THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in King International Investment Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

This circular appears for information only and does not constitute an invitation or offer to Shareholders or any other persons to acquire, purchase, or subscribe for securities of the Company.

King International Investment Limited
帝王國際投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 928)

(I) PROPOSED SHARE CONSOLIDATION;
(II) PROPOSED CHANGE OF BOARD LOT SIZE;
(III) PROPOSED RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) CONSOLIDATED SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS; AND
(IV) NOTICE OF EGM

Financial Adviser to the Company

英皇企業融資有限公司
Emperor Corporate Finance Limited

Placing Agent to the Company

Yuet Sheung International Securities Limited

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

八方金融有限公司
OCTAL Capital Limited

A letter from the Board is set out on pages 11 to 44 of this circular and a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages IBC-1 to IBC-2 of this circular. A letter from the Independent Financial Adviser containing its recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages IFA-1 to IFA-28 of this circular.

It should be noted that the Shares will be dealt in on an ex-rights basis from Friday, 2 October 2026. Dealings in the Rights Shares in the nil-paid form will take place from Thursday, 15 October 2026 to Friday, 23 October 2026 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or the Placing Agreement is terminated by the Placing Agent, the Rights Issue will not proceed. Any person contemplating dealing in the nil-paid Rights Shares during the period from Thursday, 15 October 2026 to Friday, 23 October 2026 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional advisers.

A notice convening the EGM to be held at 22/F, Euro Trade Centre, 13-14 Connaught Road Central, Central, Hong Kong at 11:00 a.m. on Monday, 28 September 2026 is set out on pages EGM-1 to EGM-4 of this circular. Whether you are able to attend the EGM or not, you are requested to complete the enclosed proxy form in accordance with the instructions printed on it and return the completed proxy form to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event so that it is received at least 48 hours before the time appointed (i.e. by 11:00 a.m. on Saturday, 26 September 2026) for the EGM or adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM, or any adjournment or postponement thereof (as the case may be), should you so wish.

11 September 2026

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EXPECTED TIMETABLE

The expected timetable for the Share Consolidation and the Rights Issue is set out below which is indicative only and has been prepared on the assumption that all the conditions of the Share Consolidation and the Rights Issue, respectively, will be fulfilled. The expected timetable is subject to change and further announcement(s) will be made by the Company should there be any changes to the expected timetable.

Event	**Date (2026)**
Latest time for lodging transfer of the Shares to qualify for attendance and voting at the EGM	4:30 p.m. on Monday, 21 September
Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM (both dates inclusive)	Tuesday, 22 September to Monday, 28 September
Latest time for lodging proxy forms for the EGM	11:00 a.m. on Saturday, 26 September
Record date for attendance and voting at the EGM	Monday, 28 September
Expected date and time of the EGM to approve the proposed Share Consolidation and Rights Issue	11:00 a.m. on Monday, 28 September
Announcement of the poll results of the EGM	Monday, 28 September
Register of members of the Company re-opens	Tuesday, 29 September

The following events are conditional upon the results of the EGM and the fulfilment of the other conditions relating to the Share Consolidation and the Rights Issue, respectively, and therefore the dates are tentative only:

Last day of dealings in the Consolidated Shares on a cum-rights basis relating to the Rights Issue	Wednesday, 30 September
Effective date of the Share Consolidation	Wednesday, 30 September
Commencement of dealings in the Consolidated Shares	9:00 a.m. on Wednesday, 30 September

Original counter for trading in Existing Shares in board lots of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Wednesday, 30 September
Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Wednesday, 30 September
First day of free exchange of existing share certificates for new share certificates for Consolidated Shares	Wednesday, 30 September
First day of dealings in the Consolidated Shares on an ex-rights basis relating to the Rights Issue	Friday, 2 October
Latest time for the Shareholders to lodge transfer documents of Consolidated Shares in order to be qualified for the Rights Issue	4:30 p.m. on Monday, 5 October
Closure of register of members to determine the entitlements to the Rights Issue (both dates inclusive)	Tuesday, 6 October to Monday, 12 October
Record date for the Rights Issue	Monday, 12 October
Register of members of the Company re-opens	Tuesday, 13 October
Expected despatch date of the Prospectus Documents (including the PAL and the Prospectus), and in case of the Non-Qualifying Shareholders, the Prospectus for information purpose only	Tuesday, 13 October
First day of dealings in nil-paid Rights Shares	Thursday, 15 October
Effective date of the Change in Board Lot Size	Thursday, 15 October
Original counter for trading in the Consolidated Shares in board lots of 5,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Thursday, 15 October

