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If you have sold or transferred all your shares in Hua Hong Grace Semiconductor Limited, you should at once hand this circular and the enclosed proxy form to the purchaser or transferee or to the bank or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**HUA HONG GRACE SEMICONDUCTOR LIMITED****華虹宏力半導體有限公司**

(Incorporated in Hong Kong with limited liability)

(Stock Code: 01347)

**(1) PROPOSED CHANGE IN USE OF PROCEEDS FROM
THE RMB SHARE ISSUE;
(2) PROPOSED EXTERNAL INVESTMENT IN WUXI JV III;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening an extraordinary general meeting ("EGM") of Hua Hong Grace Semiconductor Limited to be held on 23 September 2026 at 2:30 p.m., at 288 Halei Road, Pudong New Area, Shanghai, PRC, is set out on pages 26 to 28 of this circular. A form of proxy for use by the Shareholders at the EGM is also enclosed herein. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.huahonggrace.com).

Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated URL (evoting.vistra.com) using the username and password provided on the notification letter sent by the Company on 4 September 2026, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. In calculating the aforesaid 48 hours period, no account will be taken of any part of a day that is a public holiday. Accordingly, the form of proxy must be delivered not later than 2:30 p.m. on 21 September 2026. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM if they so wish.

4 September 2026

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DEFINITIONS

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

“Articles of Association”	the new articles of association of the Wuxi JV III to be adopted to reflect the terms as agreed under the JV Shareholders Agreement
“Board of Directors” or “Board”	the board of Directors of the Company
“CDB Entity”	China Development Bank New Policy-Oriented Financial Instruments Co., Ltd.* (國開新型政策性金融工具有限公司), a company incorporated in the PRC on 29 September 2025 and wholly owned by the China Development Bank (國家開發銀行)
“China IC Fund”	China Integrated Circuit Industry Investment Fund Co., Ltd.* (國家集成電路產業投資基金股份有限公司), a company incorporated in the PRC on 26 September 2014 and a substantial shareholder of the Company
“China IC Fund II”	China Integrated Circuit Industry Investment Fund (Phase II) Co., Ltd.* (國家集成電路產業投資基金二期股份有限公司), a company established in the PRC on 22 October 2019
“China IC Fund III”	China Integrated Circuit Industry Investment Fund (Phase III) Co., Ltd.* (國家集成電路產業投資基金三期股份有限公司), a company established in the PRC on 24 May 2024
“Company”	Hua Hong Grace Semiconductor Limited (previously known as Hua Hong Semiconductor Limited), a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 01347) and the STAR Board (stock code: 688347)
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	The extraordinary general meeting of the Company to be held on 23 September 2026 at 2:30 p.m.
“Group”	the Company and its subsidiaries

DEFINITIONS

“HHGrace Shanghai”	Shanghai Huahong Grace Semiconductor Manufacturing Corporation (上海華虹宏力半導體製造有限公司), a company incorporated in the PRC on 24 January 2013 and a wholly-owned subsidiary of the Company
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hua Hong Manufacturing (Wuxi) Project”	a project undertaken by Wuxi JV II to engage in the design, research, manufacturing, testing, packaging and sale of integrated circuits fabricated on 12-inch (300mm) wafers
“Hua Xin Fund”	Hua Xin Ding Xin (Beijing) Equity Investment Fund (Limited Partnership)* (華芯鼎新(北京)股權投資基金(有限合夥)), a limited partnership established on 31 December 2024 between Sino IC Capital and China IC Fund III, with Sino IC Capital as the managing partner
“Independent Third Party(ies)”	person(s) who is not a connected person of the Company pursuant to Chapter 14A of the Listing Rules
“JV Investment Agreement”	the investment agreement dated 1 September 2026 entered into among the JV Shareholders and the Wuxi JV III, pursuant to which the JV Shareholders agreed to convert the Wuxi JV III into a joint venture and increase the registered capital of the Wuxi JV III from RMB6.68 million to US\$4.17 billion
“JV Shareholders”	the Company, HHGrace Shanghai, the Wuxi Municipal Entity II, Hua Xin Fund and the CDB Entity
“JV Shareholders Agreement”	the shareholders agreement dated 1 September 2026 entered into among the JV Shareholders and the Wuxi JV III, pursuant to which, amongst others, the JV Shareholders agreed to invest a total of approximately US\$4.17 billion in cash in the Wuxi JV III
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, but for the purpose of this circular only, excludes Hong Kong, Macau and Taiwan
“Right to Redemption”	The redemption right granted to the CDB Entity from HHGrace Shanghai, the details of which is stipulated under “The JV Shareholders Agreement – Other terms” of this circular

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“RMB Share(s)”	the ordinary Share(s) subscribed for in RMB, listed on the STAR Market and traded in RMB
“RMB Share Issue”	the Company’s issue of 407,750,000 RMB Shares on the STAR Market dated 7 August 2023
“Shanghai Stock Exchange”	the Shanghai Stock Exchange
“Shareholders”	holder(s) of Shares
“Shares”	shares of the Company
“Sino IC Capital”	Sino IC Capital Co., Ltd.* (華芯投資管理有限責任公司), the fund manager of both China IC Fund and China IC Fund II and the managing partner of Hua Xin Fund. Its ultimate beneficial owner is China Development Bank Capital Co., Ltd. (國開金融有限責任公司), which is an Independent Third Party of the Company
“Specialty Technological Innovation and Research and Development Project”	a project to enhance the Company’s proprietary innovation and research and development capabilities
“STAR Market”	The Science and Technology Innovation Board of the Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction Documents”	the transaction documents relating to the transactions contemplated under the JV Shareholders Agreement and the JV Investment Agreement, including the JV Shareholders Agreement, the JV Investment Agreement and the Articles of Association
“US\$”	United States dollar, the lawful currency of the United States
“Wuxi JV II”	Hua Hong Semiconductor Manufacturing (Wuxi) Co., Ltd.* (華虹半導體製造(無錫)有限公司), a company incorporated in the PRC on 17 June 2022 and a non-wholly owned subsidiary of the Company

