
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Novautek Technologies Group Limited, you should at once hand 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.

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NOVAUTEK TECHNOLOGIES GROUP LIMITED

諾科達科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 519)

**(1) PROPOSED ISSUE OF CONVERTIBLE BONDS
UNDER SPECIFIC MANDATE;
(2) CONNECTED TRANSACTION IN RELATION TO PROPOSED ISSUE
OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE
AND
(3) NOTICE OF SPECIAL GENERAL MEETING**

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



Capitalised terms in this cover page shall have the same meaning as those defined in the section headed “Definitions” in this circular. A letter from the Board is set out on pages 8 to 29 of this circular.

A letter from the Independent Board Committee is set out on pages 30 to 31 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 32 to 70 of this circular.

A notice convening the special general meeting (the “SGM”) to be held at 10:00 a.m. on 15 September 2026 (Tuesday) at Empire Room 1, 1/F., Empire Hotel Hong Kong • Wanchai, 33 Hennessy Road, Wanchai, Hong Kong, is set out on pages SGM-1 to SGM-4 of this circular. A form of proxy for use by the Shareholders in connection with the SGM is enclosed herewith.

Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the SGM (i.e. before 10:00 a.m. on 13 September 2026 (Sunday)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM, or any adjournment thereof, should you so wish.

25 August 2026

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DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Announcement”	the announcement of the Company dated 24 July 2026 in relation to the Subscriptions
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bondholder(s)”	holder(s) of the Convertible Bonds
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business (excluding Saturdays, Sundays, public holidays and days on which a Number 8 or above tropical cyclone warning signal is hoisted)
“Company”	Novautek Technologies Group Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 519)
“Completion(s)”	in the plural form, means collectively the First Subscription Completion, the Second Subscription Completion, the Third Subscription Completion and the Connected Subscription Completion; and in the singular form, means any one of them (as the context may require)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules and the word “connected” shall be construed accordingly
“Connected Conversion Share(s)”	the Share(s) to be allotted and issued upon the exercise of the conversion right(s) attaching to the Connected Convertible Bonds
“Connected Convertible Bonds”	the convertible bonds in the aggregate principal amount of up to HK\$12 million to be issued by the Company to the Connected Subscriber pursuant to the terms and conditions of the Connected Subscription Agreement
“Connected Specific Mandate”	the specific mandate to be sought at the SGM for the allotment and issue of the Connected Conversion Shares upon conversion of the Connected Convertible Bonds

DEFINITIONS

“Connected Subscriber”	Ruixing Investments Limited, a company incorporated in the British Virgin Islands with limited liabilities and wholly owned by Mr. Wu, and a substantial shareholder of the Company as at the Latest Practicable Date
“Connected Subscription”	the subscriptions of the Connected Convertible Bonds by the Connected Subscriber pursuant to the terms and conditions of the Connected Subscription Agreement
“Connected Subscription Agreement”	the subscription agreement dated 24 July 2026 entered into between the Company and the Connected Subscriber in relation to the Connected Subscription
“Connected Subscription Completion”	completion of the Connected Subscription
“Connected Subscription Long Stop Date”	31 December 2026, or such other dates as the Company and the Connected Subscriber may agree in writing
“Conversion Price”	the initial conversion price of the First Convertible Bonds, the Second Convertible Bonds, the Third Convertible Bonds and the Connected Convertible Bonds, being HK\$0.18 per First Conversion Share, Second Conversion Share, the Third Conversion Share or Connected Conversion Share (subject to adjustment), as the case may be
“Conversion Share(s)”	the Share(s) to be allotted and issued upon the exercise of the conversion right(s) attaching to the Convertible Bonds
“Convertible Bonds”	collectively, the First Convertible Bonds, the Second Convertible Bonds, the Third Convertible Bonds and the Connected Convertible Bonds
“Director(s)”	the director(s) of the Company
“First Conversion Share(s)”	the Share(s) to be allotted and issued upon the exercise of the conversion right(s) attaching to the First Convertible Bonds
“First Convertible Bonds”	the convertible bonds in the aggregate principal amount of up to HK\$8 million to be issued by the Company to the First Subscriber pursuant to the terms and conditions of the First Subscription Agreement

DEFINITIONS

“First Specific Mandate”	the specific mandate to be sought at the SGM for the allotment and issue of the First Conversion Shares upon conversion of the First Convertible Bonds
“First Subscriber”	Pangaea Investment Limited, a company incorporated in Hong Kong with limited liability
“First Subscription”	the subscription of the First Convertible Bonds by the First Subscriber pursuant to the terms and conditions of the First Subscription Agreement
“First Subscription Agreement”	the subscription agreement dated 24 July 2026 entered into between the Company and the First Subscriber in relation to the First Subscription
“First Subscription Completion”	completion of the First Subscription
“First Subscription Long Stop Date”	31 December 2026, or such other dates as the Company and the First Subscriber may agree in writing
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	20 August 2026, being the latest practicable date of ascertaining certain information contained in this circular prior to its publication
“Listing Committee”	has the meaning ascribed to it in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date(s)”	in the plural form, means collectively the First Subscription Long Stop Date, the Second Subscription Long Stop Date, the Third Subscription Long Stop Date and the Connected Subscription Long Stop Date; and in the singular form, means any one of them (as the context may require)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Independent Board Committee”	the independent committee of the Board, which comprises all the independent non-executive Directors, established to advise the Independent Shareholders in respect of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate)
“Independent Financial Adviser”	Merdeka Corporate Finance Limited, a corporation licensed 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 respect of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate)
“Independent Shareholders”	Shareholders, other than the Connected Subscriber, Mr. Wu and their respective associates, who have no material interest in the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate)
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected with the Company and its connected person(s) (as defined under the Listing Rules)
“Market Price”	in respect of a Share on any date on which such market price is required to be determined, the average of the closing prices of one Share on the Stock Exchange for each of the five consecutive trading days on the Stock Exchange (i.e. days on which trading in the Shares take place on the Stock Exchange) immediately preceding such date
“Mr. Wu”	Mr. Wu Zhanming, being an executive Director and the chairman of the Board
“Second Conversion Share(s)”	the Share(s) to be allotted and issued upon the exercise of the conversion right(s) attaching to the Second Convertible Bonds

DEFINITIONS

“Second Convertible Bonds”	the convertible bonds in the aggregate principal amount of HK\$8 million to be issued by the Company to the Second Subscriber pursuant to the terms and conditions of the Second Subscription Agreement
“Second Specific Mandate”	the specific mandate to be sought at the SGM for the allotment and issue of the Second Conversion Shares upon conversion of the Second Convertible Bonds
“Second Subscriber”	Hui Wai Lun
“Second Subscription”	the subscription of the Second Convertible Bonds by the Second Subscriber pursuant to the terms and conditions of the Second Subscription Agreement
“Second Subscription Agreement”	the subscription agreement dated 24 July 2026 entered into between the Company and the Second Subscriber in relation to the Second Subscription
“Second Subscription Completion”	completion of the Second Subscription
“Second Subscription Long Stop Date”	31 December 2026, or such other dates as the Company and the Second Subscriber may agree in writing
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held at which the relevant resolution(s) will be proposed to consider and, if thought fit, to approve each of the Subscription Agreements and the transactions contemplated thereunder (including the grant of the relevant Specific Mandate)
“Share(s)”	ordinary share(s) of a par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate(s)”	in the plural form, means collectively the First Specific Mandate, the Second Specific Mandate, the Third Specific Mandate and the Connected Specific Mandate; and in the singular form, means any one of them (as the context may require)

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber(s)”	in the plural form, means collectively the First Subscriber, the Second Subscriber, the Third Subscriber and the Connected Subscriber; and in the singular form, means any one of them (as the context may require)
“Subscription Agreement(s)”	in the plural form, means collectively the First Subscription Agreement, the Second Subscription Agreement, the Third Subscription Agreement and the Connected Subscription Agreement; and in the singular form, means any one of them (as the context may require)
“Subscriptions”	collectively, the First Subscription, the Second Subscription, the Third Subscription and the Connected Subscription
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Third Conversion Share(s)”	the Share(s) to be allotted and issued upon the exercise of the conversion right(s) attaching to the Third Convertible Bonds
“Third Convertible Bonds”	the convertible bonds in the aggregate principal amount of HK\$5 million to be issued by the Company to the Third Subscriber pursuant to the terms and conditions of the Third Subscription Agreement
“Third Specific Mandate”	the specific mandate to be sought at the SGM for the allotment and issue of the Third Conversion Shares upon conversion of the Third Convertible Bonds
“Third Subscriber”	CHEANG Ana
“Third Subscription”	the subscription of the Third Convertible Bonds by the Third Subscriber pursuant to the terms and conditions of the Third Subscription Agreement
“Third Subscription Agreement”	the subscription agreement dated 24 July 2026 entered into between the Company and the Third Subscriber in relation to the Third Subscription

DEFINITIONS

“Third Subscription Completion”	completion of the Third Subscription
“Third Subscription Long Stop Date”	31 December 2026, or such other dates as the Company and the Third Subscriber may agree in writing
“%”	per cent.

LETTER FROM THE BOARD



NOVAUTEK TECHNOLOGIES GROUP LIMITED

諾科達科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 519)

Executive Directors:

Mr. Wu Zhanming (*Chairman*)

Mr. Wang Chunsheng (*Chief Executive Officer*)

Independent non-executive Directors:

Mr. Jiang Pengzhi

Mr. Yang Ye

Ms. Tsang Fung Chu *JP*

Registered office:

Richmond House

12 Par-la-Ville Road

Hamilton HM 08, Bermuda

Principal place of

business in Hong Kong:

Unit 2408A, 24th Floor

Tower 1, Lippo Centre

89 Queensway

Hong Kong

25 August 2026

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED ISSUE OF CONVERTIBLE BONDS
UNDER SPECIFIC MANDATE;
(2) CONNECTED TRANSACTION IN RELATION TO PROPOSED ISSUE
OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE
AND
(3) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement.

The purpose of this circular is to provide you with, among other thing, (i) further details of the Subscription Agreements and the respective transactions contemplated thereunder (including the grant of the Specific Mandates); (ii) a letter from the Independent Board Committee to the Independent Shareholders in respect of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate); (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the

LETTER FROM THE BOARD

Independent Shareholders in respect of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate); (iv) other information as required under the Listing Rules; and (iv) a notice convening SGM.

THE SUBSCRIPTIONS

On 24 July 2026 (after trading hours), the Company entered into four separate Subscription Agreements with the Subscribers, respectively, pursuant to which the Company has conditionally agreed to issue, and the Subscribers have conditionally agreed to subscribe for, the Convertible Bonds with an aggregate principal amount of HK\$33 million.

Each of the Completions is not inter-conditional upon any of the others.

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

Date

24 July 2026 (after trading hours)

Parties

Issuer : Novautek Technologies Group Limited

Subscribers : (i) Pangaea Investment Limited;

(ii) Hui Wai Lun;

(iii) CHEANG Ana; and

(iv) Ruixing Investments Limited.

Principal amounts of the Convertible Bonds

The principal amounts of the First Convertible Bonds, the Second Convertible Bonds, the Third Convertible Bonds and the Connected Convertible Bonds are HK\$8 million, HK\$8 million, HK\$5 million, and HK\$12 million, respectively.

Subscription price of the Convertible Bonds

The subscription price of each of the Convertible Bonds equals 100% of its principal amount.

The subscription price of each of the Convertible Bonds shall be settled by the relevant Subscriber by way of cash in Hong Kong dollars before 5:00 p.m. on the date of the relevant Completion.

LETTER FROM THE BOARD

Maturity date

The maturity date of each of the Convertible Bonds shall be the date falling 24 months following its date of issue.

Interest rate

The interest rate of each of the Convertible Bonds shall be 6% per annum on its outstanding principal amount, calculated from its date of bond certificates up to its date of redemption or conversion, payable in arrears on the last Business Day of each calendar half-year (i.e. 30 June and 31 December).

Conversion period

The conversion period for each of the Convertible Bonds shall be the period commencing from its date of issue up to and including the close of business of the Business Day immediately preceding its maturity date (both dates inclusive).

Conversion restrictions

Any conversion of each of the Convertible Bonds shall be made in an amount of not less than HK\$100,000 and in integral multiples of HK\$100,000, unless the total outstanding principal amount of such Convertible Bonds at any time is less than HK\$100,000, in which case such outstanding principal amount shall be converted in whole (and not in part) into the relevant Conversion Shares.

The conversion rights attaching to each of the Convertible Bonds shall not be exercised under the following circumstances: (i) if such conversion will result in the Bondholder(s) and parties acting in concert with it directly or indirectly controlling or holding 30% or more of the enlarged issued share capital of the Company immediately after such conversion, or triggering a mandatory offer obligation under Rule 26 of the Takeovers Code; or (ii) if such conversion will result in the Company failing to comply with the minimum public float requirements prescribed under Rule 8.08 of the Listing Rules or any similar regulations.

Conversion Price

The initial Conversion Price for each of the Convertible Bonds shall be HK\$0.18 per relevant Conversion Share (subject to adjustments), which represents:

- (i) a premium of approximately 14.65% over the closing price of HK\$0.157 per Share as quoted on the Stock Exchange as at the date of the Subscription Agreements;
- (ii) a premium of approximately 14.65% over the average closing price of HK\$0.157 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the date of the Subscription Agreements;

LETTER FROM THE BOARD

- (iii) a premium of approximately 15.38% over the average closing price of HK\$0.156 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the date of the Subscription Agreements;
- (iv) a premium of approximately 22.45% over the closing price of HK\$0.147 per Shares as quoted on the Stock Exchange on the Latest Practicable Date;
- (v) a discount of approximately 30.50% to the audited consolidated net asset value attributable to owners of the Company of approximately HK\$0.259 per Share as at 30 June 2025, calculated by dividing the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$790,736,000 as at 30 June 2025 by 3,055,105,739 Shares in issue as at the Latest Practicable Date; and
- (vi) a discount of approximately 28.29% to the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$0.251 per Share as at 31 December 2025, calculated by dividing the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$766,569,000 as at 31 December 2025 by 3,055,105,739 Shares in issue as at the Latest Practicable Date;

The conversion of the Convertible Bonds at the initial Conversion Price, whether on an individual or aggregate basis, will not result in a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of 25% or more.

The initial Conversion Price was arrived at after arm's length negotiations between the Company and each of the Subscribers, respectively, with reference to the recent trading performance of the Shares, the recent market conditions and the business prospects of the Group.

Despite that the Conversion Price represents a discount of approximately 28.29% to the unaudited consolidated net asset value per Share as at 31 December 2025, taking into account that (i) the Conversion Price represents a premium over the recent closing prices of the Shares prior to and including the date of the Subscription Agreements which, in the Directors' view, represents a more relevant and market-driven basis reflecting the prevailing market conditions and market value of the Group; and (ii) the reasons for and benefits of the Subscriptions, further details of which are set out in the sub-section headed "REASONS FOR THE SUBSCRIPTIONS" in the Letter from the Board, the Directors consider that the Conversion Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Adjustments to the Conversion Price

The initial Conversion Price of each of the Convertible Bonds shall be adjusted from time to time in accordance with the following relevant provisions upon occurrence of the following events, and if an event giving rise to any adjustment falls within more than one of following sub-paragraphs (a) to (h) simultaneously, such event shall fall within the first applicable sub-paragraph to the exclusion of the remaining sub-paragraphs:

LETTER FROM THE BOARD

- (a) any alternations to the nominal values by way of any consolidation or sub-division of the Shares. In such event, the Conversion Price in force immediately prior to such alteration shall be adjusted by multiplying it by the following fraction:

$$(A)/(B)$$

where:

A = the revised nominal value one Share immediately after such alternation; and

B = the original nominal value of one Share immediately before such alternation.

Such adjustment shall become effective from the close of business on the day immediately preceding the date of which such consolidation or sub-division becomes effective;

- (b) any issues (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund). In such event, the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$(A)/(A+B)$$

where:

A = the aggregate nominal value of the Shares issued immediately prior to such issue; and

B = the aggregate nominal value of the Shares issued in such capitalisation.