Parallel trading in the Consolidated Shares (in the form of both existing share certificates and new share certificates) commences	9:00 a.m. on Thursday, 15 October
Designated broker starts to stand in the market to provide matching services for odd lot of the Consolidated Shares	9:00 a.m. on Thursday, 15 October
Latest time for splitting the PALs	4:30 p.m. on Tuesday, 20 October
Last day of dealings in nil-paid Rights Shares	Friday, 23 October
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Wednesday, 28 October
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the Payment of the Net Gain	4:00 p.m. on Wednesday, 28 October
Announcement of the number of Unsubscribed Rights Shares and NQS Unsold Rights Shares subject to Compensatory Arrangements	Thursday, 29 October
Commencement of placing of Unsubscribed Rights Shares and NQS Unsold Rights Shares by the Placing Agent	Friday, 30 October
Designated broker ceases to provide matching services for odd lot of the Consolidated Shares	4:00 p.m. on Thursday, 5 November
Temporary counter for trading in the Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Thursday, 5 November
Parallel trading in the Consolidated Shares (represented by both existing share certificates and new share certificates) ends.	4:10 p.m. on Thursday, 5 November
Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	4:30 p.m. on Monday, 9 November
Latest time of placing of Unsubscribed Rights Shares and NQS Unsold Rights Shares by the Placing Agent	4:00 p.m. on Tuesday, 10 November

Latest time for termination of the Placing Agreement for the Rights Issue to become unconditional	4:00 p.m. on Wednesday, 11 November
Announcement of results of the Rights Issue	Tuesday, 17 November
Despatch of share certificates for fully-paid Rights Shares and refund cheques (if any)	Wednesday, 18 November
Commencement of dealings in fully-paid Rights Shares	Thursday, 19 November
Payment of Net Gain to relevant No Action Shareholders and Non-Qualifying Shareholders (if any)	Thursday, 3 December

All times and dates stated above refer to Hong Kong local times and dates. The expected timetable for the Share Consolidation and the Rights Issue set out above and all dates and deadlines specified in this circular are indicative only and may be varied. Any changes to the expected timetable will be announced in separate announcement(s) by the Company as and when appropriate.

EFFECT OF BAD WEATHER OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE

The Latest Time for Acceptance will not take place as scheduled if there is a tropical cyclone warning signal number 8 or above, or a "black" rainstorm warning or "extreme conditions" caused by super typhoons issued by the Hong Kong Observatory:

(i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or

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

If the Latest Time for Acceptance of and payment for the Rights Shares does not take place on or before 4:00 p.m. on Wednesday, 28 October 2026, the dates mentioned in this section may be affected. The Company will notify the Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

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

"Angeleo Biotechnology"	Angeleo (Shenzhen) Biotechnology Company Limited* (安各洛(深圳)生物科技有限公司), being the party intended to hold 20% of the registered capital of Xuzhou Tiantian upon completion of the relevant capital contribution arrangements, and an independent third party not connected with the Company or any of its connected persons
"Angeleo Synthetic"	Angeleo (Shenzhen) Synthetic Biology Industrial Development Company Limited* (安各洛(深圳)合成生物實業發展有限公司), an independent third party not connected with the Company and its connected person
"Announcement"	the announcement of the Company dated 23 July 2026 in relation to, among other things, the Share Consolidation and the Rights Issue
"associate(s)"	has the same meaning ascribed thereto under the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Company"	King International Investment Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the main board of the Stock Exchange
"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"Consolidated Share(s)"	ordinary share(s) of par value of HK$0.5 each in the share capital of the Company immediately after the Share Consolidation becoming effective
"controlling shareholder"	has the same meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company