DEFINITIONS

“Wuxi JV III”	Wuxi Huahong Grace Semiconductor (Phase III) Manufacturing Co., Ltd.* (無錫華虹宏力三期半導體有限公司), a company incorporated in the PRC on 30 October 2025 for the purpose of the Wuxi JV III Business, the registered capital of which is currently held as to 100% by HHGrace Shanghai and will, upon completion of the relevant filing(s) with the PRC authorities under the JV Shareholders Agreement and the JV Investment Agreement, be owned as to approximately 25% by the Company, 26% by HHGrace Shanghai, 20% by the Wuxi Municipal Entity II, 15% by Hua Xin Fund and 14% by the CDB Entity
“Wuxi JV III Business”	the manufacturing and sale of integrated circuits and integrated circuit chip, as well as providing design and services related to the aforesaid products, that the Wuxi JV III will engage in
“Wuxi JV III Funds”	the funds to be applied to the Wuxi JV III Investment Project
“Wuxi JV III Investment Project”	the investment in Wuxi JV III, the details of which is disclosed in the Company’s announcement dated 1 September 2026
“Wuxi Municipal Entity”	Wuxi Xi Hong Guo Xin Investment Co., Ltd.* (無錫錫虹國芯投資有限公司), a professional investment company jointly controlled by municipal and district-level state-owned enterprises
“Wuxi Municipal Entity II”	Wuxi Xi Hong Guo Xin (Phase II) Investment Co., Ltd.* (無錫錫虹國芯二期投資有限公司), a professional investment company jointly controlled by municipal and district-level state-owned enterprises
“8-Inch Factory Optimisation and Upgrading Project”	a project undertaken by HHGrace Shanghai, aiming at upgrading a part of logic technology platform production lines and power device technology platform production lines, with a view to matching the technological requirements of the relevant specialty platforms and enhancing the flexible manufacturing capability of the power device technology platform
“%”	per cent



HUA HONG GRACE SEMICONDUCTOR LIMITED

華虹宏力半導體有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 01347)

Executive Directors:

Peng Bai (*Chairman and President*)

Non-executive Directors:

Jun Ye

Guodong Sun

Bo Chen

Chengyan Xiong

Independent Non-executive Directors:

Stephen Tso Tung Chang

Kwai Huen Wong, JP

Songlin Feng

Registered Office:

Room 2212, Bank of America Tower

12 Harcourt Road, Central

Hong Kong

Principal place of business in PRC:

No. 288 Halei Road

Pudong New Area

Shanghai, PRC

Postcode: 201203

No. 30, No. 30-1, No. 30-2,

Xinzhou Road, Xinwu District

Wuxi, Jiangsu, PRC

Postcode: 214028

4 September 2026

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED CHANGE IN USE OF PROCEEDS FROM
THE RMB SHARE ISSUE;
(2) PROPOSED EXTERNAL INVESTMENT IN WUXI JV III;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with the relevant information regarding the resolutions to be proposed at the EGM in respect of (i) the change in use of proceeds from the RMB Share Issue for the purpose of the Wuxi JV III Investment Project and (ii) the external investment in Wuxi JV III.

LETTER FROM THE BOARD

2. CHANGE IN USE OF PROCEEDS FROM THE RMB SHARE ISSUE

An ordinary resolution will be proposed at the EGM to consider and approve the change in use of proceeds from the RMB Share Issue and the Wuxi JV III Investment Project.

Reference is made to the Company's announcements dated 21 March 2022, 12 May 2022, 27 June 2022, 4 November 2022, 30 January 2023, 13 April 2023, 10 May 2023, 17 May 2023, 28 May 2023, 7 June 2023, 28 June 2023, 5 July 2023, 14 July 2023, 18 July 2023, 21 July 2023, 24 July 2023, 26 July 2023, 27 July 2023, 31 July 2023 and 4 August 2023, and the Company's circulars dated 7 June 2022, 5 June 2023 and 29 June 2023 in relation to, among others, the RMB Share Issue.

The Company completed the initial public offering of RMB Shares and listing on the STAR Market of the Shanghai Stock Exchange on 7 August 2023, with total proceeds raised being RMB21,203.00 million. After deducting offering expenses of RMB282.32 million, the net proceeds from the RMB Share Issue were RMB20,920.67 million (the "**Net Proceeds**"). The Net Proceeds were proposed to be used for the "Hua Hong Manufacturing (Wuxi) Project", the "8-Inch Factory Optimisation and Upgrading Project", the "Specialty Technological Innovation and Research and Development Project" (together, the "**Original Projects**") and replenishment of working capital. The total investment amount in the Original Projects was set to be RMB18,000.00 million, resulting in surplus proceeds of RMB2,920.68 million from the RMB Share Issue (the "**Surplus**").

As at 14 August 2026, the Surplus remained unused. The Company proposes to apply approximately RMB3,030.56 million of surplus proceeds from the RMB Share Issue (including accumulated interest income, net of handling fees and other charges) together with approximately RMB2,525.41 million of remaining proceeds from the concluded 8-Inch Factory Optimisation and Upgrading Project and Specialty Technological Innovation and Research and Development Project (including accumulated interest income, net of handling fees and other charges), to invest in and construct the Wuxi JV III Investment Project. The actual amount to be applied shall be based on the balance of the relevant designated account(s) on the date of fund transfer.

Reference is also made to the Company's announcement dated 1 September 2026 in respect of the Wuxi JV III Investment Project.

LETTER FROM THE BOARD

(i) Reasons for the Change in Use of Proceeds from the RMB Share Issue

To improve the efficiency of the use of proceeds from the RMB Share Issue, the Company proposes to use the surplus proceeds from the RMB Share Issue, the remaining proceeds from the 8-Inch Factory Optimisation and Upgrading Project and the Specialty Technological Innovation and Research and Development Project, and the accumulated interest income generated from the foregoing projects, to invest in and construct the Wuxi JV III Investment Project. Any funding shortfall will be satisfied by the Company using its own funds. Following the completion of the Hua Hong Manufacturing (Wuxi) Project, the remaining proceeds and accumulated interest income generated therefrom will be applied to permanently replenish the Company's working capital.