Such adjustment shall become effective on the day immediately after the record date for such issue;

LETTER FROM THE BOARD

- (c) any capital distributions being made by the Company, whether by way of reduction of capital or otherwise, to the Shareholders in their capacity as such or any grant to such Shareholders the rights to acquire for cash assets of the Company or any of its subsidiaries. In such event, the Conversion Price in force immediately prior to such distribution or grant shall be adjusted by multiplying it by the following fraction:

$$(A-B)/(A)$$

where:

A = the Market Price of one Share on the date on which the capital distribution or, as the case may be, the grant is publicly announced or, in the absence of such announcement, the date immediately preceding the date of the capital distribution or the grant, as the case may be; and

B = the fair market value attributable to one Share of that portion of the capital distribution or such rights as determined in good faith by an approved adviser as jointly appointed by the Company and the relevant Subscribers, being any reputable commercial bank in Hong Kong, the auditors of the Company, or a person licensed or exempt under the SFO to carry out the activities to advise on corporate finance, as at the date of announcement of the capital distribution or the grant, as the case maybe, or the day immediately prior thereto,

provided that:

- (i) if in the opinion of such approved advisor, the use of the fair market value as aforesaid produces a result which is significantly unfair, it may instead determine such other amount of the said Market Price which should properly be attributed to the value of the capital distribution or rights (and in such event the above formula shall be construed accordingly); and
- (ii) the provisions of this paragraph (c) shall not apply to Shares issued credited as fully paid out of profits or reserves and in lieu of cash dividends.

Such adjustment shall become effective, retroactively if applicable, from the day immediately following the record date for such capital distribution or grant;

LETTER FROM THE BOARD

- (d) any offers of new Share for subscription by way of rights, or any grants of options or warrants to subscriber for new Shares being made by the Company to the Shareholders at a price which is less than 95% of the Market Price on the date of the announcement of the terms of such offers or grants. In such event, the Conversion Price in force immediately before the date of such announcement shall be adjusted by multiplying it by the following fraction, whereby the numerator is the number of Shares in issue immediately before the date of such announcement plus the number of Shares that could be purchased at the Market Price using the aggregate amount payable for the rights, options or warrants (if any) and the amount payable for the total number of new Shares, and the denominator is the number of Shares in issue immediately before the date of such announcement plus the aggregate number of new Shares issued through rights issue or included in the options or warrants. Such adjustment shall become effective, retroactively if applicable, from the day immediately following the record date for such offer or grant. In such event, the Conversion Price in force immediately prior to such distribution or grant shall be adjusted by multiplying it by the following fraction:

$$(A+B)/(A+C)$$

where:

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

B = the number of Shares which the aggregate amount payable (if any) for the rights, options or warrants, plus the total amount payable upon the exercise or subscription of the new Shares comprised therein, would purchase at the Market Price on the date of such announcement;

C = the aggregate number of new Shares offered for subscription or comprised in the option or warrants.

Such adjustment shall become effective, retroactively if applicable, from the day immediately following the record date for such offer or grant;

LETTER FROM THE BOARD

- (e) (aa) any issues purely for cash of any securities of the Company which by their terms are convertible into or exchangeable for or carrying rights of subscription for new Shares, and the total actual consideration per Share initially receivable for such securities is less than 95% of the Market Price on the date of the announcement of the terms of issue of such securities. In such event, the Conversion Price in force immediately before the date of such announcement shall be adjusted by multiplying it by the following fraction:

$$(A+B)/(A+C)$$

where:

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

B = the number of Shares that the total actual consideration receivable by the Company for such securities issued would purchase at such Market Price on the date of the announcement of the terms of issue; and

C = the maximum number of Shares to be issued upon conversion or exchange of such securities at the initial conversion or exchange ratio or upon exercise of subscription rights attached thereto.

Such adjustment shall become effective, retroactively if applicable, from the close of business in Hong Kong on the day immediately preceding the earlier of (i) the date of the announcement of such issue; and (ii) the date on which the Company determines the conversion or exchange ratio or subscription price;

- (bb) any modification of the rights of conversion, exchange or subscription attached to any such securities as mentioned in paragraph (aa) above, such that the total actual consideration per Share initially receivable for such securities is less than 95% of the Market Price on the date of the announcement of the proposed modification of such conversion, exchange or subscription rights. In such event, the Conversion Price in force immediately before such modification shall be adjusted by multiplying it by the following fraction:

$$(A+B)/(A+C)$$

where:

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

LETTER FROM THE BOARD

B = the number of Shares that the total actual consideration receivable by the Company for such securities issued (calculated on the basis of the modified conversion, exchange or subscription price) would purchase at the Market Price on the date of the announcement of the proposed modification; and

C = the maximum number of Shares to be issued upon conversion or exchange of such securities at the modified conversion or exchange ratio or upon the exercise of the modified subscription rights attached thereto.

Such adjustment shall become effective on the date on which such modification takes effect. For the avoidance of doubt, if the conversion, exchange or subscription rights are adjusted pursuant to a rights issue, capitalisation issue, or other events that ordinarily give rise to adjustment of conversion or exchange terms, such rights shall not be treated as modified for the purpose of this sub-paragraph;

- (f) any issues of new Shares purely for cash a price per Share which is less than 95% of the Market Price on the date of the announcement of the terms of such issue. In such event, the Conversion Price in force immediately before the date of such announcement shall be adjusted by multiplying it by the following fraction:

$$(A+B)/(A+C)$$

where:

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

B = the number of Shares that the total aggregate amount payable for such issue would purchase at the Market Price on the announcement of the terms of such issues; and

C = the aggregate number of new Shares to be issued pursuant to such placement or offering.

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

LETTER FROM THE BOARD

- (g) any issues of new Shares for the acquisition of assets at the total actual consideration per Share being less than 95% of the Market Price on the date of the announcement of the terms of such issue. In such event, the Conversion Price shall be adjusted by multiplying it by the following fraction:

$$(A)/(B)$$

where:

A = the actual consideration per Share under such issue; and

B = the Market Price per Share on the date of the announcement of the terms of such issue.

Such adjustment shall become effective, retroactively if applicable, from the close of business in Hong Kong on the day immediately preceding the date on which the Company determines the issue price of such Shares; and

- (h) any issue of any additional equity securities (excluding any share schemes adopted by the Company pursuant to Chapter 17 of the Listing Rules), at any time after First Subscription Completion, the Second Subscription Completion, the Third Subscription Completion or the Connected Subscription Completion, as the case may be, at the total actual consideration per Share being less than 95% of the then effective Conversion Price. In such event, the Conversion Price in force immediately before the date of issue of such equity securities shall be adjusted by multiplying it by the following fraction:

$$(A+B)/(A+C)$$

where:

A = the number of Shares in issue immediately prior to the date of issue of such equity securities;

B = the number of Shares that the total aggregate amount payable for such issue would purchase at the then effective Conversion Price; and

C = the maximum number of Shares to be issued or potentially issued pursuant to the terms of such equity securities.

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

LETTER FROM THE BOARD

Events of default

Pursuant to the terms and conditions of the Subscription Agreements, each of the following events constitutes an event of default:

- (a) the Company fails to pay any principal, interest or any other sums payable under the Convertible Bonds when due;
- (b) the Company fails to deliver any Shares when such Shares are required to be delivered upon conversion of the Convertible Bonds;
- (c) the Shares cease to be listed on the Stock Exchange, or the listing of the Shares on the Stock Exchange has been cancelled or withdrawn, or the Stock Exchange has indicated that it would object to the listing of and trading in the Shares on the Stock Exchange;
- (d) trading in the Shares on the Stock Exchange has been for a continuous period of thirty (30) Business Days or more as a result of any member of the Group or any of its directors, officers, employees or agents breaching or violating any provision of the Listing Rules or applicable laws;
- (e) any representation or warranty given by the Company under the Subscription Agreements was materially incorrect, misleading or false at the time it was made;
- (f) any judgment or order made against any member of the Group has the effect of revoking any material licence required for the operation of the business of the relevant member of the Group;
- (g) the Company fails to duly and promptly perform or comply with any one or more of its covenants, conditions, provisions or obligations under the Convertible Bonds;
- (h) it becomes or will become unlawful for the Company to perform or comply with any one or more of its covenants, conditions, provisions or obligations under the Convertible Bonds;
- (i) any member of the Group becomes insolvent or is unable to pay its debts as they fall due, or an application is filed, legal proceedings are initiated, an order is made by a court or other competent authority, or a resolution is passed, for the bankruptcy, winding-up or cessation of business of any member of the Group;
- (j) an encumbrancer takes possession of, or a receiver, manager or other similar officer is appointed over, the whole or any material part of the business, property, assets or revenue of any member of the Group, other than for such circumstances which had been disclosed to the Bondholder(s) or the Subscriber(s) or announced by the Company prior to the date of the Subscription Agreements, and any subsequent and/or consequential circumstances thereof;

LETTER FROM THE BOARD

- (k) any member of the Group merges, consolidates or amalgamates with any other corporation (other than a merger, consolidation or amalgamation in which the relevant member of the Group is the continuing corporation), or the Group sells or transfers all or substantially all of its assets; or
- (l) the Company defaults in the performance or observance or compliance of any of its obligations under the terms and conditions as stipulated in the Subscription Agreements.

Early redemption

Pursuant to the terms and conditions of the Subscription Agreements, the Company does not have the rights to early redeem the Convertible Bonds prior to their respective maturity dates.

Pursuant to the terms and conditions of the Subscription Agreements, the Bondholders do not have the rights to request for early redemption of the Convertible Bonds prior to their respective maturity dates, save for the occurrence of the following events: (i) any event(s) of default under sub-paragraphs (a), (b), (g) or (l) as set out in the sub-section headed “Events of default” above, and that if the Company fails to take remedial measures to rectify such event(s) to the satisfaction of the relevant Bondholders within seven (7) Business Days after the occurrence of the relevant event(s); or (ii) a change in control of the Company without prior written consent of the Bondholders.

For the avoidance of doubt, the Bondholders are not entitled to exercise such early redemption rights solely due to ordinary business operational performance, general market conditions, or any non-material delay or event which does not materially prejudice their rights under the Convertible Bonds.

Transferability

Each of the Convertible Bonds may be transferred or assigned, in whole or in part, to any party; provided that it shall not be transferred to any connected person(s) of the Company during its conversion period, and the principal amount intended to be transferred or assigned shall be at least HK\$1,000,000 and in integral multiples of HK\$100,000.

Voting rights

The Bondholder(s) will not be entitled to attend or vote at any meetings of the Company by reason only them being the Bondholder(s).

LETTER FROM THE BOARD

Listing

No application will be made for the listing of each of the Convertible Bonds on the Stock Exchange or any other stock exchanges. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the relevant Conversion Shares to be allotted and issued upon exercise of the conversion rights attaching to such Convertible Bonds.

Ranking

The Conversion Shares to be issued upon conversion of each of the Convertible Bonds will, when allotted and issued, rank *pari passu* in all respects among themselves and with the Shares in issue on the relevant date of allotment and issuance.

Security

Each of the Convertible Bonds is unsecured.

The Conversion Shares

As at the Latest Practicable Date, the Company has 3,055,105,739 Shares in issue.

First Conversion Shares

Based on the initial Conversion Price of HK\$0.18 per First Conversion Share (subject to adjustments), a maximum of 44,444,444 First Conversion Shares will be allotted and issued upon full conversion of the First Convertible Bonds, which represent (i) approximately 1.45% of the issued share capital of the Company as at the Latest Practicable Date; (ii) approximately 1.43% of the issued share capital of the Company as enlarged by the allotment and issue of the First Conversion Shares upon full conversion of the First Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the First Convertible Bonds in full); and (iii) approximately 1.37% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon full conversion of the Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Convertible Bonds in full).

The maximum aggregate nominal value of the First Conversion Shares is HK\$444,444.44.

LETTER FROM THE BOARD

Second Conversion Shares

Based on the initial Conversion Price of HK\$0.18 per Second Conversion Share (subject to adjustments), a maximum of 44,444,444 Second Conversion Shares will be allotted and issued upon full conversion of the Second Convertible Bonds, which represent (i) approximately 1.45% of the issued share capital of the Company as at the Latest Practicable Date; (ii) approximately 1.43% of the issued share capital of the Company as enlarged by the allotment and issue of the Second Conversion Shares upon full conversion of the Second Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Second Convertible Bonds in full); and (iii) approximately 1.37% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon full conversion of the Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Convertible Bonds in full).

The maximum aggregate nominal value of the Second Conversion Shares is HK\$444,444.44.

Third Conversion Shares

Based on the initial Conversion Price of HK\$0.18 per Third Conversion Share (subject to adjustments), a maximum of 27,777,777 Third Conversion Shares will be allotted and issued upon full conversion of the Third Convertible Bonds, which represent (i) approximately 0.91% of the issued share capital of the Company as at the Latest Practicable Date; (ii) approximately 0.90% of the issued share capital of the Company as enlarged by the allotment and issue of the Third Conversion Shares upon full conversion of the Third Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Third Convertible Bonds in full); and (iii) approximately 0.86% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon full conversion of the Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Convertible Bonds in full).

The maximum aggregate nominal value of the Third Conversion Shares is HK\$277,777.77.

Connected Conversion Shares

Based on the initial Conversion Price of HK\$0.18 per Connected Conversion Share (subject to adjustments), a maximum of 66,666,666 Connected Conversion Shares will be allotted and issued upon full conversion of the Connected Convertible Bonds, which represent (i) approximately 2.18% of the issued share capital of the Company as at the Latest Practicable Date; (ii) approximately 2.14% of the issued share capital of the Company as enlarged by the allotment and issue of the Connected Conversion Shares upon full conversion of the Connected Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Connected Convertible Bonds in full); and (iii) approximately 2.06% of the issued share capital of the Company as enlarged by the allotment

LETTER FROM THE BOARD

and issue of the Conversion Shares upon full conversion of the Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Convertible Bonds in full).

The maximum aggregate nominal value of the Connected Conversion Shares is HK\$666,666.66.

As at the Latest Practicable Date, there were no treasury shares held by the Company.

Mandate to issue the Conversion Shares

The Conversion Shares to be issued upon conversion of each of the Convertible Bonds will be allotted and issued pursuant to the relevant Specific Mandate to be sought at the SGM.

Conditions precedent

Each of the Completions is conditional upon fulfilment or waiver (as the case may be) of the following conditions precedent:

- (i) the Listing Committee having granted, or having agreed to grant, the listing of, and permission to deal in, all the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the relevant Convertible Bonds, and such approvals and permissions remaining in full force and effect;
- (ii) the Company and the relevant Subscriber having obtained all necessary third-party consents, approvals or waivers, authorisations, permissions or exemptions (including but not limited to those from government or regulatory authorities) in relation to the relevant Subscription Agreement, the issue of the relevant Convertible Bonds, and the allotment and issue of the relevant Conversion Shares, and such consents, approvals or waivers, authorisations, permissions or exemptions remaining in full force and effect;
- (iii) the Company having complied with all legal and other requirements under the Listing Rules and the laws of Bermuda in respect of the transactions contemplated under the relevant Subscription Agreement;
- (iv) the Board, the board of directors of the relevant Subscriber, and either the Shareholders (in respect of the First Subscription Completion, the Second Subscription Completion and the Third Subscription Completion) or the Independent Shareholders (in respect of the Connected Subscription Completion), having passed the necessary resolution(s) to approve, among others, the transactions contemplated under the relevant Subscription Agreement, including but not limited to the issue of the relevant Convertible Bonds and the granting of the relevant Specific Mandate, where applicable;

LETTER FROM THE BOARD

- (v) all the Shares remaining listed on the Stock Exchange, and the listing of the Share not having been revoked or withdrawn, and the Stock Exchange not having indicated any objection to the continued listing or/and dealing in the Shares on the Stock Exchange;
- (vi) the representations and warranties made by the parties to the relevant Subscription Agreement being true, accurate and not misleading when made, and remaining true, accurate and not misleading in all respects as at the date of relevant Completion; and
- (vii) there being no event or circumstance existing or having occurred which constitutes an event of default pursuant to the relevant Subscription Agreement.