"EGM"	an extraordinary general meeting of the Company to be convened and held at which resolutions will be proposed to consider, and, if thought fit, to approve, among other things, the Share Consolidation and the Rights Issue
"Existing Share(s)"	ordinary share(s) of HK$0.05 each in the share capital of the Company, prior to the Share Consolidation becoming effective
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Board Committee"	the independent committee of the Board comprising all the independent non-executive Directors established for the purpose of giving recommendations to the Independent Shareholders in respect of the Rights Issue
"Independent Shareholders"	Shareholders who are not required to abstain from voting at the EGM
"Independent Financial Adviser" or "Octal Capital"	Octal Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities 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 Rights Issue, the Placing Agreement, and the transactions contemplated thereunder
"Independent Third Party(ies)"	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and the connected persons of the Company in accordance with the Listing Rules
"Irrevocable Undertaking"	the irrevocable undertaking by Mr. Wang Mengyao and Ms. Wei Yan in favour of the Company as set out in the paragraph headed "Irrevocable Undertakings" in this circular
"Last Trading Day"	23 July 2026, being the last trading day of the Shares on the Stock Exchange before the publication of the Announcement
"Latest Practicable Date"	8 September 2026, being latest practicable date prior to the publication of this circular for ascertaining certain information herein

"Latest Time for Acceptance"	4:00 p.m. on Wednesday, 28 October 2026 or other time or date as may be agreed in writing between the Company and the Placing Agent, being the latest time for acceptance of, and payment for, the Rights Shares
"Latest Time for Termination"	4:00 p.m. on Wednesday, 11 November 2026, or such other time or date as may be agreed between the Company and the Placing Agent in writing
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	the long stop date for the fulfilment of conditions of the Placing Agreement which shall be 4:00 p.m. on the first Business Day after the last day of the Placing Period (subject to change), being 4:00 p.m. on Wednesday, 11 November 2026
"Net Gain"	the aggregate of any premiums (being the aggregate amount paid by the placees after deducting the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares and NQS Unsold Rights Shares placed by the Placing Agent and/or its sub-placing agent(s) under the Placing Agreement) under the Compensatory Arrangements
"No Action Shareholder(s)"	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the PAL(s) or their renouncees, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed
"Non-Qualifying Shareholder(s)"	those Overseas Shareholder(s) to whom the Directors, after making enquiries, consider it necessary, or expedient, not to offer the Rights Issue on account either of legal restrictions under the laws of the relevant place(s) or the requirements of the relevant regulatory body(ies) or stock exchange(s) in such place(s)
"NQS Unsold Rights Shares"	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form that have not been sold by the Company
"Overseas Shareholder(s)"	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at 4:00 p.m. on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
"PAL(s)"	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue

"Placee(s)"	professional, institutional or other investor(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies) and not acting in concert with parties acting in concert with it and/or the connected persons of the Company, procured by the Placing Agent and/or its subplacing agent(s) to subscribe for any of the Unsubscribed Rights Shares and NQS Unsold Rights Shares pursuant to the Placing Agreement
"Placing" or "Compensatory Arrangements"	the placing of a maximum of (i) 370,085,012 Unsubscribed Rights Shares and NQS Unsold Rights Shares (assuming no exercise of any Share Option and no change in the number of Shares in issue on or before the Record Date); and (ii) 387,293,012 Unsubscribed Rights Shares and NQS Unsold Rights Shares (assuming all Share Options having been exercised and no other change in the number of Shares in issue on or before the Record Date) on a best effort basis by the Placing Agent and/or its sub-placing agents(s) to the Placees on the terms and conditions of the Placing Agreement
"Placing Agent"	Yuet Sheung International Securities Limited, a licensed corporation to carry on business in Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO, being the placing agent appointed by the Company pursuant to the Placing Agreement
"Placing Agreement"	the placing agreement dated 23 July 2026 and entered into between the Company and the Placing Agent in relation to the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares
"Placing Commission"	has the meaning ascribed to it under the section headed "Placing Agreement" in this circular
"Placing Period"	the period commencing from Friday, 30 October 2026 and ending at 4:00 p.m. on Tuesday, 10 November 2026
"PRC"	The People's Republic of China which, for the purpose of this circular, excludes Taiwan, Hong Kong and the Macau Special Administrative Region
"Prospectus"	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
"Prospectus Documents"	the Prospectus and the PAL