(ii) Details of the Change in Use of Proceeds from the RMB Share Issue for the Wuxi JV III Investment Project and for the Permanent Replenishment of the Company's Working Capital

The proposed adjustments to the use of proceeds from the RMB Share Issue for the Wuxi JV III Investment Project are as follows:

Original Projects before the change in use of proceeds

			<i>RMB,000</i>
	Designated investment amount from the proceeds of the RMB Share Issue	Cumulative amount that has been utilized as at 14 August 2026	Remaining balance as at 14 August 2026/ Proposed re-allocated amount^{Note 1}
Investment projects			
– Hua Hong Manufacturing (Wuxi) Project ^{Note 3}	12,500,000.00	12,427,364.20	150,648.10
– The 8-Inch Factory Optimisation and Upgrading Project	2,000,000.00	742,660.10	1,275,561.10
– The Specialty Technological Innovation and Research and Development Project	2,500,000.00	1,270,555.30	1,249,847.60
Total	17,000,000.00	14,440,579.60	2,676,056.80

LETTER FROM THE BOARD

New Project after the change in use of proceeds

	Total	Proposed re-allocated amount from the Net Proceeds RMB,000
Investment project	investment amount	
– The Wuxi JV III Investment Project	US\$6.95 billion	5,555,971.50 ^{Note 2}
Permanent replenishment of working capital ^{Note 3}	N/A	150,648.10

Notes:

1. The “Proposed re-allocated amount” includes interest generated from the respective proceeds. The actual amount shall be based on the remaining balance after accounting for interest income calculated on the date of fund transfer.
2. To ensure the smooth implementation of the Wuxi JV III Investment Project, the Company proposes to use (i) surplus proceeds from the RMB Share Issue of approximately RMB3,030.56 million; and (ii) remaining proceeds from the 8-Inch Factory Optimisation and Upgrading Project and the Specialty Technological Innovation and Research and Development Project of approximately RMB2,525.41 million, in each case together with the accumulated interest income thereon after deduction of handling fees and other charges, to invest in and construct the Wuxi JV III Investment Project. The actual amount to be applied shall be based on the balance of the relevant designated account(s) on the date of fund transfer, and any funding shortfall will be satisfied by the Company using its own funds.
3. Following the completion of the Hua Hong Manufacturing (Wuxi) Project, the remaining proceeds, together with the accrued interest income thereon, will be applied to permanently replenish the working capital of the Company to meet its funding needs for daily operations and business development. The exact amount of the remaining proceeds shall be based on the balance of such funds, including accrued interest, as recorded by the bank on the date of transfer.

LETTER FROM THE BOARD

a. Basic Information of the Wuxi JV III Investment Project

Invested entity:	Wuxi JV III
Location:	No. 30-2, Xinzhou Road, Xinwu District, Wuxi
Scope of business:	The Wuxi JV III intends to engage in the manufacturing and sale of integrated circuits products, as well as providing design and services related to the aforesaid products.
Investment amount and source of funds:	The Wuxi JV III Investment Project has a total planned investment of US\$6.95 billion. The Group's capital contribution portion amounts to approximately US\$2.127 billion. Part of such amount is proposed to be funded by: (i) surplus proceeds from the RMB Share Issue of approximately RMB3,030.56 million; and (ii) remaining proceeds from the 8-Inch Factory Optimisation and Upgrading Project and the Specialty Technological Innovation and Research and Development Project of approximately RMB2,525.41 million, in each case inclusive of accumulated interest income after deduction of handling fees and other charges (subject to the balance of the relevant designated account(s) on the transfer date). The actual amount to be invested from the remaining proceeds shall be based on the balance after interest accrual on the transfer date, and any funding shortfall will be satisfied by the Company using its own funds.
Investment timeline:	The production line is estimated to be completed and commence production by December 2027.

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Infrastructure to be
constructed within
the invested entity:

The project involves a total investment of US\$6.95 billion. Leveraging the Company's existing production and utility facilities at its Wuxi site, the project will construct new cleanroom facilities and utility systems and install process equipment, metrology and auxiliary equipment, automated material handling systems and manufacturing management systems. Through a combination of independent development and selective technology introduction, the Company will establish specialty process technology platforms and build a 12-inch specialty process production line with a monthly capacity of 55,000 wafers. The project will further enhance and expand the Company's logic and RF (including image sensor) platforms and non-volatile memory platforms.

b. Necessity of the Wuxi JV III Investment Project

The Company's Wuxi base has completed the construction of two 12-inch wafer fabrication lines and has established a comprehensive operating system covering management talent, five major specialty process platforms including specialty IC and power devices, basic research and development, and manufacturing operations. To further consolidate the Company's market position in advanced specialty process technologies, enhance its technological capabilities, strengthen its core competitiveness and meet domestic substitution demand and demand arising from emerging application fields, the Company proposes to implement the Wuxi JV III Investment Project to expand capacity and upgrade technology.

c. Feasibility of the Wuxi JV III Investment Project

The Wuxi JV III Investment Project has strong execution feasibility. First, the project enjoys policy support and has obtained guidance and approval from the relevant national industry authorities together with supporting policies from local governments. Second, in terms of technology and process platforms, supported by the listed status and industry position of the Company and its deep accumulation in specialty processes, the Company has strong competitive advantages in relevant technology fields. Third, in terms of funding and capital support, with the support of national and local investment funds in the integrated circuit sector, the project has secured solid funding support, and the relevant capital expenditure and working capital are fully supported. Fourth, in terms of market demand and economic benefits, with the increasing demand for domestic semiconductor production, the project is expected to enjoy favourable market demand and profitability upon reaching full production, and will effectively promote the development of the local industry chain and become an important component of the domestic advanced specialty process sector.

