:	Yuen Meta (International) Securities Limited
Number of placing Shares:	185,760,000 Rights Shares (assuming no new Shares are issued or repurchased on or before the Record Date) or 188,895,414 Rights Shares (assuming no further issue or repurchase of Shares other than the issue of Option Shares upon the exercising of outstanding Share Options in full on or before the Record Date)

Fees and expenses:	2.5% (the "**Commission Rate**") of the amount which is equal to the placing price multiplied by the Unsubscribed Rights Shares and NQS Unsold Rights Shares, that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement and reimbursed for the expenses in relation to the placing of the Unsubscribed Rights Shares and NQS Unsold Rights Shares, which the Placing Agent is authorised to deduct from the payment to be made by the Placing Agent to the Company at completion.
Placing price of each of the Unsubscribed Rights Share and/or the NQS Unsold Rights Share (as the case may be):	The placing price of each of the Unsubscribed Rights Share and/or the NQS Unsold Rights Share (as the case may be) shall be at least equal to the Subscription Price. The final price determination is depended on the demand and market conditions of the Unsubscribed Rights Shares and the NQS Unsold Rights during the process of placement.
Placees:	Any individuals, corporate, institutional investor(s) or other investor(s), who and whose ultimate beneficial owner(s) shall be the Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agents, who and whose ultimate beneficial owners shall be the Independent Third Party(ies), to subscribe for any of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares pursuant to the Placing Agreement. The Placing Agent has undertaken in the Placing Agreement undertakes (i) to make all reasonable enquiries to ensure that the Placee(s) and their respective ultimate beneficial owners (if applicable) will be Independent Third Parties; and (ii) that it will ensure the Placing will not, upon its completion, result in the Company being unable to comply with the Public Float Requirement.

For detailed terms of the Placing Agreement, please refer to the section headed "THE PLACING AGREEMENT" of the Board Letter.

From the Comparables table as set out above, we noted that the commission rates payable to placing agents of the Comparables ranged from 0.50% to 4.00% with average of approximately 2.12% and median of approximately 1.50%. Despite that the Commission Rate is higher than the average and median of the commission rates payable to placing agents of the Comparables, it is within their range and there is no minimum fixed amount of commission payable to the Placing Agent (3 out of 21 Comparables that have percentage placing commission rates are also subject to minimum fixed amount of commission). As advised by the Directors, given the unsatisfactory financial positions for the Group as at 31 December 2025, the Material Going Concern Uncertainty and low liquidity of the Shares, the Placing Agent may face difficulties in the placing. Accordingly, despite that the Commission Rate is higher than the average and median of the commission rates payable to placing agents of the Comparables, we are of the opinion that the Commission Rate is fair and reasonable.

Possible dilution effect to the existing public Shareholders

All Qualifying Shareholders are entitled to subscribe for the Rights Shares in the same proportion to their existing shareholding in the Company held on the Record Date. The Rights Issue allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at discount to the prevailing market prices of the Shares. As in all other cases of rights issues, dilution of the shareholdings of those Qualifying Shareholders who do not take up in full their provisional allotments under the Rights Issue is inevitable. Nonetheless, the Qualifying Shareholders who do not wish to take up their provisional entitlements under the proposed Rights Issue are able to sell the nil-paid rights in the market.

With reference to the Board Letter, the Rights Issue will result in a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 15.79%, represented by the theoretical diluted price of approximately HK$0.864 per Share to the benchmarked price of HK$1.026 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the Last Trading Day and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the Announcement).

We are aware of the potential dilution effects as just mentioned. Nonetheless, we consider that the foregoing should be balanced by the following factors:

- The above theoretical dilution effect is within the range of theoretical dilution effect of the Comparables (from nil to 24.29%) and slightly higher than their average (14.11%) and median (13.76%);
- Independent Shareholders are offered a chance to express their views on the terms of the Rights Issue through their votes at the EGM;
- Qualifying Shareholders have their choice of whether to accept the Rights Issue or not;

- the Rights Issue allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at discount to the prevailing market prices of the Shares; and

- those Qualifying Shareholders who do not wish to take up their provisional entitlements under the proposed Rights Issue are able to sell the nil-paid rights in the market.

Having considered the above, we consider the potential dilution effect to be acceptable.

Possible financial effects of the Rights Issue

The unaudited pro forma statement of adjusted unaudited consolidated net tangible assets of the Group attributable to the owners of the Company (the "**Pro Forma Statement**") to illustrate the effects of the Rights Issue, which is prepared as if the Rights Issue had taken place on 31 December 2025, is set out under Appendix II to the Circular.

According to the Pro Forma Statement, the audited consolidated net tangible liabilities of the Group attributable to the owners of the Company was approximately US$4.00 million as at 31 December 2025 and would become unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company of approximately HK$15.95 million immediately after the completion of the Previous Placing and the Rights Issue.