Save for conditions precedent (vi) and (vii) above which can be waived by the relevant Subscriber at its sole discretion, none of the conditions precedent set out above may be waived. In the event that the conditions precedent to the relevant Completion are not fulfilled on or before the relevant Long Stop Date, the relevant Subscription Agreement will terminate (save for the clauses relating to the indemnity by the relevant Subscriber, confidentiality, termination, notices and service of process, governing law and jurisdiction and third party rights) and become null and void, and the parties thereto shall be released from their obligations under the relevant Subscription Agreement, save for any liability arising from any antecedent breach.

As at the Latest Practicable Date, none of the conditions precedent to each of the Subscription Agreements had been fulfilled.

Completion

Each of the Completions shall take place on the date on which all the conditions precedent to the relevant Subscription Agreement are fulfilled or waived, as the case may be, in accordance with the terms and conditions thereof, or such other date and time as the parties to the relevant Subscription Agreement may agree in writing.

Information on the Subscribers

The First Subscriber is a company incorporated in the Hong Kong with limited liability and is principally engaged in investment holding. As at the Latest Practicable Date, the First Subscriber was wholly owned by Pangaea Connectivity Technology Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which were listed on the Stock Exchange (stock code: 1473). Collectively with its subsidiaries, Pangaea Connectivity Technology Limited is a solution design, technical support, and supply chain coordination platform within the artificial intelligent (“AI”) high-speed optical interconnect, communications and industrial laser industry chains, and is involved in the upgrade cycle of optical modules to benefit from the global wave of infrastructure investment in AI data centres.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, the First Subscriber and its ultimate beneficial owners were Independent Third Parties.

The Second Subscriber is Hui Wai Lun. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, the Second Subscriber was an Independent Third Party.

The Third Subscriber is CHEANG Ana. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, the Third Subscriber was an Independent Third Party.

The Connected Subscriber is a company incorporated in the British Virgin Islands with limited liabilities and is principally engaged in investment holding. As at the Latest Practicable Date, the Connected Subscriber was a substantial shareholder of the Company interested in 550,000,000 Shares, representing approximately 18.00% of the issued share capital of the Company, and was wholly owned by Mr. Wu, an executive Director and the chairman of the Board. Accordingly, the Connected Subscriber is a connected person of the Company pursuant to the Listing Rules.

REASONS FOR THE SUBSCRIPTIONS

The Company is an investment holding company incorporated in Bermuda with limited liability. The Group is principally engaged in AI robots, property development, property investment and investment holding.

Each of the Completions is not inter-conditional upon any of the others. Assuming that the Completions will take place simultaneously, it is expected that the aggregate maximum gross proceeds and the aggregate maximum net proceeds (after deducting commission and other relevant costs and expenses) from the Subscriptions will be approximately HK\$33,000,000 and approximately HK\$32,570,000, respectively. On such basis, the net issue price for the Subscriptions will be approximately HK\$0.18 per Conversion Share. The Company intends to apply the aggregate net proceeds from the Subscriptions toward the development of its AI robots segment in the following manners: (i) as to approximately 30.7% for the manufacturing and production of AI robots; (ii) as to approximately 24.6% for the technical research and development, and ongoing product iteration of the segment; (iii) as to approximately 24.6% for the relevant sales and marketing, as well as commercialisation of products; and (iv) the remaining balance of approximately 20.1% for the general working capital purposes of the segment, including but not limited to operational human resources and general administrative expenses. In the event that any of the Completions is not completed, the amount of net proceeds allocated to the above intended uses will be reduced proportionally on a pro-rata basis.

LETTER FROM THE BOARD

The Group's AI robots segment was in its initial development stage during 2024 and 2025 following the establishment in 2024. During this period, the Group primarily focused on foundational technology validation and commercial pilot projects, resulting in a relatively low level of research and development expenditure for the years ended 30 June 2024 and 30 June 2025. Since then, the Group has accelerated its R&D investment in AI robotics in line with its business expansion. As disclosed in the interim report of the Group for the six months ended 31 December 2025, research and development expenses for the six months ended 31 December 2025 increased substantially by approximately 101.7% period-over-period and reached approximately HK\$1.7 million, which is consistent with the corresponding growth in the Group's revenue. It is expected that the research and development expenses of the Group for the year ended 30 June 2026 would more than double compared to that for the year ended 30 June 2025, demonstrating its continued commitment to technology and product enhancement.

The Group has formulated a research and development plan for its AI robots segment. It is expected that such plan shall include, but are not limited to, advancing the Group's embodied intelligence integrated application technologies (具身智能集成應用技術開發). Subject to Completion, the Group plans to advance these core technologies into product engineering and commercial prototyping. Simultaneously, following the initial deployment of its AI RaaS (Robot-as-a-Service) platform, the Group intends to undertake system architecture upgrades to enable further functions. Furthermore, building on its existing track record of developing tailored applications to meet customer requirements, the Group will continue to conduct targeted research and development to address specific functional requirements requested by prospective clients.

Taking into consideration that (i) the Subscriptions represent the opportunities for the Group to strengthen its financial position and liquidity, as well as to broaden the Company's shareholder and capital base; (ii) the issue of the Convertible Bonds will not cause any immediate dilution effect on the shareholding of the existing Shareholders; and (iii) the Connected Subscription demonstrates the Connected Subscriber's confidence in and commitment to the existing businesses of the Group, the Directors are of the view that the terms of the First Subscription Agreement, the Second Subscription Agreement and the Third Subscription Agreement are fair and reasonable and on normal commercial terms, and the entering into of the First Subscription Agreement, the Second Subscription Agreement and the Third Subscription Agreement are in the interests of the Company and the Shareholders as a whole; and the Directors (excluding Mr. Wu, who is considered to have a material interest in the Connected Subscription Agreement and had abstained from voting on the relevant Board resolution(s)) are of the view that the terms of the Connected Subscription Agreement are fair and reasonable and on normal commercial terms, and the entering into of the Connected Subscription Agreement is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon conversion of the First Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the First Convertible Bonds in full); (iii) immediately upon conversion of the Second Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Second Convertible Bonds in full); (iv) immediately upon conversion of the Third Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Third Convertible Bonds in full); (v) immediately upon conversion of the Connected Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Connected Convertible Bonds in full); and (vi) immediately upon conversion of the Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Convertible Bonds in full):

	As at the Latest Practicable Date		Immediately upon conversion of the First Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the First Convertible Bonds in full)		Immediately upon conversion of the Second Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Second Convertible Bonds in full)		Immediately upon conversion of the Third Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Third Convertible Bonds in full)		Immediately upon conversion of the Connected Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Connected Convertible Bonds in full)		Immediately upon conversion of the Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Convertible Bonds in full)	
Shareholders	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
<i>Directors and their associate(s)</i>												
Mr. Wu	279,935,000	9.16	279,935,000	9.03	279,935,000	9.03	279,935,000	9.08	279,935,000	8.97	279,935,000	8.64
Connected Subscriber (Note 1)	550,000,000	18.00	550,000,000	17.74	550,000,000	17.74	550,000,000	17.84	616,666,666	19.75	616,666,666	19.04
Mr. Wang Chunsheng	180,000	0.01	180,000	0.01	180,000	0.01	180,000	0.01	180,000	0.01	180,000	0.01
Sub-total	830,115,000	27.17	830,115,000	26.78	830,115,000	26.78	830,115,000	26.93	896,781,666	28.73	896,781,666	27.69
<i>Public Shareholders</i>												
First Subscriber	-	-	44,444,444	1.43	-	-	-	-	-	-	44,444,444	1.37
Second Subscriber	-	-	-	-	44,444,444	1.43	-	-	-	-	44,444,444	1.37
Third Subscriber	-	-	-	-	-	-	27,777,777	0.90	-	-	27,777,777	0.86
Other public Shareholders	2,224,990,739	72.83	2,224,990,739	71.79	2,224,990,739	71.79	2,224,990,739	72.17	2,224,990,739	71.27	2,224,990,739	68.71
Total	3,055,105,739	100.00	3,099,550,183	100.00	3,099,550,183	100.00	3,082,883,516	100.00	3,121,772,405	100.00	3,238,439,070	100.00

Notes:

- As at the Latest Practicable Date, the Connected Subscriber was wholly owned by Mr. Wu. Accordingly, Mr. Wu is deemed to be interested in those 550,000,000 Shares directly held by the Connected Subscriber.
- Percentages presented in this table may be subject to rounding.

LETTER FROM THE BOARD

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

During the past twelve months immediately preceding the date of the Announcement, the Company did not conduct any equity fund raising activities.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, the Connected Subscriber was a substantial shareholder of the Company interested in 550,000,000 Shares, representing approximately 18.00% of the issued share capital of the Company, and was wholly owned by Mr. Wu. Mr. Wu, being an executive Director and the chairman of the Board, collectively with his associates are interested in an aggregate of 829,935,000 Shares, representing approximately 27.16% of the issued share capital of the Company as at the Latest Practicable Date, and thus is a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) constitutes a connected transaction of the Company under the Listing Rules, and is subject to the reporting, announcement and the Independent Shareholders' approval requirements under the Listing Rules.

To the best of the Directors' knowledge, information and belief, save for Mr. Wu, who is considered to have a material interest in the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) and has abstained from voting on the relevant Board resolution(s), none of the Directors is considered to have a material interest in the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate), and accordingly no other Director is required to abstain from voting on the relevant Board resolution(s) to approve the same.

To the best of the Directors' knowledge, information and belief, notwithstanding that none of the Directors has a material interest in the First Subscription Agreement, the Second Subscription Agreement and the Third Subscription Agreement and the respective transactions contemplated thereunder (including the grant of the First Specific Mandate, the Second Specific Mandate and the Third Specific Mandate), considering that all the Subscriptions are conducted at the same time, the Company takes the view that Mr. Wu shall abstain, and that Mr. Wu has abstained, from voting on the relevant Board resolutions to approve the same, and save for Mr. Wu, no other Directors was required to abstain from voting on the relevant Board resolutions to approve the same.

LETTER FROM THE BOARD

THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in respect of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate). The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

SGM

The SGM will be convened and held at 10:00 a.m. on 15 September 2026 (Tuesday) at Empire Room 1, 1/F., Empire Hotel Hong Kong • Wanchai, 33 Hennessy Road, Wanchai, Hong Kong for (i) the Shareholders to consider and, if thought fit, approve the First Subscription Agreement, the Second Subscription Agreement and the Third Subscription Agreement and the respective transactions contemplated thereunder (including the grant of the First Specific Mandate, the Second Specific Mandate and the Third Specific Mandate); and (ii) the Independent Shareholders to consider and, if thought fit, approve the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate).

A notice of the SGM is set out on pages SGM -1 to SGM-4 of this circular.

To the best of the Directors' knowledge, information and belief, (i) notwithstanding that none of the Shareholders or their associates has any material interest in the First Subscription Agreement, the Second Subscription Agreement and the Third Subscription Agreement and the respective transactions contemplated thereunder (including the grant of the First Specific Mandate, the Second Specific Mandate and the Third Specific Mandate) and accordingly is required under the Listing Rules to abstain from voting on the relevant resolution(s) at the SGM, considering that the Subscriptions are conducted at the same time, the Company takes the view that the Connected Subscriber, Mr. Wu and their respective associates shall abstain from voting at the SGM on the resolutions in relation to the First Subscription Agreement, the Second Subscription Agreement and the Third Subscription Agreement and the respective transactions contemplated thereunder (including the grant of the First Specific Mandate, the Second Specific Mandate and the Third Specific Mandate); and (ii) save for the Connected Subscriber, Mr. Wu and their respective associates, who will abstain from voting on the relevant resolution(s) approving the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) at the SGM, none of the Shareholders or their associates has any material interest in the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate), and accordingly no other Shareholder is required to abstain from voting on the relevant resolution(s) at the SGM.

LETTER FROM THE BOARD

A form of proxy for use at the SGM is enclosed with in this circular. Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the SGM (i.e. before 10:00 a.m. on 13 September 2026 (Sunday)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM, or any adjournment thereof, should you so wish.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 10 September 2026 (Thursday) to 15 September 2026 (Tuesday) (both days inclusive) for the purpose of determining the entitlement to attend and vote at the SGM, during which period no transfer of Share(s) will be registered. In order to be eligible to attend and vote at the SGM, all completed transfer documents accompanied by the relevant share certificate(s) must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 9 September 2026 (Wednesday). The record date for the Shareholders eligible to attend and vote at the SGM is 15 September 2026 (Tuesday).

RECOMMENDATIONS

The Directors (excluding Mr. Wu who had abstained from voting on the relevant Board resolutions) consider that the terms of the Subscription Agreements and the transactions contemplated thereunder (including the grant of the Specific Mandates) are fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors (excluding Mr. Wu) recommend the Shareholders and the Independent Shareholders to vote in favour of the resolutions to be proposed at the SGM.

Each of the Completions is subject to the satisfactions or waivers, as the case may be, of the conditions precedent to the relevant Subscription Agreement, and accordingly may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If they are in any doubt, they should consult their professional adviser.

By Order of the Board of
Novautek Technologies Group Limited
Wang Chunsheng
Chief Executive Officer and Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter of the Independent Board Committee to the Independent Shareholders in respect of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) for inclusion in this circular.



NOVAUTEK TECHNOLOGIES GROUP LIMITED

諾科達科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 519)

25 August 2026

To the Independent Shareholders

Dear Sir/Madam,

CONNECTED TRANSACTION IN RELATION TO PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

We refer to the circular dated 25 August 2026 (the “**Circular**”) of the Company of which this letter forms part. Terms defined in the Circular have the same meanings when used herein unless the context otherwise requires.

We have been formed to advise the Independent Shareholders on, amongst other matters, the fairness and reasonableness of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate).

Merdeka Corporate Finance Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this regard.

We wish to draw your attention to (i) the Letter from the Board as set out on pages 8 to 29 of the Circular; (ii) the Letter from the Independent Financial Adviser as set on pages 32 to 70 of the Circular; and (iii) the additional information as set out in the appendix to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered, among other things, the terms and conditions of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate), and the advice of the Independent Financial Adviser, we consider that the terms of the Connected Subscription Agreements and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Independent Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the SGM to approve the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate).

Yours faithfully
for and on behalf of
the Independent Board Committee

Mr. Jiang Pengzhi
*Independent non-executive
Director*

Mr. Yang Ye
*Independent non-executive
Director*

Ms. Tsang Fung Chu JP
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the connected transaction in relation to the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) for inclusion in this circular.



Room 1108-1110, 11/F.
Wing On Centre
111 Connaught Road Central
Hong Kong

25 August 2026

*To: The Independent Board Committee and the Independent Shareholders of
Novautek Technologies Group Limited*

Dear Sir/Madam,

CONNECTED TRANSACTION IN RELATION TO PROPOSED ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in connection with the issuance of the Connected Convertible Bonds to the Connected Subscriber under the Connected Specific Mandate, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular of Novautek Technologies Group Limited (the “**Company**”) to the Shareholders dated 25 August 2026 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

As referred to the Board Letter, on 24 July 2026 (after trading hours), the Company entered into four separate Subscription Agreements with the Subscribers, respectively, pursuant to which the Company has conditionally agreed to issue, and the Subscribers have conditionally agreed to subscribe for the Convertible Bonds with an aggregate principal amount of HK\$33 million. Each of the Completions is not inter-conditional upon any of the others. The Conversion Shares to be issued upon conversion of each of the Convertible Bonds will be allotted and issued pursuant to the relevant Specific Mandate to be sought at the SGM. The Conversion Shares will, when allotted and issued, rank *pari passu* in all respects among themselves and with the Shares in issue on the relevant date of allotment and issuance.