LETTER FROM THE BOARD

d. Risk Analysis of the Wuxi JV III Investment Project

The Company believes that the principal risks relating to project financing, talent and technology, product market demand and operational management remain controllable and that the project possesses a strong ability to withstand risks. The Company will continue to strengthen internal management, reduce costs, maintain technological leadership, develop new processes and products and actively expand market opportunities. It will continue to grasp market development trends through advanced technologies and, in particular, maintain the product sales plan forecast during the calculation period, so as to secure a high level of operational safety for the project and mitigate operational risks.

e. Benefits of the Wuxi JV III Investment Project

The Wuxi JV III Investment Project constitutes an important strategic investment by the Company to further expand its production capacity, enhance the advancement of its technology platforms and product capabilities and consolidate its industry leadership. Based on the investment cycle of the project and the financial return calculations, the project is expected to make a significant contribution to the profitability of the Company after the major depreciation period of the project equipment, and therefore possesses sound economic benefits.

f. Measures for the Management of the Wuxi JV III Funds

Upon obtaining all the relevant approvals required for the Wuxi JV III Investment Project, the Wuxi JV III will, as the case may be, set up designated bank account(s) specifically for depositing the Wuxi JV III Funds and enter into designated account supervision agreement(s) with the Company, the Sponsors and the commercial bank(s) with which the Wuxi JV III Funds is deposited. The Board of Directors has authorised the Company's management to handle any matters regarding the opening of such designated bank accounts and the execution of such supervision agreements in relation to the Wuxi JV III Funds.

The Company will utilise the Wuxi JV III Funds in accordance with the implementation progress of the Wuxi JV III Investment Project and maintain separate book records accordingly. The Company will allocate the Wuxi JV III Funds to the Wuxi JV III in batches through capital injection or other means with due regard to the implementation progress of the Wuxi JV III Investment Project. The specific amount, timing and other matters relating to each allocation, as well as other specific matters relating to the Wuxi JV III Investment Project, will be determined by the Company's management as authorised by the Board of Directors.

(iii) Impact of the Change in Use of Proceeds from the RMB Share Issue on the Company

The change of use of proceeds is a decision made by the Company based on its development strategy, current market conditions, and its actual operational needs, which will enhance the efficiency of the use of proceeds. By optimising the industrial layout of the Company and expanding

LETTER FROM THE BOARD

its semiconductor production capacity, the Company will strengthen its competitive advantages in the market. The change of use of proceeds from the RMB Share Issue will not have a material adverse impact on the Company's production and operations, and is in the interests of the Company and its Shareholders. The implementation of the Wuxi JV III Investment Project will assist the Company in achieving its strategic objectives, capturing opportunities arising from developments in the semiconductor industry and enhancing its market competitiveness through optimisation of industrial deployment and the appropriate expansion of semiconductor production capacity.

3. THE EXTERNAL INVESTMENT IN WUXI JV III

An ordinary resolution will be proposed at the EGM to consider and approve the external investment in Wuxi JV III.

Reference is made to the Company's announcement dated 1 September 2026 in respect of the Wuxi JV III Investment Project, pursuant to which the Company has proposed to invest approximately US\$2.127 billion.

(i) The JV Investment Agreement

On 1 September 2026, the Company, HHGrace Shanghai, the Wuxi Municipal Entity II, Hua Xin Fund, the CDB Entity, and the Wuxi JV III entered into the JV Investment Agreement to convert the Wuxi JV III into a joint venture and increase the registered capital of the Wuxi JV III from RMB6.68 million to US\$4.17 billion.

The major terms of the JV Investment Agreement are as follows:

Date: 1 September 2026

Parties:

- (i) the Company;
- (ii) HHGrace Shanghai, a wholly-owned subsidiary of the Company;
- (iii) the Wuxi Municipal Entity II;
- (iv) Hua Xin Fund;
- (v) the CDB Entity; and
- (vi) the Wuxi JV III.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this circular, the Wuxi Municipal Entity II, Hua Xin Fund, the CDB Entity and their respective ultimate beneficial owner(s) (if any) are Independent Third Parties of the Company.

Subscription of capital: The registered capital of the Wuxi JV III will be increased from RMB6.68 million to US\$4.17 billion.

In consideration of the capital contribution from the Company, HHGrace Shanghai, the Wuxi Municipal Entity II, Hua Xin Fund and the CDB Entity, the Wuxi JV III will issue share capital in the Wuxi JV III to each of the aforementioned subscribing JV Shareholders.

The terms governing each party's subscription of the registered capital of the Wuxi JV III under the JV Investment Agreement are the same as those set out in the JV Shareholders Agreement. Please refer to "Investment Commitment" under the summary of the terms of the JV Shareholders Agreement below for details regarding such subscription.

Other terms: The Wuxi JV III will be converted into a joint venture. The contribution of the increased capital will be conditional upon, amongst others, approval by the Shareholders of the Company and the completion of the relevant registration and filing in the PRC as set out in the JV Investment Agreement.

(ii) The JV Shareholders Agreement

On 1 September 2026, the Company, HHGrace Shanghai, the Wuxi Municipal Entity II, Hua Xin Fund, the CDB Entity, and the Wuxi JV III entered into the JV Shareholders Agreement, pursuant to which, the Company, HHGrace Shanghai, the Wuxi Municipal Entity II, Hua Xin Fund, and the CDB Entity agreed to amongst others, invest US\$1,042.5 million, US\$1,084.2 million, US\$834.0 million, US\$625.5 million and US\$583.8 million in cash, respectively, in the Wuxi JV III.

The major terms of the JV Shareholders Agreement are set out as follows:

Date: 1 September 2026

Parties: (i) the Company;

(ii) HHGrace Shanghai, a wholly-owned subsidiary of the Company;

LETTER FROM THE BOARD

(iii) the Wuxi Municipal Entity II;

(iv) Hua Xin Fund;

(v) the CDB Entity; and

(vi) the Wuxi JV III.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this circular, the Wuxi Municipal Entity II, Hua Xin Fund, the CDB Entity and their respective ultimate beneficial owner(s) (if any) are Independent Third Parties of the Company.