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

RECOMMENDATION

In conclusion:

(i) Having considered the Material Going Concern Uncertainty, the Group's net current liabilities and net liabilities as at 31 December 2025, and the Group's net current liabilities as at 30 April 2026, we are of the view that debt financing (which will incur interest burden and repayment obligations to the Group) is not an optimal financing alternative for the Group. Having also considered that the Rights Issue (i) will strengthen the financial positions of the Company and provides an equal opportunity to all Qualifying Shareholders to participate in this fund raising activity, maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company; and (ii) enables the Shareholders to sell the nil-paid rights in the market, we are of the view that the Rights Issue is an appropriate fund-raising method currently available to the Group.

(ii) The intended uses of the Net Proceeds could (a) support the Group's operation, business development and expansion; and (b) enhance the Group's financial position, and it is fair and reasonable for the Company to allocate (i) the Proceeds for Operation to cover staff costs, selling and distribution expenses, professional fee and general administrative & operating expenses for 12 months; (ii) the Proceeds for Repayment to settlement substantial part of the Group's liabilities; and (iii) the Proceeds for Expansion to implement the Group's expansion and development, aiming for improvement of the Groups' operating results, and retain a moderate amount of Proceeds for M&A for penetrating into the IT gaming industry.

(iii) Despite that the Subscription Price is below the average closing price and the median closing price of Shares during the Review Period, the Subscription Price is fair and reasonable after taking into account that:

— the LTD Discount, the 5 Days Discount and the TERP Discount fall within the LTD Discount/Premium Market Range, 5 Days Discount/Premium Market Range and TERP Discount/Premium Market Range, and less than their average/median discounts respectively;

— the Subscription Price of HK$0.81 is within the range of closing prices of Shares during the Review Period;

— the Subscription Price represents the Premium Over Deficit; and

— it is reasonable to offer discount for the Subscription Price to promote the attractiveness of the Rights Shares.

(iv) Despite that the Commission Rate is higher than the average and median of the commission rates payable to placing agents of the Comparables, the Placing Agent may face difficulties in the placing in light of the unsatisfactory financial positions for the Group as at 31 December 2025, the Material Going Concern Uncertainty and low liquidity of the Shares. In addition, the Commission Rate is within the range of the Comparables. Accordingly, the Commission Rate is fair and reasonable.

(v) The possible dilution effect to the existing public Shareholders is acceptable as:

— is within the range of theoretical dilution effect of the Comparables;

— Independent Shareholders are offered a chance to express their views on the terms of the Rights Issue through their votes at the EGM;

— Qualifying Shareholders have their choice of whether to accept the Rights Issue or not;

— the Rights Issue allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at discount to the prevailing market prices of the Shares; and

— those Qualifying Shareholders who do not wish to take up their provisional entitlements under the proposed Rights Issue are able to sell the nil-paid rights in the market.

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) although the Rights Issue and the Placing Agreement are not conducted under the Group's ordinary and usual course of business, they are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the Rights Issue and the Placing Agreement, and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

A. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three years ended 31 December 2023, 2024 and 2025 are disclosed in the following documents which have been published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://cmon.com) respectively:

(i) Annual report for the year ended 31 December 2025 (pages 47 to 95):

https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0429/2026042904120.pdf

(ii) Annual report for the year ended 31 December 2024 (pages 47 to 95):

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0529/2025052900715.pdf

(iii) Annual report for the year ended 31 December 2023 (pages 44 to 89):

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0429/2024042903365.pdf

B. INDEBTEDNESS

At the close of business on 30 June 2026, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had outstanding borrowings comprise the following:

Other borrowings

As at 30 June 2026, the Group had amount due to a director of approximately of USD1.6 million and unsecured advances from employees of approximately USD385,000. These outstanding amount due to a director and unsecured advances from employees are repayable on demand and non-interest-bearing.

Lease liabilities

As at 30 June 2026, the Group had lease liabilities of approximately USD480,000 representing present value of the remaining lease payments for certain leased property discounted by the Group's incremental borrowing rate in accordance with HKFRS-16. The lease liabilities are unguaranteed and secured by rental deposit of approximately USD24,000.

Disclaimers

Save as disclosed above and apart from intra-group liabilities, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptance (other than normal trade bills), or acceptance credits, debentures, mortgages, charges, finance leases, hire purchase commitments, guarantees or other material contingent liabilities as at 30 June 2026.

C. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that, after taking into account the financial resources available to the Group and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for its present requirements for at least 12 months from the Latest Practicable Date in the absence of any unforeseen circumstances.

D. MATERIAL ADVERSE CHANGE

The Board confirmed that there has been no material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited accounts of the Group were made up, up to and including the Latest Practicable Date.

E. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is a hobby games publisher specialising in the design, development, publishing and sales of tabletop games, including board games and miniature war games, as well as other hobby products. The Group publishes both self-owned games and licensed games, distributes third-party tabletop games, and sells its products mainly through crowd-funding platforms, wholesalers, online stores and game conventions.

As at the Latest Practicable Date, the Group offers a total of 116 games, comprising 110 board games, 3 miniature war games, 2 mobile games and 1 computer game.