"Prospectus Posting Date"	Tuesday, 13 October 2026 or such other date as the Company may determine, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Rights Issue Non-Qualifying Shareholders
"Public Float Requirement"	the public float requirement under Rule 13.32B of the Listing Rules
"Qualifying Shareholder(s)"	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
"Record Date"	Monday, 12 October 2026 or such other date as the Company may determine, for the determination of the entitlements under the Rights Issue
"Registrar"	the branch share registrar and transfer office of the Company in Hong Kong, being Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
"Rights Issue"	the proposed issue of the Rights Shares on the basis of two (2) Rights Shares for every one (1) Consolidated Share held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents
"Rights Share(s)"	the Shares to be allotted and issued pursuant to the Rights Issue of (i) up to 370,085,012 Consolidated Shares (assuming no exercise of any Share Option and no change in the number of Shares in issue on or before the Record Date) and (ii) up to 387,293,012 Consolidated Shares (assuming all Share Options having been exercised and no other change in the number of Shares in issue on or before the Record Date)
"Scaling-down"	scale-down mechanisms of the Rights Issue as determined by the Company to which any application for the Rights Shares, whether under the PALs, or transferees of nil-paid Rights Shares shall be subject to, to ensure that no application for the Rights Shares or the allotment thereof by the Company shall be at such level which may trigger any obligation to make a mandatory general offer under the Takeovers Code
"SFO"	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
"Share(s)"	the Existing Share(s) or the Consolidated Share(s) (as the context may require)

"Share Consolidation"	the proposed consolidation of every ten (10) issued and unissued Existing Shares of par value of HK$0.05 each into one (1) Consolidated Share of par value of HK$0.5 each
"Shareholder(s)"	holder(s) of issued Share(s)
"Share Options"	the outstanding share options to subscribe for 86,040,000 Existing Shares at HK$0.902 per Existing Share under the Share Option Scheme
"Share Option Schemes"	the share option schemes adopted by the Company on 18 September 2012 and 12 October 2022
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	HK$0.50 per Rights Share
"substantial Shareholder"	has the meaning ascribed to it under the Listing Rule
"Takeovers Code"	The Codes on Takeovers and Mergers and Share Buy-backs
"Unsubscribed Rights Shares"	the Rights Shares that are not subscribed by the Qualifying Shareholders
"Xuzhou Tiantian"	Xuzhou Tiantian Huoli Angeleo Biomedical Technology Co., Ltd.*(徐州天天活儷安各洛生物醫療科技有限公司), formerly known as Xuzhou Lucky Light Food Technology Co., Ltd.*(徐州幸運之光食品科技有限公司), formerly a wholly-owned subsidiary of the Company and currently non-wholly owned subsidiary of the Company owned as to 80% by the Company and as to 20% by Angeleo Biotechnology upon completion of the relevant capital contribution arrangements
"%"	per cent.

King International Investment Limited
帝王國際投資有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 928)

Executive Directors:
Mr. Leng Yueyingtan *(Co-chairman)*
Mr. Wang Jun *(Co-chairman)*
Mr. Wang Mengyao
Mr. Man Wai Lun
Mr. Li Li

Independent Non-executive Directors:
Mr. Lou Tao
Mr. Liu Zhong
Ms. Li Qian

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head office and principal place of business in Hong Kong:
Room 1101, 11th Floor,
Gloucester Tower,
The Landmark,
15 Queen's Road Central
Hong Kong

11 September 2026

To the Shareholders

Dear Sir or Madam,

(I) PROPOSED SHARE CONSOLIDATION;
(II) PROPOSED CHANGE IN BOARD LOT SIZE;
(III) PROPOSED RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) CONSOLIDATED SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS;
AND
(IV) NOTICE OF EGM

INTRODUCTION

Reference is made to the announcement of the Company dated 23 July 2026 in relation to, among other matters, the Share Consolidation and the Rights Issue.

The purpose of this circular is to provide you with, among other things, (i) further details of the Share Consolidation and the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from Octal Capital to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (iv) a notice convening the EGM.