Scope of Wuxi JV III Business:	The Wuxi JV III intends to engage in the manufacturing and sale of integrated circuits products, as well as providing design and services related to the aforesaid products.
Total Investment Amount:	The total investment by the Wuxi JV III in its business will amount to US\$6.95 billion, which was determined after arm's length negotiations by all parties to the JV Shareholders Agreement based on the need to finance the business contemplated under the JV Shareholders Agreement. Of the total investment amount of US\$6.95 billion, US\$4.17 billion will be funded by way of equity capital contribution by the JV Shareholders, and the rest of the total investment amount, i.e. US\$2.78 billion, will be raised by way of debt financing.
Registered Capital:	The registered capital of the Wuxi JV III will be US\$4.17 billion.
Investment Commitment of the JV Shareholders:	The Company, HHGrace Shanghai, the Wuxi Municipal Entity II, Hua Xin Fund, and the CDB Entity have agreed to invest US\$1,042.5 million, US\$1,084.2 million, US\$834.0 million, US\$625.5 million and US\$583.8 million, respectively, in the Wuxi JV III, which will be provided in cash in the RMB equivalent of such amount. For the avoidance of doubt, HHGrace Shanghai's investment includes the initial capital of RMB6.68 million for the purpose of incorporating the Wuxi JV III.

LETTER FROM THE BOARD

Upon completion of the relevant filing(s) with the PRC authorities, the registered capital of the Wuxi JV III will increase from RMB6.68 million to US\$4.17 billion, and the Wuxi JV III will be owned as to approximately 25%, 26%, 20%, 15% and 14% by the Company, HHGrace Shanghai, the Wuxi Municipal Entity II, Hua Xin Fund and the CDB Entity respectively.

Except for the CDB Entity which has made full payment of its investment commitment, each of the other four JV Shareholders has agreed to invest in the Wuxi JV III in two (2) separate tranches, on a pro-rata basis:

- (i) the first tranche being 80% of their respective investment commitment, to be paid no later than 31 October 2026, subject to the satisfaction and/or waiver in writing by the JV Shareholders of the conditions precedent (save for conditions that cannot be waived as expressed in the JV Shareholders Agreement) set out below;
- (ii) the second tranche being 20% of their respective investment commitment, to be paid no later than 31 March 2027, subject to the Wuxi JV III having completed the relevant state-owned assets property rights registration and subject to the satisfaction of the conditions precedent set out below.

Notwithstanding the foregoing, subject to the satisfaction of the condition(s) precedent for the payment of each tranche (if any), the Wuxi JV III may adjust the proportion and timing of each tranche of payment based on its actual capital needs after obtaining unanimous written consent from the JV Shareholders.

Conditions Precedent:

First tranche

The payment of the first tranche by each of the JV Shareholders (being 80% of their respective investment commitment), is conditional upon the satisfaction and/or waiver in writing by the JV Shareholders (as applicable) of, amongst others, the following conditions:

- (i) the Company has completed the relevant registration of property rights of state-owned assets;

LETTER FROM THE BOARD

- (ii) each of the JV Shareholders having obtained their respective internal approvals of the transactions contemplated under the JV Shareholders Agreement and the JV Investment Agreement;
- (iii) the Company having obtained its Shareholders' approval at the EGM in respect of the transactions contemplated under the JV Shareholders Agreement and the JV Investment Agreement;
- (iv) the completion of the window guidance process of the relevant national industry authorities of the PRC and each of the JV Shareholders having obtained the project approval or filing documents from the local development and reform commission of the PRC;
- (v) the transaction documents relating to the transactions contemplated under the Wuxi JV III (including the JV Shareholders Agreement, the JV Investment Agreement and the Articles of Association) ("**Transaction Documents**") having been formally executed;
- (vi) the completion of change of business registration of the Wuxi JV III;
- (vii) the completion of filing the foreign investment information amendment report;
- (viii) the representations, warranties and undertakings made by the Wuxi JV III, the Company and HHGrace Shanghai under the Transaction Documents remaining true, complete and valid in all material respects, and there being no material breach of such representations, warranties and undertakings or other obligations under the Transaction Documents; and
- (ix) there being no legal proceeding, governmental order, decree or ruling that causes or may cause the transactions contemplated under the JV Shareholders Agreement and the JV Investment Agreement to be wholly or mainly prohibited, hindered, restricted or otherwise impeded.

For the avoidance of doubt, the Company's obligation to seek internal approval and Shareholders' approval under conditions (ii) and (iii) above and the requirement of all Transaction Documents being formally executed under condition (v) above in compliance with Chapters 14 and 14A of the Listing Rules must not be waived.

LETTER FROM THE BOARD

Second tranche

The payment of the second tranche by each of the JV Shareholders (being 20% of their respective investment commitment) is conditional upon the satisfaction and/or waiver in writing by the JV Shareholders (as applicable) of, amongst others, the following conditions:

- (i) the representations, warranties and undertakings made by the Wuxi JV III, the Company and HHGrace Shanghai under the Transaction Documents remaining true, complete and valid in all material respects, and there being no material breach of such representations, warranties and undertakings or other obligations under the Transaction Documents; and
- (ii) there being no legal proceeding, governmental order, decree or ruling that causes or may cause the transactions contemplated under the JV Shareholders Agreement and the JV Investment Agreement to be wholly or mainly prohibited, hindered, restricted or otherwise impeded.

Corporate Governance:

Board of directors of the Wuxi JV III

The board of directors of the Wuxi JV III shall consist of seven (7) directors, of which four (4) will be nominated by the Company and/or HHGrace Shanghai, one (1) will be nominated by the Wuxi Municipal Entity II, one (1) will be nominated by Hua Xin Fund and one (1) will be the employee representative of the Wuxi JV III to be elected among the employees.

Other customary shareholders' rights

The operation and management of Wuxi JV III shall be subject to customary joint venture shareholders' rights as agreed by the parties.

Other terms:

Right to Redemption

At the request of the CDB Entity, HHGrace Shanghai shall acquire the shares in the Wuxi JV III held by the CDB Entity at such price and proportion in accordance with the terms of the JV Shareholders Agreement.