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In particular, pursuant to the Connected Subscription Agreement, the Company has conditionally agreed to issue, and the Connected Subscriber has conditionally agreed to subscribe for, the Connected Convertible Bonds in the principal amount of HK\$12 million. The Connected Convertible Bonds will bear interest at 6.0% per annum on their outstanding principal amount, have a maturity date falling 24 months after their date of issue, and be convertible into the Connected Conversion Shares at the initial Conversion Price of HK\$0.18 per Connected Conversion Share, subject to adjustments.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, the Connected Subscriber is a substantial shareholder of the Company interested in 550,000,000 Shares, representing approximately 18.00% of the issued share capital of the Company, and is wholly owned by Mr. Wu. Mr. Wu, being an executive Director and the chairman of the Board, together with his associates, is interested in an aggregate of 829,935,000 Shares, representing approximately 27.16% of the issued share capital of the Company as at the Latest Practicable Date, and thus is a connected person of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) constitute a connected transaction of the Company under the Listing Rules, and is subject to the reporting, announcement and the Independent Shareholders' approval requirements under the Listing Rules.

To the best of the Directors' knowledge, information and belief, save for Mr. Wu, who is considered to have a material interest in the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) and has abstained from voting on the relevant Board resolution(s), none of the Directors is considered to have a material interest in the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate), and accordingly no other Director is required to abstain from voting on the relevant Board resolution(s) to approve the same.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely, Mr. Jiang Pengzhi, Mr. Yang Ye and Ms. Tsang Fung Chu JP, has been established to advise the Independent Shareholders as to (i) whether the entering into of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole; (ii) whether the terms thereof are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned; and (iii) how the Independent Shareholders should vote in respect of the relevant resolution(s) at the SGM.

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Our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders has been approved by the Independent Board Committee. Our role is to advise the Independent Board Committee and the Independent Shareholders as to (i) whether the entering into of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) is in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole; (ii) whether the terms thereof are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned; and (iii) how the Independent Shareholders should vote in respect of the relevant resolution(s) at the SGM.

OUR INDEPENDENCE

We, Merdeka, are not connected with the Directors, chief executive, or substantial Shareholders of the Company or any of their respective associates, and therefore are considered suitable to give independent advice to the Independent Board Committee and the Independent Shareholders. As at the Latest Practicable Date, we were not aware of any relationships or interests between the Company and us nor any other parties that could reasonably be regarded as a hindrance to our independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders. During the two years immediately preceding the Latest Practicable Date, there has been no other engagement between the Company and us. As at the Latest Practicable Date, apart from normal professional fees payable to us in connection with our appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees or benefits from the Company or the Directors, chief executive or substantial Shareholders of the Company or any of their respective associates, and we are independent from the Company pursuant to the requirements under Rule 13.84 and therefore are not aware of the existence of or change in any circumstances that would affect our independence. Accordingly, we consider that we are eligible to give independent advice on the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate).

BASIS OF OUR OPINION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, we have reviewed, among other things, the Subscription Agreements (including the Connected Subscription Agreement), the interim report of the Company for the six months ended 31 December 2025 (the “**Interim Report 2026**”); the annual report of the Company for the year ended 30 June 2025 (the “**Annual Report 2025**”), the information contained in the Circular and other relevant public information and/or documents provided by the Company. We have also, to the extent practicable, verified such information against relevant publicly available information, market data and applicable rules and regulations.

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We have relied on the information, facts, opinions and representations provided or expressed by the Company, the Directors and the management of the Company (the “**Management**”), and have assumed that all such information, facts, opinions and representations were true, accurate and complete when provided and will remain so up to and including 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 information has been withheld from us, or to doubt the truth, accuracy or completeness of the information provided to us and contained in the Circular, or the reasonableness of the opinions and representations expressed by the Company, the Directors and the Management.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, 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, the opinions expressed in the Circular have been arrived at after due and careful consideration, and there are no other matters the omission of which would make any statement in the Circular misleading.

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 verification of the information included in the Circular and provided to us by the Directors and the Management, nor have we conducted any form of an in-depth investigation into the business and affairs or the future prospects of the Group.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate). Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent. Our opinion is based on the financial, economic, market, and other conditions in effect and the information made available to us as at the Latest Practicable Date.

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PRINCIPAL FACTORS AND REASONS TAKEN INTO CONSIDERATION

In arriving at our opinion and recommendation regarding the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate), we have taken into account the principal factors and reasons set out below:

1. Background information of the parties involved

1.1 The Group

Background information of the Company and the Group

The Company is an investment holding company incorporated in Bermuda with limited liability. The Group is principally engaged in artificial intelligence (“AI”) robots, property development, property investment and investment holding.

Historical financial performance of the Group

The following table summarises the consolidated financial results of the Group (i) for the six months ended 31 December 2025 and 2024; and (ii) the years ended 30 June 2025 (“FY2025”) and 2024 (“FY2024”), as extracted from the Interim Report 2026 and the Annual Report 2025.

Table 1: Consolidated financial results of the Group

	For the six months ended		For the years ended 30 June	
	31 December 2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(audited)	(audited)
Revenue	21,869	14,460	33,795	41,057
– AI robots	2,957	363	1,409	108
– Property development	12,164	7,693	19,794	27,885
– Property investment	6,720	5,650	11,813	6,616
– Investment holding	28	754	779	6,448
Gross profit	8,244	7,632	14,044	21,630
(Loss)/profit before taxation	(28,568)	(74,572)	46,943	(48,215)
(Loss)/profit for the period/year	(32,252)	(73,879)	7,125	(54,434)
(Loss)/profit attributable to:				
– Owners of the Company	(31,364)	(71,226)	9,046	(50,607)
– Non-controlling interests	(888)	(2,653)	(1,921)	(3,827)

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For the six months ended 31 December 2025 compared to the corresponding period in 2024

The revenue of the Group increased by approximately HK\$7.4 million, or 51.2%, from approximately HK\$14.5 million for the six months ended 31 December 2024 to approximately HK\$21.9 million for the six months ended 31 December 2025. The Group's revenue sources became more diversified during the six months ended 31 December 2025, comprising revenue from the sale of properties, rental income from investment properties, and sales and rental income from AI robots and products.

The Group's gross profit increased by approximately HK\$0.6 million, or 8.0%, from approximately HK\$7.6 million for the six months ended 31 December 2024 to approximately HK\$8.2 million for the six months ended 31 December 2025, while its gross profit margin decreased from approximately 52.8% to approximately 37.7%. As stated in the Interim Report 2026, the decrease in gross profit margin was mainly due to the relatively higher unit selling price of properties sold during the six months ended 31 December 2024 as compared with the corresponding period in 2025.

The Group's loss for the six months ended 31 December 2025 decreased by approximately HK\$41.6 million, or 56.3%, from approximately HK\$73.9 million for the six months ended 31 December 2024 to approximately HK\$32.3 million. The narrowing of the loss was mainly attributable to the turnaround from a net decrease in the fair value of investment properties of approximately HK\$44.0 million to a net increase of approximately HK\$11.7 million, the decrease in the net fair value loss on financial assets at Fair Value Through Profit and Loss ("FVPL") from approximately HK\$24.4 million to approximately HK\$12.7 million, and the decreases in administrative expenses and finance costs. These effects were partly offset by the decrease in the net gain on disposal of financial assets at FVPL from approximately HK\$12.3 million to approximately HK\$0.8 million, increases in selling expenses, research and development expenses and other expenses, as well as the recognition of tax expenses of approximately HK\$3.7 million, compared with a tax credit of approximately HK\$0.7 million in the corresponding period in 2024. Other expenses for the period mainly comprised impairment losses on non-current assets classified as held for sale and property, plant and equipment. The fair value changes and impairment losses were non-cash in nature.

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For the years ended 30 June 2024 and 2025

The revenue of the Group decreased by approximately HK\$7.3 million, or 17.7%, from approximately HK\$41.1 million for FY2024 to approximately HK\$33.8 million for FY2025. The revenue sources for FY2025 became more diversified, comprising sales of properties, rental income from investment properties, and rental and sales income generated from AI robots. The decrease in revenue was mainly attributable to fewer properties being delivered to customers during the year. The gross profit margin of the property development segment decreased from approximately 33% for FY2024 to approximately 25% for FY2025.

The Group recorded a turnaround from a loss of approximately HK\$54.4 million for FY2024 to a profit of approximately HK\$7.1 million for FY2025. The turnaround was mainly attributable to the increase in the net fair value gain on investment properties from approximately HK\$26.2 million to approximately HK\$74.5 million, the recognition of other income arising principally from the reversal of a litigation provision of approximately HK\$14.6 million, the increase in the net gain on disposal of financial assets at FVPL from approximately HK\$0.7 million to approximately HK\$15.1 million, and the decrease in other expenses from approximately HK\$43.0 million to approximately HK\$11.9 million, as the corresponding year's other expenses mainly comprised a litigation provision whereas the other expenses for the year ended 30 June 2025 mainly comprised an impairment loss on property, plant and equipment. The turnaround was partly offset by the increase in the net fair value loss on financial assets at FVPL from approximately HK\$14.6 million to approximately HK\$19.9 million, increases in selling and research and development expenses, and the increase in taxation expenses from approximately HK\$6.2 million to approximately HK\$39.8 million, which mainly represented deferred tax expenses arising from the fair value gain on the conversion of properties held for sale into investment properties. Administrative expenses and finance costs decreased during the year. The fair value changes and impairment loss were non-cash in nature.

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Table 2: Consolidated financial position of the Group

	31 December 2025	30 June 2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(audited)
Non-current assets	903,864	913,226
Current assets	228,616	273,010
– <i>Restricted bank deposits</i>	23,152	22,888
– <i>Cash and cash equivalents</i>	46,905	70,198
Non-current assets classified as held for sale	95,668	82,800
Current liabilities	321,301	341,929
Non-current liabilities	144,526	139,731
Net current assets	2,983	13,881
Net assets	762,321	787,376
Current ratio	1.01 times	1.04 times

As at 31 December 2025, the Group's non-current assets amounted to approximately HK\$903.9 million, representing a slight decrease of approximately HK\$9.4 million, or approximately 1.0%, from approximately HK\$913.2 million as at 30 June 2025. The Group's current assets decreased by approximately HK\$44.4 million, or approximately 16.3%, from approximately HK\$273.0 million to approximately HK\$228.6 million, mainly attributable to the decrease in cash and cash equivalents from approximately HK\$70.2 million to approximately HK\$46.9 million. Meanwhile, non-current assets classified as held for sale increased from approximately HK\$82.8 million to approximately HK\$95.7 million.

The Group's current liabilities decreased by approximately HK\$20.6 million, or approximately 6.0%, from approximately HK\$341.9 million as at 30 June 2025 to approximately HK\$321.3 million as at 31 December 2025. Notwithstanding such decrease, the Group's net current assets decreased substantially from approximately HK\$13.9 million to approximately HK\$3.0 million, while its current ratio decreased from approximately 1.04 times to approximately 1.01 times, indicating that, as at 31 December 2025, the Group's short-term assets were only slightly higher than its short-term liabilities, and its ability to meet additional short-term funding needs was therefore limited.

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The Group's net assets decreased by approximately HK\$25.1 million, or approximately 3.2%, from approximately HK\$787.4 million as at 30 June 2025 to approximately HK\$762.3 million as at 31 December 2025, mainly reflecting the loss recorded during the period.

Taking into account the decrease in cash and cash equivalents and the relatively low level of net current assets, we consider that the Group's existing liquid financial resources were relatively constrained and that additional funding would enhance its financial flexibility in supporting the planned development of its AI robots business.

1.2 The Connected Subscriber

The Connected Subscriber is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. As at the Latest Practicable Date, the Connected Subscriber is a substantial shareholder of the Company interested in 550,000,000 Shares, representing approximately 18.00% of the issued share capital of the Company, and is wholly owned by Mr. Wu, who is an executive Director and the chairman of the Board. Accordingly, the Connected Subscriber is a connected person of the Company pursuant to the Listing Rules.

2. Reasons for the Subscriptions

As set out in the Board Letter, we understand that the Connected Subscription Completion is not inter-conditional upon the completion of any of the other Subscriptions. The gross proceeds from the Connected Subscription will amount to HK\$12.0 million, representing approximately 36.4% of the aggregate gross proceeds of HK\$33.0 million from the Subscriptions.

The net proceeds attributable to the Connected Subscription, together with those from the other Subscriptions, are intended to be applied towards the development of the Group's AI robots segment as follows: (i) approximately 30.7% for the manufacturing and production of AI robots; (ii) approximately 24.6% for technical research and development and ongoing product iteration; (iii) approximately 24.6% for sales and marketing and the commercialisation of products; and (iv) the remaining approximately 20.1% for the general working capital requirements of the segment, including operational human resources and general administrative expenses. In the event that any of the Completions is not completed, the amount of net proceeds allocated to the above intended uses will be reduced proportionally on a pro-rata basis.

Assuming that all the Completions take place simultaneously, the aggregate maximum net proceeds from the Subscriptions, after deducting commissions and other related costs and expenses, are expected to amount to approximately HK\$32.57 million, representing a net issue price of approximately HK\$0.18 per Conversion Share.

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Use of proceeds

As understood from the Annual Report 2025 and the Interim Report 2026, the revenue of the Group's AI robots segment increased significantly by approximately HK\$1.3 million from approximately HK\$0.1 million for FY2024 to approximately HK\$1.4 million for FY2025, indicating an increasing revenue contribution from the Group's AI robots products and solutions. Nevertheless, the segment loss widened from approximately HK\$6.7 million to approximately HK\$10.7 million, reflecting the upfront investment required for its development and expansion. For the six months ended 31 December 2025, the Group's selling expenses and research and development expenses increased by approximately 84% and 102%, respectively, mainly due to the expanded selling activities of the AI robots segment and the continued development of its AI RaaS integrated solutions. Meanwhile, the Group's cash and cash equivalents decreased from approximately HK\$70.2 million as at 30 June 2025 to approximately HK\$46.9 million as at 31 December 2025, while its net current assets decreased from approximately HK\$13.9 million to approximately HK\$3.0 million over the same period. In this regard, the proceeds from the Subscriptions would supplement the Group's existing financial resources and provide additional financial flexibility to support the continued development and expansion of its AI robots segment.

As further set out in the Board Letter, the AI robots segment was at its initial development stage during FY2024 and FY2025 following its establishment, during which the Group primarily focused on foundational technology validation and commercial pilot projects. We noted that the Group's research and development expenses increased substantially from approximately HK\$0.1 million for FY2024 to approximately HK\$2.0 million for FY2025. For the six months ended 31 December 2025, the Group's research and development expenses further increased to approximately HK\$1.7 million, representing an increase of approximately 101.7% as compared with approximately HK\$0.8 million for the corresponding period in 2024. As further advised by the Management, the Company anticipated that the research and development expenses for the year ended 30 June 2026 would be more than double those for FY2025, demonstrating the increasing level of resources devoted by the Group to the development of its AI robots business.

We have further enquired with the Management regarding the Group's research and development activities ("**R&D activities**") and noted that the Group has formulated a research and development plan for its AI robots segment, which is expected to include, among others, (i) advancing the Group's embodied intelligence integrated application technologies, with the Group planning, subject to Completion, to further develop such core technologies into product engineering and commercial prototyping; (ii) further development of the AI RaaS platform following its initial deployment, including system architecture upgrades to enable further functions; and (iii) targeted research and development of customised functions in response to specific requirements of prospective clients, building on the Group's existing experience in developing tailored applications to meet customer needs.

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In this regard, approximately 24.6% of the aggregate net proceeds from the Subscriptions, representing approximately HK\$8.0 million, is intended to be applied towards technical research and development and ongoing product iteration. Having regard to (i) the substantial increase in the Group's R&D expenses as mentioned above; and (ii) the R&D activities having progressed from technology validation towards product engineering, platform enhancement, customer trials and commercialisation, we consider that the proposed allocation towards the R&D activities and ongoing product iteration is consistent with the recent level and increasing trend of the Group's R&D expenditure and its ongoing development requirements.