PROPOSED SHARE CONSOLIDATION

The Board proposes that every ten (10) issued and unissued Existing Shares in the share capital of the Company be consolidated into one (1) Consolidated Share.

Effect of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK$500,000,000 divided into 10,000,000,000 Existing Shares of par value of HK$0.05 each, of which 1,850,425,060 Existing Shares have been allotted and issued as fully paid or credited as fully paid. Assuming no further Existing Shares will be issued or repurchased between the Latest Practicable Date and the date of the EGM, immediately after the Share Consolidation becoming effective, the authorised share capital of the Company will become HK$500,000,000 divided into 1,000,000,000 Consolidated Shares of par value of HK$0.5 each, of which 185,042,506 Consolidated Shares (which will be fully paid or credited as fully paid) will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

(i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM;

(ii) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and

(iii) the compliance with the relevant procedures and requirements under the laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

Listing application

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Adjustments in relation to other securities of the Company

For details, please refer to the section headed "possible adjustment to the Share Options under the Share Option Schemes" in this circular.

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Odd lots arrangements and matching services

In order to alleviate the difficulties arising from the existence of odd lots of the Consolidated Shares arising from the Share Consolidation, the Company has appointed Yuet Sheung International Securities Limited as agent to provide matching services, on a best efforts basis, to those Shareholders who wish to top up or sell their holding of odd lots of the Consolidated Shares. Shareholders who wish to take advantage of this service should contact Rames Ting of Yuet Sheung International Securities Limited at Unit 04, 27/F, Shun Tak Centre West Tower, 168-200 Connaught Road Central, Sheung Wan, Hong Kong or at telephone number (852) 9654 9508 from 9:00 a.m. on Thursday, 15 October 2026 to 4:00 p.m. on Thursday, 5 November 2026.

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, which is currently expected to be on Wednesday, 30 September 2026, being the second Business Day immediately after the date of the EGM, the Shareholders may during the period from Wednesday, 30 September 2026 to Monday, 9 November 2026 (both days inclusive) submit existing share certificates for the Existing Shares (in the colour of purple) to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, to exchange for new share certificates for the Consolidated Shares (in the colour of yellow) at the expense of the Company.

Thereafter, share certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever number of certificates cancelled/issued is higher.

After 4:30 p.m. on Monday, 9 November 2026, share certificates for the Existing Shares will remain effective as documents of title and may be exchanged for share certificates for the Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in board lot size of 20,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 20,000 Existing Shares to 5,000 Consolidated Shares subject to and upon the Share Consolidation becoming effective. Based on the closing price of HK$0.137 per Existing Share (equivalent to HK$1.37 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the market value of each board lot of 5,000 Consolidated Shares, assuming the Share Consolidation and the Change in Board Lot Size had become effective, would be HK$6,850.

REASONS FOR THE SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE

As set out in the "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited, it is requested that the value of each board lot shall be no less than HK$1,000. In order to increase the value of each board lot of the Shares, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposes that the board lot size of the Shares for trading on the Stock Exchange will be changed from 20,000 Existing Shares to 5,000 Consolidated Shares with effect from 9:00 a.m. on Thursday, 15 October 2026. The change in board lot size will not result in any change in the relative rights of the Shareholders. The Board is of the opinion that the change in board lot size is in the interests of the Company and its Shareholders as a whole.

Based on the closing price of HK$0.073 per Existing Share (equivalent to the theoretical closing price of HK$0.73 per Consolidated Share) as quoted on the Stock Exchange as at the Last Trading Day, (i) the value of each existing board lot of Existing Shares is HK$1,460; (ii) the value of each board lot of 20,000 Consolidated Shares would be HK$14,600 assuming the Share Consolidation becomes effective; and (iii) the estimated value per board lot of 5,000 Consolidated Shares would be HK$3,650 assuming that the Change in Board Lot Size had also become effective. The Board considered that the Share Consolidation and the Change in Board Lot Size will enable the Company to comply with the trading requirements under the Listing Rules and reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since many banks/securities houses will charge minimum transaction costs for each securities trade. With a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange, the Board believes that investment in the Consolidated Shares would become more attractive to a broader range of investors, thereby improving the liquidity of the Consolidated Shares and further broadening the shareholder base of the Company.