LETTER FROM THE BOARD

Pro rata investment returns

The owner's equity of the Wuxi JV III (including retained earnings) shall be proportionally shared by the parties in accordance with their shareholdings in Wuxi JV III. Further, HHGrace Shanghai and the Wuxi JV III jointly undertake that the Wuxi JV III shall pay investment returns to the CDB Entity on a periodic basis in accordance with the terms of the JV Shareholders Agreement.

(iii) Reasons for and Benefits of Entering Into the JV Investment Agreement and the JV Shareholders Agreement

a. The JV Investment Agreement and the JV Shareholders Agreement

The Company entered in the JV Investment Agreement and the JV Shareholders Agreement with the objectives of (a) enhancing the Company's competitiveness and market position in the global and mainland China wafer foundry industry, and (b) strengthening the Company's research and development capabilities and enriching its process platform offerings so as to provide customers with more competitive wafer products that meet the needs of various emerging semiconductor end-use applications.

The Wuxi JV III will serve as the project company for the purpose of constructing and operating the third 12-inch wafer foundry production line. The JV Investment Agreement and the JV Shareholders Agreement set out the capital investment requirements for the conversion of Wuxi JV III into a joint venture.

b. View of the Directors

Having reviewed the terms of the JV Investment Agreement and the JV Shareholders Agreement, the Directors (including the independent non-executive Directors) are of the view that:

- (a) the terms of the JV Investment Agreement and the JV Shareholders Agreement are fair and reasonable and on normal commercial terms or better; and
- (b) the entering into of the JV Investment Agreement and the JV Shareholders Agreement is in the ordinary and usual course of business of the Company and is in the interest of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

(iv) Financial Impact of the Transaction to the Company

Upon completion of the transaction in accordance with the terms and conditions of the JV Investment Agreement and the JV Shareholders Agreement, the Wuxi JV III will continue to be a subsidiary of the Company and the financial information of the Wuxi JV III will continue to be consolidated into the accounts of the Group.

(v) Information about the Parties

The Company

The Company primarily focuses on embedded/standalone non-volatile memory, analog & power management, logic & RF, power discrete, and other specialty technology manufacturing platforms.

HHGrace Shanghai

HHGrace Shanghai is a wholly foreign owned enterprise incorporated in the PRC on 24 January 2013 and a wholly-owned subsidiary of the Company. The principal business of HHGrace Shanghai is to research, develop, manufacture and sell semiconductors as a pure-play foundry.

The Wuxi JV III

The Wuxi JV III was duly established on 30 October 2025 in the PRC and is currently an indirectly wholly-owned subsidiary of the Company. As a special purpose vehicle, as at the date of this circular, it has no operating business.

Upon completion of the relevant filing(s) with the PRC authorities under the JV Investment Agreement and the JV Shareholders Agreement, the Wuxi JV III will be held as to approximately 51% by the Group, of which 25% will be held directly by the Company and 26% will be held indirectly by the Company through HHGrace Shanghai, its wholly-owned subsidiary.

Hua Xin Fund

Hua Xin Fund was established on 31 December 2024 in the PRC as a limited partnership between Sino IC Capital and China IC Fund III, with Sino IC Capital as its managing partner. Hua Xin Fund mainly invests via equity investment in the value chain of integrated circuit industry, primarily in integrated circuit chip manufacturing as well as chip designing, and semiconductor packaging and testing. As at the date of this circular and based on the information provided by China IC Fund III, there are 19 fund investors in China IC Fund III, as set out below:

LETTER FROM THE BOARD

Fund investor	Percentage of equity interest
Ministry of Finance ^{**}	17.44%
China Development Bank Capital Co., Ltd. (國開金融有限責任公司) ^{**}	10.47%
Shanghai Guosheng (Group) Co., Ltd. (上海國盛(集團)有限公司) ^{**}	8.72%
Bank of China Limited (中國銀行股份有限公司)	6.25%
China Construction Bank Corporation (中國建設銀行股份有限公司)	6.25%
Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司)	6.25%
Agricultural Bank of China Limited (中國農業銀行股份有限公司)	6.25%
Bank of Communications Co., Ltd. (交通銀行股份有限公司)	5.81%
Beijing E-Town International Investment & Development Co., Ltd. (北京亦莊國際投資發展有限公司) [#]	5.81%
Shenzhen Kunpeng Equity Investment Co., Ltd. (深圳市鯤鵬股權投資有限公司)	4.94%
Beijing Guoyi Hospital Co., Ltd. (北京國誼醫院有限公司) [#]	4.36%
State Development & Investment Corporation (國家開發投資集團有限公司)	2.91%
China Chengtong Holdings Group Ltd. (中國誠通控股集團有限公司)	2.91%
China National Tobacco Corporation (中國煙草總公司) ^{**}	2.91%
Guangzhou Industrial Investment Fund of Funds Co., Ltd. (廣州產業投資母基金有限公司)	2.62%
Postal Savings Bank of China Co., Ltd. (中國郵政儲蓄銀行股份有限公司)	2.33%
China Resources Investment & Venture Capital (Tianjin) Co., Ltd. (華潤投資創業(天津)有限公司)	1.45%
Guangdong Yuecai Investment Holdings Co., Ltd. (廣東粵財投資控股有限公司)	1.16%
China Mobile Capital Holding Co., Ltd. (中移資本控股有限責任公司) [#]	1.16%
Total:	100.00%

Note:

[#] denotes an overlapping shareholder of China IC Fund II and China IC Fund III.

^{*} denotes an overlapping shareholder of China IC Fund and China IC Fund III.