Given that the net proceeds from the Subscriptions are intended to be applied towards the AI robots segment, we conducted market research on the relevant industry. According to the World Robotics 2025 report published by the International Federation of Robotics ("IFR") in October 2025, worldwide sales of professional service robots reached almost 200,000 units in 2024, representing year-on-year growth of approximately 9%, while the global robot-as-a-service fleet increased by approximately 31%. In particular, sales of transportation and logistics robots increased by approximately 14% to 102,900 units, professional cleaning robots increased by approximately 34% to over 25,000 units, and search and rescue and security robots increased by approximately 19% to around 3,100 units. These application areas broadly correspond with the Group's existing AI robotics solutions for cleaning, patrol, distribution and transportation services. The growth recorded in these application categories indicates increasing market adoption of professional service robots in areas relevant to the Group's existing product and service offerings. Accordingly, we consider that the continued development and commercialisation of the Group's AI robotics solutions are generally in line with the prevailing development trend of the professional service robotics industry. According to the official website of the IFR, the IFR is a global industry organisation representing more than 3,000 organisations across 30 countries, including robotics manufacturers, national robotics associations and research institutions. It is widely recognised for publishing statistics and market analyses on the global robotics industry.

As further stated in the Board Letter, the Connected Subscription would provide additional funding to strengthen the Group's financial position and liquidity, while the issue of the Connected Convertible Bonds would not result in any immediate dilution to the shareholdings of the existing Shareholders prior to conversion. The Connected Subscription also demonstrates the Connected Subscriber's confidence in and commitment to the existing businesses and future development of the Group.

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Accordingly, having considered (i) the substantial increase in the Group's actual research and development expenses in recent years and the expected continuation of such trend; (ii) the growth potential of the relevant market; (iii) the increasing revenue contribution of the AI robots segment notwithstanding its continuing segment loss; (iv) the expenditure required for the development, commercialisation and expansion of the segment; (v) the Group's existing financial resources; and (vi) the additional funding and financial flexibility to be provided by the Connected Subscription without immediate dilution to the shareholdings of existing Shareholders prior to conversion, we consider that the proposed application of the proceeds from the Connected Subscription, together with the proceeds from the other Subscriptions, is justifiable and consistent with the Group's business development and funding requirements.

Other alternative financing methods

We discussed with the Management the other possible financing alternatives available to the Group for the development of its AI robots segment.

In respect of debt financing, we understand that the Management approached two independent third-party financial institutions for indicative financing terms in respect of a loan with a principal amount comparable to the aggregate principal amount of the Convertible Bonds, and only one of them provided an indicative quotation in May 2026. We then obtained the quotation and noted that the indicative loan would carry an interest rate of approximately 8.0% per annum and require the Group to pledge its assets as security. By comparison, the Convertible Bonds carry an interest rate of 6.0% per annum, which applies equally to all Subscribers, and are unsecured. Accordingly, based on the terms set out in the indicative quotation obtained by the Group, if the Group were to obtain such alternative third-party borrowings to finance the development of its AI robots segment, it would likely incur higher interest expenses and be required to provide asset security, thereby increasing its finance costs and imposing additional pressure on its cash flow and financial position as compared to the issuance of the Convertible Bonds.

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In respect of equity financing, we understand that the Company had also considered the feasibility of raising funds through equity fund-raising activities, such as a placing of new Shares, a rights issue or an open offer. While the aggregate principal amount of the Convertible Bonds of HK\$33.0 million represented only approximately 6.9% of the Company's market capitalisation of approximately HK\$479.7 million as at the date of the Announcement, the success of an equity fund-raising exercise would nevertheless be subject to prevailing market conditions, investor demand, pricing considerations, the time required for implementation and the associated transaction costs. In particular, the Company may be required to offer new Shares at a discount to the prevailing market price in order to attract investors, which could result in immediate dilution to the shareholdings of the existing Shareholders. By comparison, the issue of the Convertible Bonds enables the Group to obtain funding without any immediate dilution prior to conversion and provides the Group with greater flexibility in managing its capital structure. Accordingly, we consider that the issue of the Convertible Bonds represents a more flexible financing alternative than direct equity financing under the present circumstances.

Having considered the above, including the Group's existing financial resources and ongoing working capital requirements, the higher financing cost and asset-security requirements associated with alternative third-party borrowings, the pricing, execution and immediate dilution risks associated with equity financing, and that the interest rate and other principal terms of the Connected Convertible Bonds are no more favourable than those offered to the independent Subscribers, we consider that it may be difficult for the Group to obtain alternative financing on terms more favourable than those of the Convertible Bonds. Accordingly, we concur with the Company's view that the Connected Subscription is reasonable and justifiable.

Our view

Having considered that (i) the AI robots industry has growth potential and the Group's AI robots segment has recorded increasing revenue contribution, notwithstanding its continuing losses and funding requirements; (ii) the net proceeds from the Subscriptions will be applied towards production, research and development, commercialisation and working capital of the segment; (iii) alternative third-party borrowings would carry a higher interest rate of approximately 8.0% per annum and require asset security, while equity financing would involve execution uncertainty and immediate dilution; (iv) the Connected Convertible Bonds are unsecured, carry an interest rate of 6.0% per annum and are on the same principal terms as those offered to the independent Subscribers; and (v) the terms of the Connected Subscription Agreement are fair and reasonable as discussed below, we concur with the Directors' view that the Connected Subscription Agreement was entered into on normal commercial terms and that the Connected Subscription is in the interests of the Company and the Shareholders as a whole and fair and reasonable so far as the Independent Shareholders are concerned.

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3. THE CONNECTED SUBSCRIPTION AGREEMENT

3.1 Principal terms of the Connected Subscription Agreement

On 24 July 2026 (after trading hours), the Company entered into the Connected Subscription Agreement with the Connected Subscriber, pursuant to which the Company has conditionally agreed to issue, and the Connected Subscriber has conditionally agreed to subscribe for, the Connected Convertible Bonds in the principal amount of HK\$12 million.

Subscription price of the Connected Convertible Bonds

The subscription price of the Connected Convertible Bonds equals 100% of their principal amount of HK\$12 million.

The subscription price of the Connected Convertible Bonds shall be settled by the Connected Subscriber in cash in Hong Kong dollars before 5:00 p.m. on the date of the Connected Subscription Completion.

Maturity date

The maturity date of the Connected Convertible Bonds shall be the date falling 24 months after their date of issue.

Interest rate

The Connected Convertible Bonds shall bear interest at 6% per annum on their outstanding principal amount, calculated from the date of issue of the relevant bond certificate up to the date of redemption or conversion, payable in arrears on the last Business Day of each calendar half-year, being 30 June and 31 December.

Conversion period

The conversion period for the Connected Convertible Bonds shall commence on their date of issue and end at the close of business on the Business Day immediately preceding their maturity date, both dates inclusive.

Conversion restrictions

Any conversion of the Connected Convertible Bonds shall be made in a principal amount of not less than HK\$100,000 and in integral multiples of HK\$100,000, unless the total outstanding principal amount of the Connected Convertible Bonds is less than HK\$100,000, in which case the entire outstanding principal amount shall be converted into the Connected Conversion Shares.

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The conversion rights attaching to the Connected Convertible Bonds shall not be exercised if: (i) such conversion would result in the holder(s) of the Connected Convertible Bonds and parties acting in concert with it or them directly or indirectly controlling or holding 30% or more of the enlarged issued share capital of the Company immediately after such conversion, or otherwise trigger a mandatory offer obligation under Rule 26 of the Takeovers Code; or (ii) such conversion would result in the Company failing to comply with the minimum public float requirements under Rule 8.08 of the Listing Rules or any similar requirements.

Conversion Price

The initial Conversion Price for the Connected Convertible Bonds shall be HK\$0.18 per relevant Conversion Share (subject to adjustments), which represents:

- (i) a premium of approximately 14.65% over the closing price of HK\$0.157 per Share as quoted on the Stock Exchange as at the date of the Subscription Agreements;
- (ii) a premium of approximately 14.65% over the average closing price of HK\$0.157 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the date of the Subscription Agreements;
- (iii) a premium of approximately 15.38% over the average closing price of HK\$0.156 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the date of the Subscription Agreements;
- (iv) a premium of approximately 22.45% over the closing price of HK\$0.147 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (v) a discount of approximately 30.50% to the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$0.259 per Share as at 30 June 2025, calculated by dividing the audited consolidated net asset value attributable to the owners of the Company of approximately HK\$790,736,000 as at 30 June 2025 by 3,055,105,739 Shares in issue as at the Latest Practicable Date; and

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- (vi) a discount of approximately 28.29% to the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$0.251 per Share as at 31 December 2025, calculated by dividing the unaudited consolidated net asset value attributable to the owners of the Company of approximately HK\$766,569,000 as at 31 December 2025 by 3,055,105,739 Shares in issue as at the Latest Practicable Date.

The Subscriptions, whether on an individual or aggregate basis, will not result in a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of 25% or more.

The initial Conversion Price was arrived at after arm's length negotiations between the Company and each of the Subscribers, respectively, with reference to the recent trading performance of the Shares, the recent market conditions and the business prospects of the Group.

Adjustments to the Conversion Price

The initial Conversion Price of the Connected Convertible Bonds shall be adjusted from time to time in accordance with the following provisions upon the occurrence of any of the events set out below. If an event giving rise to an adjustment falls within more than one of sub-paragraphs (a) to (h) simultaneously, such event shall be governed by the first applicable sub-paragraph to the exclusion of the remaining sub-paragraphs.

- (a) any alternations to the nominal values by way of any consolidation or sub-division of the Shares. In such event, the Conversion Price in force immediately prior to such alteration shall be adjusted by multiplying it by the following fraction:

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

where:

A = the revised nominal value one Share immediately after such alternation;
and

B = the original nominal value of one Share immediately before such alternation.

Such adjustment shall become effective from the close of business on the day immediately preceding the date of which such consolidation or sub-division becomes effective;

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- (b) any issues (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund). In such event, the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

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

where:

A = the aggregate nominal value of the Shares issued immediately prior to such issue; and

B = the aggregate nominal value of the Shares issued in such capitalisation.

Such adjustment shall become effective on the day immediately after the record date for such issue;

- (c) any capital distributions being made by the Company, whether by way of reduction of capital or otherwise, to the Shareholders in their capacity as such or any grant to such Shareholders the rights to acquire for cash assets of the Company or any of its subsidiaries. In such event, the Conversion Price in force immediately prior to such distribution or grant shall be adjusted by multiplying it by the following fraction:

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

where:

A = the Market Price of one Share on the date on which the capital distribution or, as the case may be, the grant is publicly announced or, in the absence of such announcement, the date immediately preceding the date of the capital distribution or the grant, as the case may be; and

B = the fair market value attributable to one Share of that portion of the capital distribution or such rights as determined in good faith by an approved adviser as jointly appointed by the Company and the Connected Subscriber, being any reputable commercial bank in Hong Kong, the auditors of the Company, or a person licensed or exempt under the SFO to carry out the activities to advise on corporate finance, as at the date of announcement of the capital distribution or the grant, as the case maybe, or the day immediately prior thereto,

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provided that:

- (i) if in the opinion of such approved advisor, the use of the fair market value as aforesaid produces a result which is significantly unfair, it may instead determine such other amount of the said Market Price which should properly be attributed to the value of the capital distribution or rights (and in such event the above formula shall be construed accordingly); and
- (ii) the provisions of this paragraph (c) shall not apply to Shares issued credited as fully paid out of profits or reserves and in lieu of cash dividends.

Such adjustment shall become effective, retroactively if applicable, from the day immediately following the record date for such capital distribution or grant;

- (d) any offers of new Share for subscription by way of rights, or any grants of options or warrants to subscriber for new Shares being made by the Company to the Shareholders at a price which is less than 95% of the Market Price on the date of the announcement of the terms of such offers or grants. In such event, the Conversion Price in force immediately before the date of such announcement shall be adjusted by multiplying it by the following fraction, whereby the numerator is the number of Shares in issue immediately before the date of such announcement plus the number of Shares that could be purchased at the Market Price using the aggregate amount payable for the rights, options or warrants (if any) and the amount payable for the total number of new Shares, and the denominator is the number of Shares in issue immediately before the date of such announcement plus the aggregate number of new Shares issued through rights issue or included in the options or warrants. Such adjustment shall become effective, retroactively if applicable, from the day immediately following the record date for such offer or grant. In such event, the Conversion Price in force immediately prior to such distribution or grant shall be adjusted by multiplying it by the following fraction:

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

where:

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

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B = the number of Shares which the aggregate amount payable (if any) for the rights, options or warrants, plus the total amount payable upon the exercise or subscription of the new Shares comprised therein, would purchase at the Market Price on the date of such announcement;

C = the aggregate number of new Shares offered for subscription or comprised in the option or warrants.

Such adjustment shall become effective, retroactively if applicable, from the day immediately following the record date for such offer or grant;

- (e) (aa) any issues purely for cash of any securities of the Company which by their terms are convertible into or exchangeable for or carrying rights of subscription for new Shares, and the total actual consideration per Share initially receivable for such securities is less than 95% of the Market Price on the date of the announcement of the terms of issue of such securities. In such event, the Conversion Price in force immediately before the date of such announcement shall be adjusted by multiplying it by the following fraction:

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

where:

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

B = the number of Shares that the total actual consideration receivable by the Company for such securities issued would purchase at such Market Price on the date of the announcement of the terms of issue; and

C = the maximum number of Shares to be issued upon conversion or exchange of such securities at the initial conversion or exchange ratio or upon exercise of subscription rights attached thereto.

Such adjustment shall become effective, retroactively if applicable, from the close of business in Hong Kong on the day immediately preceding the earlier of (i) the date of the announcement of such issue; and (ii) the date on which the Company determines the conversion or exchange ratio or subscription price;

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- (bb) any modification of the rights of conversion, exchange or subscription attached to any such securities as mentioned in paragraph (aa) above, such that the total actual consideration per Share initially receivable for such securities is less than 95% of the Market Price on the date of the announcement of the proposed modification of such conversion, exchange or subscription rights. In such event, the Conversion Price in force immediately before such modification shall be adjusted by multiplying it by the following fraction:

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

where:

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

B = the number of Shares that the total actual consideration receivable by the Company for such securities issued (calculated on the basis of the modified conversion, exchange or subscription price) would purchase at the Market Price on the date of the announcement of the proposed modification; and

C = the maximum number of Shares to be issued upon conversion or exchange of such securities at the modified conversion or exchange ratio or upon the exercise of the modified subscription rights attached thereto.

Such adjustment shall become effective on the date on which such modification takes effect. For the avoidance of doubt, if the conversion, exchange or subscription rights are adjusted pursuant to a rights issue, capitalisation issue, or other events that ordinarily give rise to adjustment of conversion or exchange terms, such rights shall not be treated as modified for the purpose of this sub-paragraph;

- (f) any issues of new Shares purely for cash a price per Share which is less than 95% of the Market Price on the date of the announcement of the terms of such issue. In such event, the Conversion Price in force immediately before the date of such announcement shall be adjusted by multiplying it by the following fraction:

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

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where:

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

B = the number of Shares that the total aggregate amount payable for such issue would purchase at the Market Price on the announcement of the terms of such issues; and

C = the aggregate number of new Shares to be issued pursuant to such placement or offering.

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

- (g) any issues of new Shares for the acquisition of assets at the total actual consideration per Share being less than 95% of the Market Price on the date of the announcement of the terms of such issue. In such event, the Conversion Price shall be adjusted by multiplying it by the following fraction:

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

where:

A = the actual consideration per Share under such issue; and

B = the Market Price per Share on the date of the announcement of the terms of such issue.