For the year ended 31 December 2025, the Group recorded revenue of approximately US$9.9 million, representing a decrease from approximately US$37.4 million for the year ended 31 December 2024. The Group recorded total comprehensive loss attributable to owners of the Company of approximately US$19.9 million for the year ended 31 December 2025. The decline was mainly attributable to softer demand in the wholesale and crowd-funding segments, particularly in North America following the introduction of US import tariffs on certain products since the first half of 2025; reduced fulfilment and shipping activities in line with lower sales volume; and the Group's rationalisation of its product portfolio and intellectual property assets.

During 2025, the Group streamlined its operations, reduced its headcount, relocated to a smaller office footprint in Singapore and shifted its strategic focus toward Asia. Asia became the Group's largest geographical market in 2025, contributing approximately 54.4% of total revenue, compared with approximately 21.7% in 2024.

Looking ahead, the Group intends to focus on fulfilling games already committed to backers, maintaining cost discipline, improving margin quality through disciplined project selection and tighter cost controls, growing distribution in Asia as a primary strategic market, and resuming crowdfunding activities with new titles from its current game lines, subject to market conditions. During the year ended 31 December 2025, the Group successfully launched one crowd-funding game, Massive Darkness: Dungeons of Shadowreach, which raised approximately US$3.2 million.

The Directors consider that the Rights Issue will strengthen the Group's capital base and liquidity, support the Group's working capital requirements, allow the Group to settle certain outstanding liabilities, and provide additional financial resources for business development and expansion plans.

A. STATEMENT OF UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group prepared in accordance with Paragraph 13 of Appendix D1B and Paragraph 29 of Chapter 4 of the Listing Rules is set out below to illustrate the effects of the Rights Issue on the consolidated net tangible assets of the Group as if the Rights Issue had taken place on 31 December 2025.

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only, based on the judgements and assumptions of the Directors of the Company, and because of its hypothetical nature, may not give a true picture of the financial position of the Group following the Rights Issue.

The following statement of unaudited pro forma adjusted consolidated net tangible assets of the Group is based on the audited consolidated net tangible assets of the Group as at 31 December 2025, adjusted as described below:

	Audited consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2025	**Net proceeds from the Previous Placing completed on 12 February 2026**	**Estimate net proceeds from the Rights Issue**	**Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company immediately after the completion of the Previous Placing and the Rights Issue**
	(Note 1)	*(Note 2)*	*(Note 3)*	
	US$'000	*US$'000*	*US$'000*	*US$'000*
	(4,001)	1,205	18,744	15,948
Consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2025 per Share immediately after the completion of the Previous Placing and before the Rights Issue *(Note 4)*				US$(0.045)
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share immediately after the completion of the Previous Placing and the Rights Issue *(Note 5)*				US$0.064

Notes:

1. The audited consolidated net tangible liabilities of the Group attributable to the owners of the Company of approximately US$4,001,000 as at 31 December 2025 are based on the consolidated net liabilities in the audited consolidated statement of financial position of the Group attributable to the owners of the Company as at 31 December 2025 of approximately US$3,521,000 plus intangible assets of approximately US$480,000, as set out in the annual report of the Group for the year ended 31 December 2025.

2. On 12 February 2026, the Company completed the Previous Placing in which 10,320,000 ordinary shares were issued at Previous Placing price of HK$0.95 per Previous Placing shares. Net proceeds from the Previous Placing amounted to approximately HK$9,400,000 (equivalent to US$1,205,000) (after deduction of commission and other relevant costs and expenses of the Previous Placing).

3. The estimated net proceeds from the Rights Issue of approximately HK$146,200,000 (equivalent to US$18,744,000) are calculated based on the maximum number of 185,760,000 Rights Shares (in the proportion of three (3) Rights Shares for every one (1) existing Share held on the Record Date which is 61,920,000 Shares) to be issued at the subscription price of HK$0.81 per Rights Share assuming full acceptance of the Rights Issue by all of the Qualifying Shareholders, after deduction of the estimated related expenses of approximately HK$4,300,000 (equivalent to US$551,000).

4. The consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2025 per Share immediately after the completion of the Previous Placing and before the Rights Issue is calculated based on the audited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2025 immediately after the completion of the Previous Placing and before the Rights Issue of approximately US$2,976,000 which is arrived at after aggregating the audited consolidated net tangible liabilities of the Group attributable to owners of the Company of approximately US$4,001,000 (note 1 above) and the estimated net proceeds of approximately US$1,205,000 from the Previous Placing (note 2 above) divided by 61,920,000 existing Shares held on the Record Date.

5. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2025 per Share immediately after the completion of the Previous Placing and Rights Issue (assuming full acceptance of the Rights Shares by all of the Qualifying Shareholders) is arrived at based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity owners of the Company as at 31 December 2025 immediately after completion of the Previous Placing and Rights Issue of approximately US$15,948,000 divided by 247,680,000 pro forma Shares which comprise (i) 61,920,000 existing Shares held on the Record Date, and (ii) 185,760,000 Rights Shares to be issued assuming that the Rights Issue has been completed on 31 December 2025.