Hua Xin Fund is not regarded as a subsidiary of its single largest shareholder, the Ministry of Finance. There is no ultimate beneficial owner who controls, directly or indirectly, one-third or more of the equity interest in Hua Xin Fund.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, the Directors are of the view, and each of China IC Fund, China IC Fund II, and Hua Xin Fund confirms that:

- (i) there is no ultimate beneficial owner directly or indirectly controlling Hua Xin Fund;
- (ii) China IC Fund and China IC Fund II are not regarded as subsidiaries of their single largest shareholder, Ministry of Finance;
- (iii) none of the overlapping shareholders of China IC Fund and China IC Fund II can exert majority control over China IC Fund and China IC Fund II; and none of the overlapping shareholders of China IC Fund and China IC Fund II can exert majority control over each of China IC Fund and China IC Fund II; and
- (iv) Sino IC Capital manages the investments of China IC Fund, China IC Fund II and Hua Xin Fund in accordance with the respective mandates it entered into with China IC Fund, China IC Fund II, and Hua Xin Fund separately. In particular, based on the information from Sino IC Capital, China IC Fund, China IC Fund II, and Hua Xin Fund have established independent investment policies and management processes, appointed independent committee members in their respective investment committees to ensure independence in investment decisions (where none of the overlapping members is able to exert decisive influence on any of the final investment decisions), and each has its separate accounts with independent financial accounting treatments.

On the above basis, the Company confirms that Hua Xin Fund is not an associate of China IC Fund or China IC Fund II under Chapter 14A of the Listing Rules.

The Wuxi Municipal Entity II

The Wuxi Municipal Entity II is a professional investment company jointly controlled by municipal and district-level state-owned enterprises. It principally engages in equity investment in major semiconductor projects in Wuxi. As at the date of this circular, the Wuxi Municipal Entity II is held as to 45% by Wuxi Xintou Chuangrong Equity Investment Partnership (Limited Partnership) (無錫新投創融股權投資合夥企業(有限合夥)), 38.5% by Wuxi Guolian Industrial Investment Group Co., Ltd. (無錫國聯實業投資集團有限公司), and 16.5% by Wuxi Industrial Development Group Co., Ltd. (無錫產業發展集團有限公司). Based on the information provided by the Wuxi Municipal Entity II and to the best knowledge of the Company, as at the date of this circular, the Wuxi Municipal Entity II is ultimately owned as to 52% by Wuxi State-owned Assets Supervision and Administration Commission (無錫市國有資產監督管理委員會).

LETTER FROM THE BOARD

As at the date of this circular, Wuxi Municipal Entity is interested in 20% of Wuxi JV II. As at the date of this circular, the Wuxi Municipal Entity was held as to 45% by Yunnan International Trust Co., Ltd.* (雲南國際信託有限公司), 19.5% by Wuxi Guolian Industrial Investment Group Co., Ltd.* (無錫國聯實業投資集團有限公司), 19.0% by Wuxi Guofa Asset Operation Co., Ltd.* (無錫市國發資本運營有限公司) and 16.5% by Wuxi Industry Development Group Co., Ltd.* (無錫產業發展集團有限公司).

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, the Directors are of the view, and each of the Wuxi Municipal Entity and the Wuxi Municipal Entity II confirms that:

- (i) neither the Wuxi Municipal Entity nor the Wuxi Municipal Entity II is regarded as a subsidiary of the same ultimate beneficial owner, Wuxi State-owned Assets Supervision and Administration Commission (無錫市國有資產監督管理委員會);
- (ii) none of the overlapping shareholders of the Wuxi Municipal Entity and the Wuxi Municipal Entity II (namely, Wuxi Guolian Industrial Investment Group Co., Ltd. (無錫國聯實業投資集團有限公司) and Wuxi Industrial Development Group Co., Ltd. (無錫產業發展集團有限公司)) can exert majority control over either the Wuxi Municipal Entity or the Wuxi Municipal Entity II, nor can they exert majority control over both entities; and
- (iii) the Wuxi Municipal Entity and the Wuxi Municipal Entity II maintain independent investment policies and management processes, make investment decisions through their respective independent decision-making bodies (including their respective investment committees or boards), and each entity maintains separate financial accounts with independent financial accounting treatments. The appointment procedures for the boards of directors of the two entities are independent of each other, and none of the overlapping shareholders is able to control the composition of the board of directors of either entity. Furthermore, there are no mechanisms or factors by which the investment decisions of one entity could influence those of the other.

On the above basis, the Company confirms that the Wuxi Municipal Entity II is not an associate of the Wuxi Municipal Entity under Chapter 14A of the Listing Rules.

The CDB Entity

The CDB Entity is a company incorporated in the PRC on 29 September 2025 and wholly owned by the China Development Bank (國家開發銀行). It principally engages in implementation and operation of new policy-based financial instruments. Through equity investments and shareholders' loans, it provides supplementary capital to major projects, guides the participation of social capital, and focuses on supporting areas such as technological innovation, consumption expansion, and the stabilization of foreign trade.

LETTER FROM THE BOARD

(vi) Implications under the Listing Rules

Formation of a joint venture constitutes a notifiable transaction under Chapter 14 of the Listing Rules pursuant to Rule 14.04(1)(f). As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the formation of the Wuxi JV III pursuant to (i) the JV Investment Agreement and (ii) the JV Shareholders Agreement exceeds 5% but all are below 25%, the aforesaid transaction constitutes a discloseable transaction subject to announcement under Chapter 14 of the Listing Rules.

Pursuant to Rules 14.73 and 14.74(1) of the Listing Rules, the Right to Redemption will be treated as a transaction and classified by reference to the percentage ratios. Given the Right to Redemption is not exercisable at the discretion of the Company or HHGrace Shanghai, the transaction will be classified as if the Right to Redemption had been exercised on the grant of the Right to Redemption. As all of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the grant of the Right to Redemption are less than 5%, the grant of the Right to Redemption does not constitute a discloseable transaction and shall not be subject to announcement under Chapter 14 of the Listing Rules.

(vii) Board Meeting

Given his role in Sino IC Capital, Mr. Guodong Sun has abstained from voting on the Board resolutions approving the JV Investment Agreement and the JV Shareholders Agreement. Save as disclosed above, no other Director has abstained from voting at the Board meeting approving the JV Investment Agreement and the JV Shareholders Agreement.

4. EGM AND PROXY ARRANGEMENT

Approval of the Shareholders will be sought at the EGM for, among others, (i) the change in use of proceeds from the RMB Share Issue for the Wuxi JV III Investment Project; and (ii) the external investment in Wuxi JV III. A notice convening the EGM is set out on pages 26 to 28 of this circular.