Such adjustment shall become effective, retroactively if applicable, from the close of business in Hong Kong on the day immediately preceding the date on which the Company determines the issue price of such Shares; and

- (h) any issue of any additional equity securities (excluding any share schemes adopted by the Company pursuant to Chapter 17 of the Listing Rules), at any time after the Connected Subscription Completion, as the case may be, at the total actual consideration per Share being less than 95% of the then effective Conversion Price. In such event, the Conversion Price in force immediately before the date of issue of such equity securities shall be adjusted by multiplying it by the following fraction:

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

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where:

A = the number of Shares in issue immediately prior to the date of issue of such equity securities;

B = the number of Shares that the total aggregate amount payable for such issue would purchase at the then effective Conversion Price; and

C = the maximum number of Shares to be issued or potentially issued pursuant to the terms of such equity securities.

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

Events of default

Pursuant to the terms and conditions of the Connected Subscription Agreement, each of the following events constitutes an event of default in respect of the Connected Convertible Bonds:

- (a) the Company fails to pay any principal, interest or any other sums payable under the Connected Convertible Bonds when due;
- (b) the Company fails to deliver any Shares when such Shares are required to be delivered upon conversion of the Connected Convertible Bonds;
- (c) the Shares cease to be listed on the Stock Exchange, or the listing of the Shares on the Stock Exchange has been cancelled or withdrawn, or the Stock Exchange has indicated that it would object to the listing of and trading in the Shares on the Stock Exchange;
- (d) trading in the Shares on the Stock Exchange has been suspended for a continuous period of thirty (30) Business Days or more as a result of any member of the Group or any of its directors, officers, employees or agents breaching or violating any provision of the Listing Rules or applicable laws;
- (e) any representation or warranty given by the Company under the Connected Subscription Agreement was materially incorrect, misleading or false at the time it was made;
- (f) any judgment or order made against any member of the Group has the effect of revoking any material licence required for the operation of the business of the relevant member of the Group;

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- (g) the Company fails to duly and promptly perform or comply with any one or more of its covenants, conditions, provisions or obligations under the Connected Convertible Bonds;
- (h) it becomes or will become unlawful for the Company to perform or comply with any one or more of its covenants, conditions, provisions or obligations under the Connected Convertible Bonds;
- (i) any member of the Group becomes insolvent or is unable to pay its debts as they fall due, or an application is filed, legal proceedings are initiated, an order is made by a court or other competent authority, or a resolution is passed, for the bankruptcy, winding-up or cessation of business of any member of the Group;
- (j) an encumbrancer takes possession of, or a receiver, manager or other similar officer is appointed over, the whole or any material part of the business, property, assets or revenue of any member of the Group, other than in circumstances which had been disclosed to the holder(s) of the Connected Convertible Bonds or the Connected Subscriber, or announced by the Company prior to the date of the Connected Subscription Agreement, and any subsequent and/or consequential circumstances thereof;
- (k) any member of the Group merges, consolidates or amalgamates with any other corporation (other than a merger, consolidation or amalgamation in which the relevant member of the Group is the continuing corporation), or the Group sells or transfers all or substantially all of its assets; or
- (l) the Company defaults in the performance, observance or compliance with any of its obligations under the terms and conditions as stipulated in the Connected Subscription Agreement.

Early redemption

Pursuant to the terms and conditions of the Connected Subscription Agreement, the Company does not have the right to redeem the Connected Convertible Bonds prior to their maturity date.

The holder(s) of the Connected Convertible Bonds do not have the right to request early redemption of the Connected Convertible Bonds prior to their maturity date, except upon the occurrence of: (i) any event(s) of default under sub-paragraphs (a), (b), (g) or (l) as set out in the sub-section headed “Events of default” above, and that if the Company fails to take remedial measures to rectify such event(s) to the satisfaction of the holder(s) within seven (7) Business Days after its occurrence; or (ii) a change in control of the Company without the prior written consent of the holder(s).

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For the avoidance of doubt, the holder(s) of the Connected Convertible Bonds are not entitled to exercise such early redemption rights solely due to the ordinary business performance of the Company, general market conditions, or any non-material delay or event that does not materially prejudice their rights under the Connected Convertible Bonds.

Transferability

The Connected Convertible Bonds may be transferred or assigned, in whole or in part, to any party, provided that: (i) they shall not be transferred or assigned to any connected person of the Company during the conversion period; and (ii) the principal amount to be transferred or assigned shall be not less than HK\$1,000,000 and in integral multiples of HK\$100,000.

Voting rights

The holder(s) of the Connected Convertible Bonds will not be entitled to attend or vote at any meetings of the Company by reason only them being the Bondholder(s).

Listing

No application will be made for the listing of the Connected Convertible Bonds on the Stock Exchange or any other stock exchanges. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Connected Conversion Shares to be allotted and issued upon exercise of the conversion rights attaching to the Connected Convertible Bonds.

Ranking

The Connected Conversion Shares to be issued upon conversion of the Connected Convertible Bonds will, when allotted and issued, rank *pari passu* in all respects among themselves and with the Shares in issue on the relevant date of allotment and issuance.

Security

The Connected Convertible Bonds are unsecured.

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The Connected Conversion Shares

As at the Latest Practicable Date, the Company has 3,055,105,739 Shares in issue.

As referred to the Board Letter, based on the initial Conversion Price of HK\$0.18 per Conversion Share, a maximum of 44,444,444 First Conversion Shares, 44,444,444 Second Conversion Shares and 27,777,777 Third Conversion Shares will be issued upon full conversion of the respective Convertible Bonds. These represent approximately 1.45%, 1.45% and 0.91% of the Company's issued share capital as at the Latest Practicable Date, respectively, and approximately 1.37%, 1.37% and 0.86% of the enlarged issued share capital upon full conversion of all the Convertible Bonds. The aggregate maximum nominal value of the First, Second and Third Conversion Shares is approximately HK\$1,166,666.65.

Based on the initial Conversion Price of HK\$0.18 per Connected Conversion Share (subject to adjustments), a maximum of 66,666,666 Connected Conversion Shares will be allotted and issued upon full exercise of the conversion rights attaching to the Connected Convertible Bonds, which represent (i) approximately 2.18% of the issued share capital of the Company as at the Latest Practicable Date; (ii) approximately 2.14% of the issued share capital of the Company as enlarged by the allotment and issue of the Connected Conversion Shares upon full conversion of the conversion rights attaching to the Connected Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Connected Convertible Bonds in full); and (iii) approximately 2.06% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon full exercise of the conversion rights attaching to the Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Convertible Bonds in full).

The maximum aggregate nominal value of the Connected Conversion Shares is HK\$666,666.66.

As at the Latest Practicable Date, there were no treasury shares held by the Company.

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Connected Specific Mandate to issue the Connected Conversion Shares

The Connected Conversion Shares to be issued upon conversion of the Connected Convertible Bonds will be allotted and issued pursuant to the Connected Specific Mandate to be sought at the SGM.

Conditions precedent

The Connected Subscription Completion is conditional upon the fulfilment or waiver, as the case may be, of the following conditions precedent:

- (i) the Listing Committee having granted, or having agreed to grant, the listing of, and permission to deal in, all the Connected Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Connected Convertible Bonds, and such approval and permission remaining in full force and effect;
- (ii) the Company and the Connected Subscriber having obtained all necessary third-party consents, approvals, waivers, authorisations, permissions or exemptions, including those from governmental or regulatory authorities, in relation to the Connected Subscription Agreement, the issue of the Connected Convertible Bonds and the allotment and issue of the Connected Conversion Shares, and such consents, approvals, waivers, authorisations, permissions or exemptions remaining in full force and effect;
- (iii) the Company having complied with all applicable legal and other requirements under the Listing Rules and the laws of Bermuda in respect of the transactions contemplated under the Connected Subscription Agreement;
- (iv) the Board, the board of directors of the relevant Subscriber, and either the Shareholders (in respect of the First Subscription Completion, the Second Subscription Completion and the Third Subscription Completion) or the Independent Shareholders (in respect of the Connected Subscription Completion), having passed the necessary resolution(s) to approve, among others, the transactions contemplated under the relevant Subscription Agreement, including but not limited to the issue of the relevant Convertible Bonds and the granting of the relevant Specific Mandate, where applicable;
- (v) all the Shares remaining listed on the Stock Exchange, the listing of the Shares not having been revoked or withdrawn, and the Stock Exchange not having indicated any objection to the continued listing of, and dealings in, the Shares on the Stock Exchange;

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- (vi) the representations and warranties made by the parties to the Connected Subscription Agreement being true, accurate and not misleading when made, and remaining true, accurate and not misleading in all respects as at the date of the Connected Subscription Completion; and
- (vii) there being no event or circumstance existing or having occurred that constitutes an event of default under the Connected Subscription Agreement.

Save for conditions precedent (vi) and (vii) above, which may be waived by the Connected Subscriber at its sole discretion, none of the conditions precedent set out above may be waived. If the conditions precedent to the Connected Subscription Completion are not fulfilled on or before the Connected Subscription Long Stop Date, the Connected Subscription Agreement will terminate, save for the provisions relating to the indemnity by the Connected Subscriber, confidentiality, termination, notices and service of process, governing law and jurisdiction and third-party rights, and become null and void. The parties thereto shall be released from their respective obligations under the Connected Subscription Agreement, save for any liability arising from any antecedent breach.

As at the Latest Practicable Date, none of the conditions precedent to the Connected Subscription Agreement has been fulfilled.

Completion

The Connected Subscription Completion shall take place on the date on which all the conditions precedent to the Connected Subscription Agreement are fulfilled or waived, as the case may be, in accordance with its terms and conditions, or on such other date and at such other time as the Company and the Connected Subscriber may agree in writing.

4. Evaluation of the initial Conversion Price

4.1 Review on Share price performance

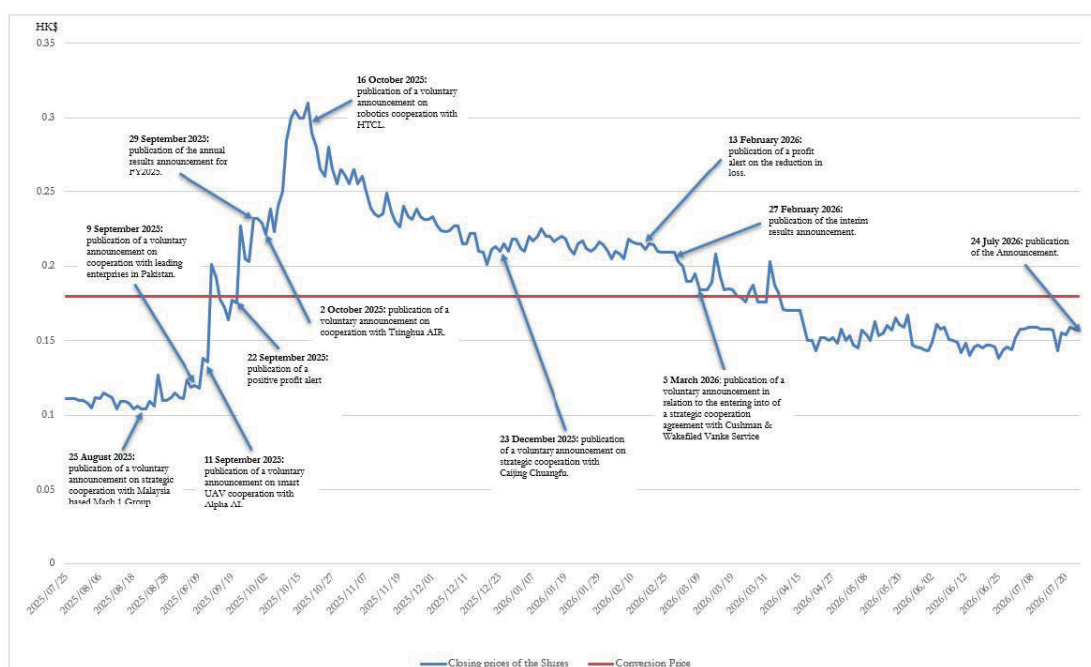
The initial Conversion Price of HK\$0.18 per Connected Conversion Share represents: (i) a premium of approximately 14.65% over the closing price of HK\$0.157 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; (ii) a premium of approximately 14.65% over the average closing price of HK\$0.157 per Share for the five consecutive trading days up to and including the date of the Subscription Agreements; (iii) a premium of approximately 15.38% over the average closing price of HK\$0.156 per Share for the 10 consecutive trading days up to and including the date of the Subscription

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Agreements; and (iv) a premium of approximately 22.45% over the closing price of HK\$0.147 per Share as quoted on the Stock Exchange on 20 August 2026, being the Latest Practicable Date.

In order to assess the fairness and reasonableness of the Conversion Price, we have reviewed the daily prices of the Shares on the Stock Exchange for the period from 25 July 2025 (being the 12-month period immediately prior to the date of the Connected Subscription Agreement), up to and including the date of the Connected Subscription Agreement (i.e. 24 July 2026) (the “**Review Period**”).

Table 3: Closing prices of the Shares during the Review Period



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

As shown in the chart above, the closing prices of the Shares during the Review Period ranged from HK\$0.104 per Share recorded on 12, 18, 20 and 21 August 2025, to HK\$0.310 per Share recorded on 17 October 2025, with an average closing price of approximately HK\$0.185 per Share. The Conversion Price of HK\$0.18 per Conversion Share falls within the range of the daily closing prices of the Shares during the Review Period and represents (i) a premium of approximately 73.08% over the lowest closing price of the Shares during the Review Period; (ii) a discount of approximately 41.94% to the highest closing price of the Shares during the Review Period; and (iii) a discount of approximately 2.66% to the average closing price of the Shares during the Review Period.

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As indicated in the above chart, the closing prices of the Shares initially remained relatively stable and generally ranged from HK\$0.104 to HK\$0.115 per Share from 25 July 2025 to 25 August 2025. Following the publication of the voluntary announcement regarding the strategic cooperation memorandum with Mach 1 AI Robotics & Automation SDN BHD (“**Mach 1 Group**”) on 25 August 2025, the Share price increased from HK\$0.106 per Share on 25 August 2025 to HK\$0.127 per Share on 26 August 2025. Subsequently, following the publication of voluntary announcements regarding the cooperation memorandum with leading enterprises in Pakistan on 9 September 2025 and the cooperation agreement with Alpha AI Technology Limited (“**Alpha AI**”) on 11 September 2025, the Share price increased from HK\$0.118 per Share on 9 September 2025 to HK\$0.201 per Share on 12 September 2025. On 22 September 2025, the Company published a positive profit alert, following which the Share price increased from HK\$0.175 per Share on 22 September 2025 to HK\$0.227 per Share on 23 September 2025. During the subsequent period, the Company published its annual results announcement for FY2025 on 29 September 2025 and a voluntary announcement on 2 October 2025 regarding the cooperation agreement entered into with the Wuxi Research Institute of Applied Technologies, Tsinghua University (“**Tsinghua AIR**”) on 30 September 2025, and a voluntary announcement on 16 October 2025 in relation to the memorandum of understanding entered into with Hutchison Telephone Company Limited (“**HTCL**”) on 22 September 2025. The Share price generally continued its upward trend and reached its highest level of HK\$0.310 per Share on 17 October 2025.

Thereafter, the Share price generally trended downward. On 23 December 2025, the Company published a voluntary announcement in relation to the entering into of a strategic cooperation framework agreement with Shanghai Caijing Chuangfu Technology Group Co., Ltd.* (上海財景創服科技集團有限公司) (“**Caijing Chuangfu**”). The Share price slightly increased from HK\$0.210 per Share on 23 December 2025 to HK\$0.215 per Share on 24 December 2025 and subsequently closed at HK\$0.218 per Share on 31 December 2025. During January and February 2026, the Share price remained relatively stable within a range of HK\$0.205 to HK\$0.225 per Share. Following the publication of the profit alert in relation to the reduction in loss for the six months ended 31 December 2025 on 13 February 2026, the Share price increased slightly from HK\$0.211 per Share on 13 February 2026 to HK\$0.215 per Share on 16 February 2026. The Company subsequently published its interim results announcement on 27 February 2026, after which the Share price decreased from HK\$0.209 per Share on 27 February 2026 to HK\$0.203 per Share on 2 March 2026. On 5 March 2026, the Company published a voluntary announcement in relation to the entering into of a strategic cooperation agreement with Wuxi Branch of Shenzhen Vanke Commercial Enterprise Property Service Company Limited (“**Cushman & Wakefield Vanke Service**”). Following the publication of the announcement, the Share price increased from HK\$0.190 per Share on 5 March 2026 to HK\$0.195 per Share on 6 March 2026. Thereafter, the Share price generally declined and reached HK\$0.138 per Share on 25 June 2026, before recovering and closing at HK\$0.157 per Share on 24 July 2026. Throughout the Review Period, the Share price traded both above and below the Conversion Price of HK\$0.18 per Conversion Share. As confirmed by the Management, the Company was not aware of any specific reasons for the aforesaid fluctuations in the Share price during the Review Period.