6. Except as disclosed above, no adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2025.

B. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the sole purpose of inclusion in this Circular, from the independent reporting accountant, ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong.

15 July 2026

The Board of Directors
CMON Limited

Dear Sir or Madam,

We have completed our assurance engagement to report on the compilation of pro forma financial information of CMON Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma adjusted consolidated net tangible assets as at 31 December 2025 as set out on pages II-1 of the circular (the "Circular") issued by the Company. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are described in Appendix II to the Circular.

The pro forma financial information has been compiled by the directors to illustrate the impact of the Rights Issue on the Group's consolidated net tangible assets as at 31 December 2025 as if the transaction had been taken place at 31 December 2025. As part of this process, information about the Group's consolidated net tangible assets has been extracted by the directors from the Group's audited consolidated financial statements for the year ended 31 December 2025, on which an audit report has been published.

DIRECTORS' RESPONSIBILITY FOR THE PRO FORMA FINANCIAL INFORMATION

The directors are responsible for compiling the pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

REPORTING ACCOUNTANT'S RESPONSIBILITIES

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in the Circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2025 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We make no comments regarding the reasonableness of the amount of net proceeds from the Rights Issue, the application of those net proceeds, or whether such use will actually take place as described under "Reasons for and Benefits of the Rights Issue and the Use of Proceeds" set out on pages 20 to 24 of the Circular.

OPINION

In our opinion:

(a) the pro forma financial information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Pang Hon Chung
Practising Certificate Number P05988
Hong Kong

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 Company. 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. SHARE CAPITAL

The issued share capital of the Company (i) as at the Latest Practicable Date (excluding treasury shares, if any); and (ii) immediately after the completion of the Rights Issue (assuming no change in the number of Shares in issue on or before the Record Date and full subscription under the Rights Issue) are as follows:

(i) As at the Latest Practicable Date

Authorised:		*HK$*
1,000,000,000	Shares	1,750,000
Issued and full-paid:		
61,920,000	Shares in issue	108,360

(ii) Immediately following completion of the Rights Issue (assuming no change in the number of Shares in issue on or before the Record Date and full subscription under Rights Issue)

Authorised:		*HK$*
1,000,000,000	Shares	1,750,000
Issued and full-paid:		
61,920,000	Shares in issue as at the Record Date	108,360
185,760,000	Rights Shares to be allotted and issued under the Rights Issue	325,080
247,680,000	Shares in issue	433,440

The Company had announced a placing of 10,320,000 new Shares under general mandate on 19 January 2026 and which was completed on 12 February 2026. Save for the above, in the period between 31 December 2025 (being the date to which the Company's latest published audited accounts were prepared) and the Latest Practicable Date, the Company did not issue any Shares.

All the issued Shares rank *pari passu* with each other in all respects including the rights as to voting, dividends and return of capital.

The Rights Shares (when allotted, issued and fully paid or credited as fully paid) will rank *pari passu* in all respects with the existing Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue. The Rights Shares (in both nil-paid and fully paid forms) will be traded in the board lots of 2,000 Shares. No part of the equity or debt securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

As at the Latest Practicable Date, there were no arrangements under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, there are 1,045,138 outstanding Share Options which are exercisable during the period from 13 August 2018 to 12 August 2028 (both dates inclusive) at an exercise price of HK$8.12, entitling the holders thereof to subscribe for a total of 1,045,138 Option Shares at the prevailing exercise price. The holders of the Share Options have indicated that they have no intention to exercise any of their Share Options prior to the Record Date.

Save as disclosed above, as at the Latest Practicable Date, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares prior to the Record Date.

As at the Latest Practicable Date, the Company did not have any treasury shares.

3. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interest and short positions in shares and underlying shares and debentures of the Company or its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO; or (iii) 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 the Appendix C3 to the Listing Rules (the "**Model Code**") were as follows:

Name of Directors	Capacity/Nature of Interests	Number of Underlying Shares (Unlisted and Physically Settled Equity Derivative) Interested[(4)]	Total Number of Shares and Underlying Shares Interested	Long/Short Position	Approximate Percentage of Shareholding in the Company (%)
Mr. Ng[(1)]	Interest in controlled corporation/ beneficial owner	442,855	12,874,970	Long	24.95
Mr. Doust[(2)]	Interest in controlled corporation/ beneficial owner	442,855	7,902,124	Long	15.31
Mr. Chua[(3)]	Interest in controlled corporation/ beneficial owner	159,428	5,660,548	Long	10.97

Notes:

(1) The issued share capital of CA SPV is wholly-owned by Mr. Ng, an executive Director and the sole director of CA SPV. As at the Latest Practicable Date, CA SPV was beneficially interested in 12,432,115 Shares whereas Mr. Ng was beneficially interested in 442,855 Share Options.

