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CHINA FIRST CAPITAL GROUP LIMITED

中國首控集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1269)

SUPPLEMENTAL ANNOUNCEMENT TO UPDATE IN RELATION TO THE DISCLAIMER OF OPINION ON GOING CONCERN SET OUT IN THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Reference is made to the annual report (the “**Annual Report**”) of China First Capital Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2025 (“**FY2025**”), in which the auditor of the Company did not express an opinion on the consolidated financial statements of the Group for FY2025 relating to going concern (the “**Disclaimer of Opinion**”) and the announcement of the Company dated 20 July 2026 (the “**Announcement**”). Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meaning as defined in the Annual Report.

The Board has reviewed the Group’s cash flow projections covering a period of not less than twelve months from 31 December 2025 (the “**Forecast**”) and considered it is appropriate to prepare the consolidated financial statements for FY2025 on a going concern basis, subject to certain plans and measures to be implemented by the Company. Since the date of the Annual Report and up to the date of the Announcement (the “**Reporting Period I**”), the following plans and measures have been implemented by the Group to improve its liquidity and financial position:

- (i) as envisioned in the Annual Report, the Company planned to formulate a restructuring plan and executing the Company’s restructuring exercise. It was anticipated that the Proposed Restructuring will made material progress in the second half of 2026, subject to obtaining support of the majority of creditors. During the Reporting Period I, the Company prepared, updated and revised the initial draft scheme of arrangement, the explanatory statement, as well as the draft ancillary documents. A number of additional creditors had acceded to the Restructuring Support Agreement following initial execution of the Restructuring Support Agreement on 2 January 2026. For details, please refer to the Announcement. The Board reviewed the progress of the said measure as at the date of the Announcement and noted that a restructuring plan has been substantially finalised, and the relevant draft restructuring documents have been prepared and, where appropriate, updated and revised to reflect comments received from relevant stakeholders. The Board further noted that a number of creditors have already executed or acceded to the Restructuring Support Agreement, whereas Champion Sense, being the largest creditor of the Company, is undergoing its internal approval processes regarding the supporting of the Proposed Restructuring and accession to the Restructuring Support Agreement. The Board is of the view that the progress of the said measure is in line with the assumptions adopted in the Forecast.

- (ii) as envisioned in the Annual Report, the Company planned to negotiate with its lenders on renewal of term and/or extension of bank and other borrowings which are overdue or due for repayment within twelve months from 31 December 2025. It was anticipated that bank borrowings of the Group's automotive parts business falling due for repayment within twelve months from 31 December 2025 would be renewed or refinanced upon respective maturity throughout the period, and that the borrowings of the Company will be settled by way of the Proposed Restructuring. From 1 January 2026 to the date of the Announcement (including the Reporting Period I), borrowings of approximately RMB900.0 million were successfully renewed or refinanced upon maturity, among which approximately RMB889.8 million attributable to the Group's automotive parts business and approximately RMB10.2 million attributable to other subsidiaries of the Company. Bank borrowings of the Group's automotive parts business which were reclassified as current liabilities due to the breaches of financial covenants as at 31 December 2025 of approximately RMB90.1 million which are only due in 2027 and 2028 are not renewed or refinanced as their respective maturity has not yet been reached. For details, please refer to the Announcement. The Board reviewed the progress of the said measure as at the date of the Announcement and noted that all borrowing of the Group's automotive parts business which fell due for repayment during the Reporting Period I had been renewed or refinanced upon maturity. The Board further noted that the Proposed Restructuring is progressing as planned and that, upon effectiveness, indebtedness of the Company (including the Convertible Bonds) is expected to be settled through a combination of cash payments and issuance of new shares. The Board is of the view that the progress of the said measure is in line with the assumptions adopted in the Forecast.
- (iii) as envisioned in the Annual Report, the Company planned to develop and operate the automotive parts, education management and consultation, and financial services businesses segments such that they can bring operating cash inflows to the Group. It was anticipated that the Group's business operations would continue to develop steadily on the existing basis, with revenue and expenses remaining broadly stable. During the Reporting Period I, the Company actively managed and developed its businesses operations, and these business segments continued to perform steadily and generating increased revenue and operating cash inflows. For details, please refer to the Announcement. The Board reviewed the progress of the said measure as at the date of the Announcement and noted that there had been no material changes in the external macro-economic environment, industry policies or market structure. The Board also assessed the operations and performance of the Group's business against that of FY2025. The Board is of the view that the progress of the said measure is in line with the assumptions adopted in the Forecast.
- (iv) as envisioned in the Annual Report, the Company planned to dispose of its non-core assets, including those pledged as collateral securing its secured debts, so as to improve its liquidity and settle the secured debts. It was anticipated that, by the end of the year ending 31 December 2026, approximately RMB19.8 million of the financial assets of listed equity securities held by the Group (based on their fair value as at 31 December 2025) will be disposed of, and that the Company would formulate a disposal plan against certain assets by the second quarter of 2026 and implement the said plan in the second half of 2026. During the Reporting Period I, the Company has formulated a plan in relation to certain collateral securing its secured debts. As disposed of by the securities companies to settle part of their margin loans, an aggregate of approximately HK\$12.4 million of the financial assets of listed equity securities held in the Company's margin securities accounts were disposed of, representing approximately RMB6.0 million based on the fair value of such financial assets as at 31 December 2025. Accordingly, of the approximately RMB19.8 million of financial assets of listed equity securities originally anticipated to be disposed of under the Forecast, approximately RMB13.8 million (based on their fair value as at 31 December 2025) remained to be disposed of as at the date of the Announcement. The Board reviewed the progress of the said measure as at the date of the