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4.2 Trading liquidity of the Shares

We have also reviewed the historical liquidity of the Shares. The following table sets out the average daily trading volume per month/period of the Shares during the Review Period:

Table 4: Trading volume of the Shares during the Review Period

Month/Period	Average daily trading volume of Shares during the period/month (Shares) (Note 1)	Percentage of average daily trading volume of Shares to the total number of issued Shares as at the end of the relevant period/month (%) (Note 2)
2025		
25 July – 31 July	230,500	0.0075%
August	2,849,286	0.0933%
September	15,604,292	0.5108%
October	8,873,661	0.2905%
November	1,388,750	0.0455%
December	640,036	0.0209%
2026		
January	978,571	0.0320%
February	238,235	0.0078%
March	264,594	0.0087%
April	772,632	0.0253%
May	425,395	0.0139%
June	342,381	0.0112%
1 July – 24 July	402,647	0.0132%
Maximum	15,604,292	0.5108%
Minimum	230,500	0.0075%
Average	2,539,306	0.0831%

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

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Notes:

1. Computed by dividing the total daily trading volume of the Shares by the number of trading days of the respective corresponding period/month.
2. Computed by dividing the average daily trading volume of the Shares by the total number of issued Shares at the end of the relevant period/month.

We noted that the average trading volume of the Shares ranged from approximately 230,500 Shares to approximately 15,604,292 Shares, with an average trading volume of the Shares of approximately 2,539,306 Shares during the Review Period, representing approximately 0.0075% to 0.5108% with an average of approximately 0.0831% of the total issued Shares of the Company as at the end of the relevant period/month.

As shown in the table above, the average daily trading volume of the Shares increased from approximately 0.0933% of the total issued Shares of the Company in August 2025 to approximately 0.5108% in September 2025. It subsequently decreased to approximately 0.2905% in October 2025 and further to approximately 0.0455% in November 2025. We noted that the trading volumes in September and October 2025 were relatively high as compared to the remaining months during the Review Period and the Company published various business-update, cooperation and financial-results announcements during September and October 2025, as described in the subsection headed “4.1 Review on Share price performance” above.

We then enquired with the Management regarding the relatively high trading volumes and were advised that they had not identified any specific reason for such increases save for the published announcements. Save for September and October 2025, the average daily trading volume of the Shares during the Review Period generally ranged from approximately 0.0075% to 0.0933% of the total issued Shares. Based on the above, we therefore consider that the Shares were relatively thinly traded in general during the Review Period.

We also note that, upon full exercise of the conversion rights attaching to the Connected Convertible Bonds, a maximum of 66,666,666 Connected Conversion Shares will be allotted and issued to the Connected Subscriber, representing (i) approximately 2.18% of the issued share capital of the Company as at the Latest Practicable Date; (ii) approximately 2.14% of the issued share capital of the Company as enlarged by the allotment and issue of the Connected Conversion Shares upon full conversion of the Connected Convertible Bonds; and (iii) approximately 2.06% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon full exercise of the conversion rights attaching to the Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Convertible Bonds in full).

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Given that the average trading volume of the Shares during the Review Period was approximately 2.5 million Shares, the maximum Connected Conversion Shares to be allotted and issued would be 66,666,666, representing approximately 26 times such average daily trading volume. Accordingly, should the Connected Subscriber seek to realise a substantial portion of the Connected Conversion Shares following conversion, it may not be able to dispose of such Shares within a short period without exerting downward pressure on the market price of the Shares.

4.3 Comparison with other convertible bond/note issuances

As part of our analysis, we have reviewed the issuances and placings of convertible bonds/notes by companies satisfying the following criteria: (i) the companies are listed on the Main Board of the Stock Exchange (the “**Main Board**”); (ii) the convertible bonds/notes were issued or placed under specific mandates for fundraising purposes, including amendments to existing convertible bonds/notes, but excluding transactions solely involving maturity extensions, joint venture formation or debt restructuring; (iii) the relevant transactions were announced during the Review Period; and (iv) trading in the shares of the relevant companies had not been suspended for more than three months up to and including 24 July 2026 (the “**Comparable Transactions**”). Based on the aforesaid criteria and our research on the website of the Stock Exchange, we identified an exhaustive list of 17 Comparable Transactions.

We consider that the Review Period adopted is appropriate to capture the recent market practice because the Comparable Transactions are considered for the purpose of taking a general reference for the recent market practice about the issue of convertible bonds/notes for fundraising purposes under recent market conditions and sentiment.

Having considered that the Comparable Transactions similarly involved the issuance of convertible bonds/notes by Main Board listed companies for fundraising purposes, we consider that they constitute fair and representative samples for comparison purposes. Independent Shareholders should, however, note that the businesses, operations, financial positions and prospects of the Group may differ from those of the companies involved in the Comparable Transactions. Accordingly, the Comparable Transactions are used solely as a general reference to recent market practice in relation to issuances of convertible bonds/notes by companies listed on the Main Board of the Stock Exchange. Set out below is a summary of the Comparable Transactions:

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Table 5: Summary table of the Comparable Transactions

No.	Company name	Stock code	Date of relevant announcement	Conversion price premium over/(discount to) the closing price as at the date of the respective agreement (Approximately)	Conversion price premium over/(discount to) the average closing price for the five consecutive trading days prior to and including the date of agreement (Approximately)	Interest rate (p.a.)	Term to maturity (approximate number of years)
1.	Zhongke Group Holdings Limited	3321	23-Jul-26	(5.98%)	(5.98%)	12.00%	0.5
2.	Value Convergence Holdings Limited	821	10-Jul-26	(19.30%)	(22.82%)	0.00%	3
3.	Biosysen Limited	1355	26-May-26	0.00%	0.65%	0.00%	5
4.	Jintai Energy Holdings Limited	2728	19-May-26	25.00%	17.19%	8.00%	2
5.	Vision Values Holdings Limited	862	13-Apr-26	13.50%	22.80%	3.00%	3
6.	Man Sang International Limited	938	25-Mar-26	14.29%	(2.44%)	2.00%	3.8
7.	Zoomlion Heavy Industry Science and Technology Co., Ltd.*	1157	29-Jan-26	18.58%	20.00%	0.70%	5
8.	SEM Holdings Limited	9929	3-Dec-25	6.36%	5.64%	0.00%	2
9.	BeijingWest Industries International Limited	2339	17-Nov-25	(34.21%)	(20.00%)	0.00%	1
10.	International Entertainment Corporation	1009	17-Nov-25	(16.67%)	(17.36%)	3.00%	5
11.	South China Financial Holdings Limited	619	6-Nov-25	(3.45%)	(3.45%)	1.50% (note)	6
12.	DTXS Silk Road Investment Holdings Company Limited	620	17-Oct-25	5.56%	6.03%	3.85%	3
13.	Karrie International Holdings Limited	1050	13-Oct-25	(7.26%)	(15.57%)	2.00%	3
14.	Moiselle International Holdings Limited	130	3-Oct-25	20.00%	97.10%	2.50%	3
15.	China Rongzhong Financial Holdings Company Limited	3963	3-Sep-25	0.00%	(0.17%)	2.75%	3
16.	Pengo Holdings Group Limited	1865	1-Aug-25	(14.50%)	(19.30%)	3.00%	1
17.	Dingyi Group Investment Limited	508	31-Jul-25	5.81%	2.82%	2.00%	3
			Maximum	25.00%	97.10%	12.00%	6
			Minimum	(34.21%)	(22.82%)	0.00%	0.5
			Average	0.45%	3.83%	2.72%	3
	Connected Subscription			14.65%	14.65%	6.00%	2

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

Note: The convertible bonds bear interest at 1.0% per annum for the first three years from the date of issue and 2.0% per annum for the subsequent three years up to the amended maturity date. For comparison purposes, the time-weighted average interest rate of 1.5% per annum is presented in the table.

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Among the Comparable Transactions, we noted that the conversion prices ranged from a discount of approximately 34.21% to a premium of approximately 25.00% to/over the respective closing prices of the relevant shares on the respective last trading days, with an average premium of approximately 0.45%. The conversion prices also ranged from a discount of approximately 22.82% to a premium of approximately 97.10% to/over the respective average closing prices for the last five consecutive trading days, with an average premium of approximately 3.83%. By comparison, the Conversion Price represents a premium of approximately 14.65% over both the closing price of the Shares on the date of the Subscription Agreements and the average closing price of the Shares for the five consecutive trading days immediately prior to and including the date of the Subscription Agreements. Accordingly, the premiums represented by the Conversion Price fall within the respective ranges of the Comparable Transactions and are above their respective averages.

In addition, the interest rates of the Comparable Transactions ranged from nil to 12.0% per annum, with an average of approximately 2.72% per annum. The interest rate of the Convertible Bonds of 6.0% per annum falls within the range of the Comparable Transactions and falls above the average. Notwithstanding that the interest rate of 6.0% per annum falls towards the upper end of the range observed among the Comparable Transactions, we noted that the same interest rate of 6.0% per annum is offered to the independent Subscribers under the other Subscription Agreements entered into on the same date. We further noted that the Management had approached two independent third-party financial institutions for indicative financing terms in respect of loans of a similar amount and obtained one indicative quotation, which carried an interest rate of approximately 8.0% per annum and required the Group to pledge its assets as security. By comparison, the Connected Convertible Bonds carry a lower interest rate of 6.0% per annum and are unsecured. In addition, the Conversion Price represents a premium of approximately 14.65% over the prevailing market price of the Shares as at the date of the Connected Subscription Agreement. Given that the number of Connected Conversion Shares to be issued upon conversion is determined with reference to the Conversion Price, such premium would result in fewer Connected Conversion Shares being issued as compared with a conversion price determined at the prevailing market price, thereby mitigating the potential dilution impact on the Independent Shareholders.

Furthermore, the maturity period of the Convertible Bonds of two years falls within the range of the Comparable Transactions, which ranged from approximately 0.5 year to 6 years.

Having considered that (i) the premiums represented by the Conversion Price fall within the respective ranges of the Comparable Transactions and are above their respective averages; (ii) the Conversion Price of approximately HK\$0.18 per Conversion Share is at a premium to the prevailing market price of the Shares, which would result in fewer Connected Conversion Shares being issued as compared with an issue or conversion price determined at the prevailing market price and thereby mitigate the potential dilution impact

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on the Independent Shareholders; (iii) although the interest rate of the Connected Convertible Bonds falls towards the upper end of the range observed among the Comparable Transactions, it remains within such range and is the same as that offered to the independent Subscribers; (iv) the interest rate of 6.0% per annum is lower than the indicative interest rate of approximately 8.0% per annum under the alternative third-party borrowing obtained by the Management, which would also require the Group to pledge its assets as security, whereas the Connected Convertible Bonds are unsecured; and (v) the maturity period of the Connected Convertible Bonds falls within the range of the Comparable Transactions, we are of the view that the principal terms of the Connected Convertible Bonds, including the Conversion Price, the interest rate and the maturity date, are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

5. Financial effects of the Connected Subscription

The financial effects of the Connected Subscription set out below are for illustrative purposes only and do not reflect the actual financial position or performance of the Group following completion or conversion of the Connected Convertible Bonds.

5.1 Effects on liquidity

According to the Interim Report 2026, the Group had cash and cash equivalents of approximately HK\$46.9 million and net current assets of approximately HK\$3.0 million as at 31 December 2025.

Upon completion of the Connected Subscription, the Group will receive cash proceeds of HK\$12.0 million before deducting the relevant costs and expenses. The Connected Convertible Bonds have a maturity period of 24 months from their date of issue and are not subject to early redemption, save in limited circumstances.

Accordingly, the Connected Subscription is expected to increase the Group's cash resources and improve its liquidity and working capital position upon completion. However, such improvement will gradually reduce as the proceeds are used for the development of the AI robots segment and as interest payments are made. To the extent that the Connected Convertible Bonds remain outstanding and are not converted at maturity, the Company will also be required to repay the relevant outstanding principal amount.

5.2 Effects on earnings

As at 31 December 2025, the Group had an aggregate current assets (including non-current assets classified as held for sale) and current liabilities of approximately HK\$324.3 million and HK\$321.3 million, respectively, representing net current assets of approximately HK\$3.0 million and a current ratio of approximately 1.01 times.

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The Connected Convertible Bonds bear interest at 6.0% per annum on their outstanding principal amount. Assuming that the entire principal amount of HK\$12.0 million remains outstanding, the Group will incur a maximum cash interest expense of approximately HK\$720,000 per annum, which will reduce the Group's future earnings and cash flow.

Depending on the applicable accounting treatment, the Group may also recognise finance costs calculated using the effective interest method and, where applicable, fair value changes relating to any derivative component of the Connected Convertible Bonds. The actual impact on the Group's earnings will depend on, among other things, the accounting classification of the Connected Convertible Bonds, the timing and extent of any conversion and the outstanding principal amount during the relevant reporting period.

5.3 Effects on net assets

According to the Interim Report 2026, the Group's unaudited consolidated net assets amounted to approximately HK\$762.3 million as at 31 December 2025, of which approximately HK\$766.6 million was attributable to owners of the Company, after taking into account the deficit attributable to non-controlling interests.

Upon the Connected Subscription Completion and before any conversion of the Convertible Bonds, the Group will receive the cash proceeds from the issue of the Connected Convertible Bonds, while the Connected Convertible Bonds may be recognised as comprising liability and equity components in accordance with the applicable accounting standards. Accordingly, the Connected Subscription is not expected to have any immediate material adverse effect on the Group's net assets, save for the relevant transaction expenses. The subsequent finance costs arising from the Connected Convertible Bonds will, however, reduce the Group's earnings and net assets.

Upon conversion of the Connected Convertible Bonds, the relevant liability component will be derecognised and the Group's equity will increase accordingly, subject to the applicable accounting treatment. However, the issue of the Connected Conversion Shares will increase the number of Shares in issue and may therefore dilute the net asset value attributable to each Share.