(2) The issued share capital of DD SPV is wholly-owned by Mr. Doust, an executive Director and the sole director of DD SPV. As at the Latest Practicable Date, DD SPV was beneficially interested in 7,459,269 Shares whereas Mr. Doust was beneficially interested in 442,855 Share Options.

(3) Mr. Chua, a non-executive Director, beneficially owns approximately 99.99% of the issued share capital of Quantum Asset which holds 5,501,120 Shares and is beneficially interested in 159,428 Share Options.

(4) The interests in the underlying Shares represent interests in the Share Options granted to the respective Directors to subscribe for Shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, or chief executives of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are 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 Model Code, to be notified to the Company and the Stock Exchange.

(b) Interests of substantial Shareholders

Name of Shareholders	Capacity/Nature of Interest	Total Number of Shares Interested	Long/Short Position	Approximate Percentage of Shareholding in the Company (%)
CA SPV(1)	Beneficial owner	12,432,115	Long	24.09
DD SPV(2)	Beneficial owner	7,459,269	Long	14.46
Quantum Asset(3)	Interest in controlled corporation	5,501,120	Long	10.66

Notes:

(1) The issued share capital of CA SPV is wholly-owned by Mr. Ng, an executive Director and the sole director of CA SPV. As at the Latest Practicable Date, CA SPV was beneficially interested in 12,432,115 Shares whereas Mr. Ng was beneficially interested in 442,855 Share Options.

(2) The issued share capital of DD SPV is wholly-owned by Mr. Doust, an executive Director and the sole director of DD SPV. As at the Latest Practicable Date, DD SPV was beneficially interested in 7,459,269 Shares whereas Mr. Doust was beneficially interested in 442,855 Share Options.

(3) Mr. Chua, a non-executive Director, beneficially owns approximately 99.99% of the issued share capital of Quantum Asset which holds 5,501,120 Shares and is beneficially interested in 159,428 Share Options.

Save as disclosed above, as at the Latest Practicable Date, there were no other persons who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group other than contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. COMPETING BUSINESSES

As at the Latest Practicable Date, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) has any interest in any business that competes or may compete, either directly or indirectly, with the business of the Group.

6. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS

None of the Directors had any interest, direct or indirect, in any assets which had 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 31 December 2025, being the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

7. MATERIAL LITIGATION

As at the Latest Practicable Date, no litigation or claims of material importance is pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

Save for the following, there was no material contract (not being contracts entered into in the ordinary course of business) which had been entered into by the Group within the two years immediately preceding the Latest Practicable Date and are or may be material:

(i) the Placing Agreement; and

(ii) the option agreement dated 26 August 2025 entered into between CMON Global Limited, an indirect wholly-owned subsidiary of the Company and Manlie Collective Pte. Ltd., an independent third party, in relation to the grant and exercise of the option to purchase a property in Singapore at a total consideration of S$3,080,000 (exclusive of GST payable thereon), as disclosed in the announcement of the Company dated 8 October 2025 and the circular of the Company dated 17 December 2025.

9. EXPERTS AND CONSENTS

The following is the qualification of the experts who have given opinion, letter or advice contained in this circular (the "**Experts**"):

Name	Qualification
ZHONGHUI ANDA CPA Limited	Certified Public Accountants Registered Public Interest Entity Auditors
Gram Capital	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, each of the above Experts has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its letters or reports and the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, none of the Experts had any shareholding interest in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the Experts had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

10. EXPENSE

The expenses in relation to the Rights Issue and the Placing (including financial advisory fee, printing, translation, registration, legal, accounting, levy, documentation charges and placing commission) payable by the Company are estimated to be approximately HK$4.3 million, subject to the final subscription.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors	*Executive Directors:* Mr. Ng Chern Ann *(Chairman and Joint Chief Executive Officer)* Mr. David Doust *(Joint Chief Executive Officer)* *Non-executive Directors:* Mr. Frederick Chua Oon Kian Ms. Li Xuejin Mr. Lau Kai San

	Independent non-executive Directors: Mr. Wong Yu Shan Eugene Mr. Choy Man Mr. Leung Yuk Hung Paul Ms. Szeto Huen Sum Hannah
Audit Committee	Mr. Wong Yu Shan Eugene *(Chairman)* Mr. Choy Man Mr. Leung Yuk Hung Paul
Nomination Committee	Mr. Choy Man *(Chairman)* Mr. Wong Yu Shan Eugene Mr. Leung Yuk Hung Paul Ms. Li Xuejin (appointed with effect from 31 December 2025)
Remuneration Committee	Mr. Leung Yuk Hung Paul *(Chairman)* Mr. Wong Yu Shan Eugene Mr. Choy Man
Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Authorised representatives	Mr. Ng Chern Ann Mr. Wong Chun Wing Samuel
Business address of all Directors and authorised representatives	31/F, Tower Two Times Square 1 Matheson Street Causeway Bay Hong Kong
Joint company secretaries	Mr. Wong Chun Wing Samuel *(ACG and HKACG)* Mr. Chan Chiu Hung Alex *(FCG, HKFCG, FCCA, FCA and CPA)*
Hong Kong branch share registrar and transfer office	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong

Principal share registrar and transfer office in the Cayman Islands	**Conyers Trust Company (Cayman) Limited** Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal bankers	**DBS Bank (Hong Kong) Limited** G/F & 11/F, The Center 99 Queen's Road Central, Central, Hong Kong
Auditors	**ZHONGHUI ANDA CPA Limited** *Certified Public Accountants* *Registered Public Interest Entity Auditors* 23/F, Tower 2, Enterprise Square Five Kowloon Bay, Hong Kong
Legal adviser to the Company as to Hong Kong laws	**Robertsons** 57/F, The Center 99 Queen's Road Central Hong Kong
Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders	**Gram Capital Limited** Room 1209, 12/F, Nan Fung Tower 173 Des Voeux Road Central Central Hong Kong

12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. Ng Chern Ann (黃成安), aged 51, was appointed as an executive Director, chairman and chief executive officer of the Company on 2 December 2016. He was re-designated as a joint chief executive officer of the Company on 23 January 2020. Mr. Ng is primarily responsible for developing ideas for new games, corporate strategic planning and overall business development of our Group. Mr. Ng also oversees sales, marketing and logistics for the Group's global operations.

Prior to founding the Group in September 2009, Mr. Ng co-founded Razer (Asia Pacific) Pte. Ltd. ("**Razer**"), a company engaged in the business of designing and manufacturing gaming peripherals, including mice, keyboards and laptops, in December 2003. From April 2005 to August 2006, Mr. Ng was the chief executive officer of Razer, where he was responsible for commencing its business operations. From September 2006 to May 2008, Mr. Ng was the chief technology officer of Razer, where he was responsible for sourcing for new technology, managing technical abilities, conceptualising new products and creating various inventions which were patented. Mr. Ng left Razer in May 2008 and since then, Mr. Ng has mainly devoted his time and resources in setting up, developing and overseeing the business of our Group.

Mr. Ng graduated from the University of Birmingham, United Kingdom with a Bachelor of Laws degree in July 2001, and was admitted to be an advocate and solicitor of the Supreme Court in Singapore in May 2003.

Mr. David Doust (建邦), aged 62, was appointed as an executive Director on 2 December 2016 and a joint chief executive officer on 23 January 2020. Mr. Doust is also the head of Asia of the Group. Mr. Doust oversees sales, marketing and logistics for the Group's Asia operations. Mr. Doust is a serial entrepreneur as he was a director of Fishworld Aquariums, Inc. from 1988 to 1992; a director of Doust Corporation from 1988 to 1994; and a director of Atlantis Pets, Inc. from 1991 to 1993. Mr. Doust also has over 15 years of experience in the gaming industry. He registered and operated the website www.coolminiornot.com in 2001. He also founded and served as an officer of Dark Age Games, Inc. in 2002 and published a miniature war game, Dark Age, in the same year. In 2009, he became a shareholder of CoolMiniOrNot Inc. and worked as a distributor and publisher of tabletop games.

Mr. Doust graduated from the University of Miami, United States, with a Bachelor in Business Administration degree in May 1987.

Non-executive Directors

Mr. Frederick Chua Oon Kian (formerly known as "Chua Oon Kian") (蔡穩健), aged 60, was appointed as a non-executive Director on 2 December 2016. Mr. Chua is the director and chief executive officer of Quantum Asset Management Pte. Ltd., a company providing fund management services to high net worth individuals and institutional investors since March 2004. He has also participated in various pre-IPO investments in companies that were successfully listed on both the Stock Exchange and the Singapore Exchange Securities Trading Limited. Mr. Chua graduated from Indiana University, United States, with a Bachelor of Arts degree in December 1990.

Ms. Li Xuejin (李學瑾), aged 38, was appointed as a non-executive Director on 30 December 2024 and a member of the nomination committee of the Company on 31 December 2025. Ms. Li has over 10 years of experience in the accounting and compliance industry. She joined Opes Services Pte. Ltd., a company in Singapore which provides accounting & GST services, in April 2014 and is currently a director of Opes Services Pte. Ltd., overseeing its operations. Ms. Li obtained a Bachelor of Business Administration from the University of Northern Virginia in July 2008. Ms. Li completed Introductory Level, Intermediate Level and Advanced Level of the Certified Accounting Technician Examinations at session December 2008, June 2009 and June 2011 respectively. Ms. Li was also awarded the ATTS Specialist Certificate in Taxation in December 2018 by the Association of Taxation Technicians Singapore.