The Company will conduct a hybrid extraordinary general meeting with the combination of a physical meeting and a virtual meeting online. Shareholders will have the option of joining the EGM either (a) through the physical meeting at 288 Halei Road, Pudong New Area, Shanghai, PRC; or (b) through the Internet by using their computer, tablet device or smartphone.

LETTER FROM THE BOARD

Registered Shareholders will be able to attend the EGM, vote and submit questions online. Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the EGM, vote and submit questions online. In this regard, you should consult directly with your banks, brokers, custodians, nominees or HKSCC Nominees Limited through which your shares are held (as the case may be) (collectively the “**Intermediary**”) and instruct the Intermediary to appoint you as proxy or corporate representative to attend and vote at the EGM electronically and in doing so, you will be asked to provide your email address, before the time limit required by the relevant Intermediary. Details regarding the e-Meeting System including the login details will be emailed to you by the Company’s share registrar, Tricor Investor Services Limited. A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.huahonggrace.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company’s share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. In calculating the aforesaid 48-hour period, no account will be taken of any part of a day that is a public holiday. Accordingly, the form of proxy must be delivered not later than 2:30 p.m. on 21 September 2026. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish.

For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from 18 September 2026 to 23 September 2026 (both days inclusive), during which period no transfer of Shares in the Company will be registered. In order to qualify for attending and voting at the EGM, all transfers, accompanied by the relevant certificates, must be lodged with the Company’s share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 2:30 p.m. on 17 September 2026. All persons who are registered holders of the Shares on 23 September 2026, the record date for the EGM, will be entitled to attend and vote at the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

5. RECOMMENDATIONS OF THE BOARD

The Directors are of the opinion that the resolutions mentioned above are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders should vote in favour of such resolutions to be proposed at the EGM.

6. RESPONSIBILITY STATEMENT

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

By order of the Board
Hua Hong Grace Semiconductor Limited
Dr. Peng Bai
Chairman and Executive Director

* *For identification purpose only*

NOTICE OF EGM



HUA HONG GRACE SEMICONDUCTOR LIMITED

華虹宏力半導體有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 01347)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Hua Hong Grace Semiconductor Limited (the “**Company**”) will be held as a hybrid meeting on 23 September 2026 at 2:30 p.m., (or at any adjournment thereof) with a combination of a physical meeting at No. 288, Halei Road, Pudong New Area, Shanghai, PRC and a virtual meeting online to consider and, if thought fit, pass the following resolutions.

Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 4 September 2026 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. To consider and approve the proposal on changes to the Original Projects and the use of surplus proceeds from the RMB Share Issue for investment in the Wuxi JV III Investment Project.
2. To consider and approve the external investment in Wuxi JV III.
3. To consider and approve the request for the general meeting of shareholders to authorise the Chairman of the Board, Dr. Peng Bai to fully handle matters related to the proposed change in use of proceeds from the RMB Share Issue and the investment in Wuxi JV III.

By order of the Board
Hua Hong Grace Semiconductor Limited
Dr. Peng Bai
Chairman and Executive Director

Shanghai, the PRC
4 September 2026

NOTICE OF EGM

As at the date of this notice, the directors of the Company are:

Executive Director:

Peng Bai (*Chairman and President*)

Non-executive Directors:

Jun Ye

Guodong Sun

Bo Chen

Chengyan Xiong

Independent Non-executive Directors:

Stephen Tso Tung Chang

Kwai Huen Wong, JP

Songlin Feng

Notes:

1. The Company will conduct a hybrid extraordinary general meeting with the combination of a physical meeting and a virtual meeting online. Shareholders will have the option of joining the EGM either (a) through the physical meeting at 288 Halei Road, Pudong New Area, Shanghai, PRC; or (b) through the Internet by using their computer, tablet device or smartphone.
2. Registered Shareholders will be able to attend the EGM, vote and submit questions online. Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the EGM, vote and submit questions online. In this regard, you should consult directly with your banks, brokers, custodians, nominees or HKSCC Nominees Limited through which your shares are held (as the case may be) (collectively the “**Intermediary**”) and instruct the Intermediary to appoint you as proxy or corporate representative to attend and vote at the EGM electronically and in doing so, you will be asked to provide your email address, before the time limit required by the relevant Intermediary. Details regarding the e-Meeting System including the login details will be emailed to you by the Company’s share registrar, Tricor Investor Services Limited.
3. A member entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and on a poll vote instead of him. A proxy need not be a member 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.
4. To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited at the Company’s share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. In calculating the aforesaid 48 hours period, no account will be taken of any part of a day that is a public holiday. Accordingly, the form of proxy must be delivered not later than 2:30 p.m. on 21 September 2026. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish.
5. Registered Shareholders are requested to provide a valid email address of his or her proxy (except appointment of “The Chairman of the Meeting”) for the proxy to receive the login and access code to participate online to the e-Meeting System.

NOTICE OF EGM

6. For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from 18 September 2026 to 23 September 2026 (both days inclusive), during which period no transfer of Shares in the Company will be registered. In order to qualify for attending and voting at the EGM, all transfers, accompanied by the relevant certificates, must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 2:30 p.m. on 17 September 2026. All persons who are registered holders of the Shares on 23 September 2026, the record date for the EGM, will be entitled to attend and vote at the EGM.
7. Pursuant to the relevant Listing Rules, any vote of Shareholders at a general meeting must be taken by way of poll. As such, the resolutions set out in the Notice of the EGM will be voted on by poll. Results of the poll voting will be published on the website of the Hong Kong Stock Exchange at www.hkexnews.hk after the EGM.
8. Where there are joint registered holders of any share of the Company, only the person whose name stands first on the Register of Members in respect of such share may vote at the EGM, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto.
9. Since the Company will conduct a hybrid extraordinary general meeting with the combination of a physical meeting and a virtual meeting online, certain Director(s) may attend the EGM through telephone/video conference or similar electronic means.
10. Shareholders who attend the EGM in person or by proxy shall bear their own transportation and accommodation expenses.