Announcement and noted that a plan in relation to the collateral securing the Company's secured debts had been formulated and that certain financial assets of the Company had been disposed of with proceeds used to repay part of the Company's margin loans. The Board is of the view that the progress of the said measure is slightly behind the assumptions adopted in the Forecast.

- (v) as envisioned in the Annual Report, the Company planned to explore and engage potential investors to introduce business opportunities to improve its cash flow position. As set out in the assumptions of the Forecast that, based on prudent considerations, no cash inflows from new investors, new sources of financing and assets disposal other than financial assets of listed equity securities held by the Group. Nevertheless, the Company planned to seek new business opportunities from new investors. During the Reporting Period I, the Group engaged in discussion with a potential investor regarding potential business opportunities. The parties discussed the potential investor's business and projects, the Proposed Restructuring and the cooperation opportunity between the parties. The Board reviewed the progress of the said measure as at the date of the Announcement and noted that despite the Company actively seeking potential investors and discussing cooperation with them, the implementation of any such cooperation would be subject to, among other things, the progress and successful completion of the Company's Proposed Restructuring as planned. The Company also planned to seek new sources of financing to enhance the financial position and support the operations of the Group by obtaining additional sources of financing as and when needed. During the Reporting Period I, the Group obtained approximately RMB529.3 million of new financing, part of which was used to refinance existing borrowings upon maturity. In addition, the Company secured funding support from a financial investor in the form of an unsecured credit facility of up to HK\$50 million to facilitate the preparation and implementation of the Proposed Restructuring. For details, please refer to the Announcement. The Board reviewed the progress of the said measure as at the date of the Announcement and noted that certain borrowings had been successfully refinanced upon maturity through new financing arrangements. The Board also noted that the Company has secured funding support from a financial investor and is expected to enter into the relevant funding agreement in due course. The Board is of the view that the progress of the said measure well exceeds the assumptions adopted in the Forecast.

In reviewing and monitoring the implementation status of the above-mentioned plans and measures, the Audit Committee (i) held meetings with the management of the Company (including the executive Directors) to discuss the said plans and measures; (ii) held meetings with the auditor of the Company to understand their view on the said plans and measures; (iii) discussed with the management on the progress of implementation of the said plans and measures; (iv) conducted on-site inspections of certain subsidiaries of the Company to gain a better understanding of their business operations; (v) reviewed the Company's draft restructuring documents to assess the plan and progress of the Proposed Restructuring process; (vi) obtained reports on the operations and material matters of the Group, and engaged in-depth discussion with management on relevant matters; (vii) monitored the actual progress against the Forecast and assessed whether any material deviation had occurred and, if so, the underlying reasons for such deviation; (viii) considered and formulated appropriate follow-up actions to be taken by the Company in the event of any material deviation from the Forecast occurred. Based on the foregoing, the Audit Committee was satisfied that it had taken appropriate steps to review and monitor the implementation of the above-mentioned plans and measures and their progress against the Forecast.

The Company will publish announcement(s) for the updates regarding the Disclaimer of Opinion as and when appropriate in accordance with the Listing Rules and/or as required by the Stock Exchange.

Shareholders and investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
China First Capital Group Limited
Chan Kwok Kee, Andy
Company Secretary

Hong Kong, 19 August 2026

As at the date of this announcement, the executive Directors are Dr. Wilson Sea and Dr. Zhu Huanqiang; and the independent non-executive Directors are Mr. Chu Kin Wang, Peleus, Ms. Lu Dan and Mr. Qiao Huabin.