Mr. Lau Kai San (劉啟燊), aged 37, was appointed as a non-executive Director on 6 July 2026 and obtained a bachelor of business administration accountancy with honours from the City University of Hong Kong in 2012. Mr. Lau is a seasoned finance and governance professional with over a decade of experience spanning audit, financial controllership and company secretarial practice. He is also a member of the Hong Kong Institute of Certified Public Accountants since September 2016. Mr. Lau is currently serving as the company secretary for Shenghui Cleanness Group Holdings Limited (stock code: 2521), the shares of which are listed on the Stock Exchange, where he is responsible for ensuring statutory compliance, advising the board of governance and disclosure obligations, and maintaining transparent shareholder communication. He acts as a key liaison with regulators, monitoring legal changes to safeguard the company's accountability and integrity. Mr. Lau has been serving as an independent non-executive director of 707 International Limited (NASDAQ: JEM) since 9 June 2025, the shares of which are listed on the Nasdaq Capital Market.

Independent non-executive Directors

Mr. Wong Yu Shan Eugene (王宇山), aged 56, was appointed as an independent non-executive Director, the chairman of the audit committee, and a member of each of the remuneration committee and the nomination committee of the Company on 6 May 2020. Mr. Wong has over 25 years of experience in the accounting and financial industry. Mr. Wong is currently running his own investment advisory and private equity business in mainland China. He is also the founding and managing partner of Xixi Consultancy Limited (formerly known as Unity & Strength (Hong Kong) Certified Public Accountants Ltd), where he has been responsible for providing accounting and advisory services since 2009. He is also an independent non-executive director and the chairman of audit committee of Sirnaomics Ltd., a company listed on the main board of the Stock Exchange (stock code: 2257). Mr. Wong was an independent director of Swancor Advanced Materials Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 688585) from April 2022 to July 2023. Prior to the current positions, he served various positions in different office locations of Ernst & Young from 1993 to 2008, and retired as a partner in Ernst & Young, China in December 2008.

Mr. Wong obtained a Bachelor of Arts in Accounting (Hons) from Hong Kong Polytechnic University in 1993. He is a practising certified public accountant of the Hong Kong Institute of Certified Public Accountants and a fellow chartered accountant of Institute of Chartered Accountants in England and Wales.

Mr. Choy Man (蔡敏), aged 60, was appointed as an independent non-executive Director, the chairman of the nomination committee, and a member of each of the audit committee and the remuneration committee of the Company on 15 June 2020. He is currently a practising solicitor in Hong Kong. Mr. Choy obtained a Bachelor of Arts degree from The University of Hong Kong in 1990, and passed the common professional examination in 1993. He subsequently obtained a Postgraduate Certificate in Laws from The University of Hong Kong in 1994. Mr. Choy was admitted as a solicitor of Hong Kong in 1996 and is now a partner at Cheung & Choy and Choy & Tun, respectively. Mr. Choy specialises in the areas of civil and commercial litigation and conveyancing matters.

Mr. Leung Yuk Hung Paul (梁毓雄), aged 50, was appointed as an independent non-executive Director, the chairman of the remuneration committee, and a member of each of the audit committee and the nomination committee of the Company on 27 May 2021. He has over 20 years of corporate management experience in multinational companies operating in China (including Hong Kong), USA and Indonesia. Mr. Leung obtained both Bachelor of Commerce (Accounting and Finance) and Bachelor of Engineering (I.T.) degrees from The University of Western Australia in 1998. He previously worked for PricewaterhouseCoopers as a Senior Consultant from 1999 to 2003, and for Lung Cheong International Holdings Limited as an Associate Director from 2003 to 2019. Mr. Leung is currently serving as a Managing Director for Chinafair International Holdings Limited. He is also a member of the Standing Committee of the CPPCC Dongguan Committee.

Ms. Szeto Huen Sum Hannah (司徒瑄沁), aged 28, was appointed as an independent non-executive Director on 6 July 2026 and obtained a bachelor of public relations and communication degree from Griffith University in 2019. Ms. Szeto has more than six years of experience in the equity capital market industry, in particular experience as a license holder specialised in Type 1 (dealing in securities) regulated activity under the SFO. She is currently serving as a vice president at Victory Securities Company Limited where she manages high-value investment accounts for high-net-worth individuals and institutional investors. She leverages her deep experience in the pre-IPO landscape to identify syndicate and selling group opportunities, while also advising listed companies on strategic fundraising initiatives, including placements and additional funding rounds. From August 2024 to October 2025, Ms. Szeto was an assistant vice president at Eddid Financial Holdings Limited. From March 2022 to July 2024, she was an assistant manager at Strategic Financial Relations Limited. From June 2019 to February 2022, she was a manager at Fargos Enterprise Group Ltd.

13. DOCUMENTS ON DISPLAY

Copies of the following documents are will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (http://cmon.com) for 14 days from the date of this circular:

(a) the annual reports of the Company for each of the three financial years ended 31 December 2023, 2024 and 2025;

(b) the letter of recommendation from the Independent Board Committee, the text of which is set out on pages 36 to 37 of this circular;

(c) the letter of advice from the Independent Financial Adviser, the text of which is set out on pages IFA-1 to IFA-21 of this circular;

(d) the accountants' report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this circular;

(e) the material contracts referred to in the paragraph headed "**8. MATERIAL CONTRACTS**" of this appendix; and

(f) the written consent referred to in paragraph headed "**9. EXPERTS AND CONSENT**" of this appendix.