6. Potential dilution to the Independent Shareholders' interests

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon conversion of the First Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the First Convertible Bonds in full); (iii) immediately upon conversion of the Second Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued

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share capital of the Company from the Latest Practicable Date up to the conversion of the Second Convertible Bonds in full); (iv) immediately upon conversion of the Third Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Third Convertible Bonds in full); (v) immediately upon conversion of the Connected Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Connected Convertible Bonds in full); and (vi) immediately upon conversion of the Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Convertible Bonds in full):

Shareholders	(i) As at the Latest Practicable Date		(ii) Immediately upon conversion of the First Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the First Convertible Bonds in full)		(iii) Immediately upon conversion of the Second Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Second Convertible Bonds in full)		(iv) Immediately upon conversion of the Third Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Third Convertible Bonds in full)		(v) Immediately upon conversion of the Connected Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Connected Convertible Bonds in full)		(vi) Immediately upon conversion of the Convertible Bonds in full at the initial Conversion Price (assuming that there will be no other changes in the issued share capital of the Company from the Latest Practicable Date up to the conversion of the Convertible Bonds in full)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Director and their associate(s)												
Mr. Wu	279,935,000	9.16	279,935,000	9.03	279,935,000	9.03	279,935,000	9.08	279,935,000	8.97	279,935,000	8.64
Connected Subscriber (Note 1)	550,000,000	18.00	550,000,000	17.74	550,000,000	17.74	550,000,000	17.84	616,666,666	19.75	616,666,666	19.04
Mr. Wang Chunsheng	180,000	0.01	180,000	0.01	180,000	0.01	180,000	0.01	180,000	0.01	180,000	0.01
Sub-total	830,115,000	27.17	830,115,000	26.78	830,115,000	26.78	830,115,000	26.93	896,781,666	28.73	896,781,666	27.69
Public Shareholders												
First Subscriber	-	-	44,444,444	1.43	-	-	-	-	-	-	44,444,444	1.37
Second Subscriber	-	-	-	-	44,444,444	1.43	-	-	-	-	44,444,444	1.37
Third Subscriber	-	-	-	-	-	-	27,777,777	0.90	-	-	27,777,777	0.86
Other public Shareholders	2,224,990,739	72.83	2,224,990,739	71.79	2,224,990,739	71.79	2,224,990,739	72.17	2,224,990,739	71.27	2,224,990,739	68.71
Total	3,055,105,739	100.00	3,099,550,183	100.00	3,099,550,183	100.00	3,082,883,516	100.00	3,121,772,405	100.00	3,238,439,070	100.00

Notes:

- As at the Latest Practicable Date, the Connected Subscriber is wholly owned by Mr. Wu, an executive Director and the chairman of the Board. Accordingly, in addition to those 279,935,000 Shares directly held by Mr. Wu, Mr. Wu is deemed to be interested in those 550,000,000 Shares directly held by the Connected Subscriber.
- Percentages presented in this table may be subject to rounding.

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Upon full conversion of the Connected Convertible Bonds at the initial Conversion Price, a maximum of 66,666,666 Connected Conversion Shares will be allotted and issued by the Company to the Connected Subscriber, representing: (a) approximately 2.18% of the existing issued share capital of the Company; (b) approximately 2.14% of the issued share capital of the Company as enlarged by the allotment and issue of the Connected Conversion Shares; and (c) approximately 2.06% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon full exercise of the conversion rights attaching to the Convertible Bonds (assuming there will be no other changes in the issued share capital from the Latest Practicable Date and up to conversion of the Convertible Bonds in full). Accordingly, assuming that there will be no other changes in the issued share capital of the Company and none of the other Convertible Bonds is converted, the shareholding of the Connected Subscriber will increase from approximately 18.00% to approximately 19.75%, while the aggregate shareholding of Mr. Wu and his associates will increase from approximately 27.16% as at the Latest Practicable Date to approximately 28.72% under the scenario (v) above. Correspondingly, the aggregate shareholding of the Independent Shareholders will decrease from approximately 72.83% to approximately 71.27%.

It is worth noting that the terms of the Connected Convertible Bonds prohibit any conversion under the following circumstances: (i) if such conversion will result in the Bondholder(s) and parties acting in concert with it directly or indirectly controlling or holding 30% or more of the enlarged issued share capital of the Company immediately after such conversion, or triggering a mandatory offer obligation under Rule 26 of the Takeovers Code; or (ii) if such conversion will result in the Company failing to comply with the minimum public float requirements prescribed under Rule 8.08 of the Listing Rules or any similar regulations (collectively, the “**Conversion Restrictions**”). Based on the existing shareholding structure and assuming no other changes in the issued share capital of the Company, full conversion of the Connected Convertible Bonds would not cause the aggregate shareholding of Mr. Wu and his associates to reach 30% or result in the Company failing to comply with the minimum public float requirement. Accordingly, the Conversion Restrictions would not prevent the Connected Subscriber from exercising in full the conversion rights attaching to the Connected Convertible Bonds under the circumstances illustrated above, although any conversion will remain subject to the Conversion Restrictions prevailing at the relevant time.

Taking into account (i) the reasons for and benefits of the Connected Subscription as set out in the section headed “2. Reasons for the Subscriptions”; (ii) that the terms of the Connected Subscription Agreement and the Connected Convertible Bonds are fair and reasonable so far as the Independent Shareholders are concerned; (iii) that the Connected Conversion Shares represent only approximately 2.14% of the issued share capital of the Company as enlarged solely by the allotment and issuance of the Connected Conversion Shares and approximately 2.06% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares; and (iv) that any conversion of the Connected Convertible Bonds remains subject to the Conversion Restrictions, we are of the view that the potential dilution impact of the Connected Subscription on the shareholding interests of the Independent Shareholders is acceptable.

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RECOMMENDATION

Having taken into consideration the principal factors and reasons stated above, we are of the opinion that, although the entering into of the Connected Subscription Agreement and the transactions contemplated thereunder are not in the ordinary and usual course of business of the Group, the terms of the Connected Subscription Agreement and the transactions contemplated thereunder (including the grant of the Connected Specific Mandate) are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend that the Independent Shareholders vote in favour of the relevant resolution(s) to be proposed at the SGM to approve the Connected Subscription Agreement and the transactions contemplated thereunder, including the grant of the Connected Specific Mandate. We also recommend that the Independent Board Committee advise the Independent Shareholders accordingly.

Yours faithfully,
For and on behalf of
Merdeka Corporate Finance Limited
Wallace So
Managing Director

Mr. Wallace So is a licensed person registered with the Securities and Futures Commission of Hong Kong, a responsible officer of Merdeka Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and a licensed representative of Merdeka Investment Management Limited to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO. Mr. Wallace So has over 13 years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(i) Directors' and chief executive's interests and short positions in the Shares, underlying Shares and debentures of the Company or any associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors or the chief executives of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) 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 (b) which were required, pursuant to section 352 of the SFO, to be entered and were entered in the register required to be kept by the Company referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) were as follows:

Name of Director	Capacity/Nature of interest	Number of Shares interested	Approximate percentage of shareholding	
			(%) (Note 1)	Long/short position
Mr. Wu	Beneficial owner	279,935,000	9.16	Long position
	Interest of controlled corporation (Note 2)	550,000,000	18.00	Long position
Mr. Wang Chunsheng	Beneficial owner	180,000	0.01	Long position

Notes:

- The approximate percentage of interests held was calculated on the basis of total number of 3,055,105,739 Shares in issue as at the Latest Practicable Date;
- As at the Latest Practicable Date, the Connected Subscriber was wholly owned by Mr. Wu. Accordingly, in addition to those 279,935,000 Shares directly held by Mr. Wu, Mr. Wu is deemed to be interested in those 550,000,000 Shares held by the Connected Subscriber.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to the provisions of 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 provision of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be and were entered in the register required to be kept by the Company referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had an interest or a short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(ii) Substantial Shareholders' interests and short position

As at the Latest Practicable Date, so far as is known to the Directors and chief executives of the Company, the persons (other than Directors and chief executives of the Company) had, or were deemed or taken to have an interest or short position in the Shares and underlying Shares of the Company, which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Name of Shareholder	Capacity/ Nature of interest	Number of Shares Interested	Approximate percentage of shareholding	
			(%) (Note)	Long/Short position
The Connected Subscriber	Beneficial owner	550,000,000	18.00	Long position
Ms. Li Fuyi	Beneficial owner	279,930,959	9.16	Long position

Note:

The approximate percentage of interests held was calculated on the basis of total number of 3,055,105,739 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, the Directors and chief executives of the Company were not aware of any other person (other than the Directors and chief executives of the Company) who had, or was deemed or taken to have, an interest or short position in the Shares and underlying Shares of the Company which are required to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

3. DIRECTORS' INTERESTS

(a) Interests in assets

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 30 June 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group.

(b) Interests in contract or arrangement

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group.

(c) Interests in competing business

As at the Latest Practicable Date, none of the Directors and their respective close associates (as defined in the Listing Rules) had any interest in any businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group.

4. SERVICE CONTRACTS

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

5. MATERIAL ADVERSE CHANGE

Based on the review of the announcement of the Company dated 13 February 2026 relating to profit alert, the interim report of the Company for the six months ended 31 December 2025, published on 26 March 2026, as well as the management accounts of the Group for the year ended 30 June 2026, from which nothing has come to the attention of the Directors indicating any adverse change in the Group's financial or operational performance, the Directors confirm that there was no material adverse change in the financial or trading position of the Group since 30 June 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up, and up to the Latest Practicable Date.

6. QUALIFICATIONS AND CONSENT OF EXPERT

The following is the qualification of the expert who has been given its opinions or advice, which are contained or referred to in this circular:

Name	Qualifications
Merdeka Corporate Finance Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

As at the Latest Practicable Date, the Independent Financial Adviser did not have (i) any shareholding, directly or indirectly, in any members of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, and (ii) any direct or indirect interest in any assets which had, since 30 June 2025 (being the date to which the latest published audited financial statements of the Group were made up), been acquired or disposed of by, or leased to any members of the Group, or were proposed to be acquired or disposed of by, or leased to any members of the Group.

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter of advice and references to its name in the form and context in which it appears.

7. DOCUMENTS FOR DISPLAY

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

- (a) The Connected Subscription Agreement;
- (b) the letter from the Independent Board Committee, the text of which is set out on pages 30 to 31 of this circular;
- (c) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the text of which is set out on pages 32 to 70 of this circular;
- (d) the letter of consent from the Independent Financial Adviser as referred to that in the paragraph “6. QUALIFICATIONS AND CONSENT OF EXPERT” in this appendix; and
- (e) this circular.

NOTICE OF SPECIAL GENERAL MEETING



NOVAUTEK TECHNOLOGIES GROUP LIMITED

諾科達科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 519)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Novautek Technologies Group Limited (the “**Company**”) will be held at 10:00 a.m. on 15 September 2026 (Tuesday) at Empire Room 1, 1/F., Empire Hotel Hong Kong • Wanchai, 33 Hennessy Road, Wanchai, Hong Kong for the following purposes:

ORDINARY RESOLUTIONS

1. “**THAT**

- (a) the subscription agreement dated 24 July 2026 (the “**First Subscription Agreement**”) entered into between the Company and Pangaea Investment Limited (the “**First Subscriber**”) in respect of the issue of convertible bonds in an aggregate principal amount of HK\$8 million (the “**First Convertible Bonds**”) upon and subject to the terms and conditions as set out in the First Subscription Agreement (a copy of the First Subscription Agreement marked “A” and signed by the chairman of the SGM for identification purpose have been tabled at the meeting) be and are hereby approved, ratified and confirmed and any one of the Directors be and are hereby approved, ratified and confirmed and any one Director be and is hereby authorised to approve any changes and amendments thereto as he may consider necessary, desirable or appropriate;
- (b) the Directors be and are hereby granted a specific mandate (the “**First Specific Mandate**”) to exercise all the powers of the Company to issue the First Convertible Bonds, subject to and in accordance with the terms and conditions set out in the First Subscription Agreement; and
- (c) all other transactions contemplated under the First Subscription Agreement be and are hereby approved and any one Director be and is hereby authorised to do all such acts and things, to sign and execute all such further documents (including under seal, where applicable) and to take such steps as the Director in his discretion may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the First Subscription Agreement, or any of the transactions contemplated under the First Subscription Agreement.”

NOTICE OF SPECIAL GENERAL MEETING

2. “**THAT**

- (a) the subscription agreement dated 24 July 2026 (the “**Second Subscription Agreement**”) entered into between the Company and Hui Wai Lun (the “**Second Subscriber**”) in respect of the issue of convertible bonds in an aggregate principal amount of HK\$8 million (the “**Second Convertible Bonds**”) upon and subject to the terms and conditions as set out in the Second Subscription Agreement (a copy of the Second Subscription Agreement marked “B” and signed by the chairman of the SGM for identification purpose have been tabled at the meeting) be and are hereby approved, ratified and confirmed and any one Director be and is hereby authorised to approve any changes and amendments thereto as he may consider necessary, desirable or appropriate;
- (b) the Directors be and are hereby granted a specific mandate (the “**Second Specific Mandate**”) to exercise all the powers of the Company to issue the Second Convertible Bonds, subject to and in accordance with the terms and conditions set out in the Second Subscription Agreement; and
- (c) all other transactions contemplated under the Second Subscription Agreement be and are hereby approved and any one Director be and is hereby authorised to do all such acts and things, to sign and execute all such further documents (including under seal, where applicable) and to take such steps as the Director in his discretion may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Second Subscription Agreement, or any of the transactions contemplated under the Second Subscription Agreement.”

3. “**THAT:**

- (a) the subscription agreement dated 24 July 2026 (the “**Third Subscription Agreement**”) entered into between the Company and CHEANG Ana (the “**Third Subscriber**”) in respect of the issue of convertible bonds in an aggregate principal amount of HK\$5 million (the “**Third Convertible Bonds**”) upon and subject to the terms and conditions as set out in the Third Subscription Agreement (a copy of the Third Subscription Agreement marked “C” and signed by the chairman of the SGM for identification purpose have been tabled at the meeting) be and are hereby approved, ratified and confirmed and any one Director be and is hereby authorised to approve any changes and amendments thereto as he may consider necessary, desirable or appropriate;
- (b) the Directors be and are hereby granted a specific mandate (the “**Third Specific Mandate**”) to exercise all the powers of the Company to issue the Third Convertible Bonds, subject to and in accordance with the terms and conditions set out in the Third Subscription Agreement; and

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- (c) all other transactions contemplated under the Third Subscription Agreement be and are hereby approved and any one Director be and is hereby authorised to do all such acts and things, to sign and execute all such further documents (including under seal, where applicable) and to take such steps as the Director in his discretion may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Third Subscription Agreement, or any of the transactions contemplated under the Third Subscription Agreement.”

4. **“THAT:**

- (a) the subscription agreement dated 24 July 2026 (the **“Connected Subscription Agreement”**) entered into between the Company and Ruixing Investments Limited (the **“Connected Subscriber”**) in respect of the issue of convertible bonds in an aggregate principal amount of HK\$12 million (the **“Connected Convertible Bonds”**) upon and subject to the terms and conditions as set out in the Connected Subscription Agreement (a copy of the Connected Subscription Agreement marked “D” and signed by the chairman of the SGM for identification purpose have been tabled at the meeting) be and are hereby approved, ratified and confirmed and any one Director be and is hereby authorised to approve any changes and amendments thereto as he may consider necessary, desirable or appropriate;
- (b) the Directors be and are hereby granted a specific mandate (the **“Connected Specific Mandate”**) to exercise all the powers of the Company to issue the Connected Convertible Bonds, subject to and in accordance with the terms and conditions set out in the Connected Subscription Agreement; and
- (c) all other transactions contemplated under the Connected Subscription Agreement be and are hereby approved and any one Director be and is hereby authorised to do all such acts and things, to sign and execute all such further documents (including under seal, where applicable) and to take such steps as the Director in his discretion may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Connected Subscription Agreement, or any of the transactions contemplated under the Connected Subscription Agreement.”

By Order of the Board of
Novautek Technologies Group Limited
Wang Chunsheng
Chief Executive Officer and Executive Director

Hong Kong, 25 August 2026

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Notes:

1. All resolution(s) at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The results of the poll will be published on the websites of Stock Exchange and the Company in accordance with the Listing Rules.
2. Any shareholder who is the holder of two or more shares of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. not later than 10:00 a.m. on 13 September 2026 (Sunday)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from 10 September 2026 (Thursday) to 15 September 2026 (Tuesday), both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 9 September 2026 (Wednesday). The record date for attending and voting at the SGM will be 15 September 2026 (Tuesday).
5. If a tropical cyclone warning signal number 8 or above is hoisted, or “extreme conditions” announced by the Hong Kong Government or a black rainstorm warning is/are in force anytime after 7:00 a.m. on the date of the SGM, the meeting will not be held but will be adjourned to a later date in accordance with the articles of association of the Company. The Company will as soon as practicable post an announcement on the websites of the Stock Exchange and the Company.
6. References to time and dates in this notice are to Hong Kong time and dates.
7. As at the date of this notice, the executive Directors are Mr. Wu Zhanming (*Chairman*) and Mr. Wang Chunsheng (*Chief Executive Officer*); and the independent non-executive Directors are Mr. Jiang Pengzhi, Mr. Yang Ye and Ms. Tsang Fung Chu *JP*.