14. MISCELLANEOUS

(a) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong;

(b) As at the Latest Practicable Date, the Company has no significant exposure to foreign exchange liabilities;

(c) The principal place of business in Hong Kong of all Directors and authorised representatives of the Company is 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong; and

(d) In the event of any inconsistency, the English texts of this circular and the accompanying form of proxy shall prevail over their respective Chinese texts.

CMON LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1792)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the "**EGM**") of CMON Limited (the "**Company**") will be held at Blk 163 Bukit Merah Central #03–3581, Singapore 150163 on Wednesday, 29 July 2026 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company. Capitalised terms defined in the circular dated 15 July 2026 issued by the Company (the "**Circular**") of which this notice forms part shall have the same meanings when used herein unless otherwise specified:

ORDINARY RESOLUTIONS

1. "**THAT** subject to the satisfaction of the conditions set out in the Letter from the Board under the heading "Conditions of the Rights Issue" in the Circular:

   (a) allotment and issue of up to 185,760,000 Shares (assuming no change in the number of Shares in issue on or before the Record Date) or 188,895,414 Shares (assuming no change in the number of Shares in issue on or before the Record Date other than the new Shares to be allotted and issued pursuant to the full exercise of the outstanding Share Options) (the "**Rights Shares**") in the share capital of the Company pursuant to an offer by way of rights issue (the "**Rights Issue**") to the shareholders of the Company (the "**Shareholders**") at the subscription price of HK$0.81 per Rights Share on the basis of three (3) Rights Shares for every one (1) Share held by the Shareholders whose names appeared on the register of members of the Company on Monday, 10 August 2026 (the "**Record Date**") as described in further details in the Circular (a copy of which marked "A" is produced to the meeting and initialled by the chairman of the meeting for the purpose of identification) and on and subject to such terms and conditions as may be determined by the directors of the Company (the "**Director(s)**"), be and is hereby approved, confirmed and ratified;

   (b) to the extent that the Rights Issue is not fully subscribed, the allotment and issue of any Unsubscribed Rights Shares and NQS Unsold Rights Shares (being part of the Rights Shares authorised under paragraph (a) above) to independent Placees under the Placing or Compensatory Arrangements on a best effort basis pursuant to the Placing Agreement, be and is hereby also approved, confirmed and ratified; and

(c) any one or more of the Directors be and is/are hereby authorised to do all such acts and things and execute all such documents as he/she/they consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Rights Issue, the Placing Agreement and the transactions contemplated thereunder;

2. subject to the passing of resolution 1 as set out above and the satisfaction of the conditions set out in the Letter from the Board under the heading "The Placing Agreement" in the Circular:

(a) the placing agreement dated 17 June 2026 entered into between the Company and Yuen Meta (International) Securities Limited (the "**Placing Agreement**") (a copy of the Placing Agreement marked "B" is produced to the meeting and initialled by the chairman of the meeting for the purpose of identification), in relation to the placing of the Unsubscribed Rights Shares and/or the NQS Unsold Rights Shares at the placing price of at least equal to the Subscription Price per Placing Share on a best effort basis, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and

(b) any one or more of the Directors be and is/are hereby authorised to do all such acts and things and execute all such documents as he/she/they consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Placing Agreement and the transactions contemplated thereunder."

By order of the Board
CMON Limited
Ng Chern Ann
Chairman, Joint Chief Executive Officer and Executive Director

Hong Kong, 15 July 2026

Registered office:
Offices of Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Headquarters and principal place of business:
Blk 163 Bukit Merah Central #03–3581
Singapore 150163

Notes:

1. A shareholder entitled to attend and vote at the EGM convened is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, vote in his/her/it stead. A proxy need not be a shareholder of the Company.

2. In order to be valid, the form of proxy, must be deposited together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the EGM (i.e. before 11:00 a.m. on Monday, 27 July 2026) or adjourned meeting.

3. The record date for determining the entitlement of the holders of Shares to attend and vote at the EGM will be Wednesday, 29 July 2026. For the purpose of ascertaining Shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 23 July 2026 to Wednesday, 29 July 2026, both days inclusive, during which period no transfers of Shares will be registered. In order to be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates, have to 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, not later than 4:30 p.m. on Wednesday, 22 July 2026.

4. Completion and delivery of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the EGM and in such event, the relevant form of proxy shall be deemed to be revoked.

5. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the executive Directors are Mr. Ng Chern Ann and Mr. David Doust; the non-executive Directors are Mr. Frederick Chua Oon Kian, Ms. Li Xuejin and Mr. Lau Kai San; and the independent non-executive Directors are Mr. Wong Yu Shan Eugene, Mr. Choy Man, Mr. Leung Yuk Hung Paul and Ms. Szeto Huen Sum Hannah.