Based on the theoretical ex-rights price of HK$0.5767 per Consolidated Share, the market value of each board lot of 20,000 Consolidated Shares would be HK$11,534 and the estimated market value of each proposed new board lot of 5,000 Consolidated Shares would be approximately HK$2,883.

All existing share certificates in board lot of 20,000 shares will remain good evidence of the legal title to the Shares and continue to be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing Shareholders will be issued as a result of the change in the board lot size, and therefore no arrangement for free exchange of existing share certificates in board lot size 20,000 shares to new share certificate in board lot size of 5,000 shares is necessary.

As at the Latest Practicable Date, save for the Rights Issue, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company does not have any concrete plan to conduct any fundraising activities in the next 12 months other than the Rights Issue. However, the Board will not rule out the possibility of any fundraising activities it may consider when it is reasonably necessary for the Group to raise fund to meet its operational needs or for future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

CLOSURE OF REGISTER OF MEMBERS FOR EGM

The register of members of the Company will be closed from Tuesday, 22 September 2026 to Monday, 28 September 2026 (both dates inclusive) for the purpose of determining the identity of the Shareholders entitled to attend and vote at the EGM. No transfer of Shares will be registered during the above book closure period.

PROPOSED RIGHTS ISSUE

The Company proposes, subject to the Share Consolidation becoming effective, to implement the Rights Issue on the basis of two (2) Rights Shares for every one (1) Consolidated Share held on the Record Date at the Subscription Price of HK$0.5 per Rights Share, to raise up to (i) approximately HK$185.0 million before expenses (assuming no exercise of any Share Options and no change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders take up their respective allotment of Rights Shares in full) by way of the rights issuing up to 370,085,012 Rights Shares (assuming as aforesaid) to the Qualifying Shareholders; and (ii) approximately HK$193.6 million before expenses (assuming all Share Options having been exercised and no other change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders take up their respective allotment of Rights Shares in full) by way of the rights issuing up to 387,293,012 Rights Shares (assuming as aforesaid) to the Qualifying Shareholders. The Rights Issue will not be extended to the Non-Qualifying Shareholder(s) (if any).

Issue statistic

Basis of the Rights Issue	:	Two (2) Rights Shares for every one (1) Consolidated Share held on the Record Date
Subscription Price	:	HK$0.5 per Rights Share (after the Share Consolidation has become effective)
Net subscription price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	HK$0.4967 per Rights Share
Number of Existing Shares in issue at the Latest Practicable Date	:	1,850,425,060 Existing Shares
Number of Consolidated Shares in issue upon the Share Consolidation becoming effective	:	185,042,506 Consolidated Shares (Note 1) and 193,646,506 Consolidated Shares (Note 2)
Maximum Number of Rights Shares	:	Up to 370,085,012 Rights Shares (Note 1) and up to 387,293,012 Rights Shares (Note 2)

Maximum nominal value of the Rights Shares to be issued	:	Up to HK$185,042,506 (Note 1) and up to HK$193,646,506 (Note 2)
Maximum number of issued Shares as enlarged by the allotment and issue of the Rights Shares	:	Up to 555,127,518 Consolidated Shares (Note 1) and up to 580,939,518 Consolidated Shares (Note 2)
Maximum Gross proceeds from the Rights Issue (before expenses)	:	approximately HK$185.0 million (Note 1) and approximately HK$193.6 million (Note 2)

Notes:

1. Assuming no exercise of any Share Options and no change in the number of Shares in issue on or before the Record Date

2. Assuming all Share Options having been exercised and no other change in the number of Shares in issue on or before the Record Date

As at the Latest Practicable Date, there are outstanding Share Options for subscription of an aggregate of 86,040,000 Existing Shares under the share option scheme of the Company.

Save as disclosed above, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

Assuming no exercise of any Share Options and no change in the number of Shares in issue on or before the Record Date, the maximum number of nil-paid Rights Shares proposed to be provisionally allotted pursuant to the terms of the Rights Issue represents 200% of the Company's issued share capital as at the Record Date and approximately 66.7% of the Company's issued share capital as enlarged by the Rights Issue.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed to independent placees under the Compensatory Arrangements on a best efforts basis. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue.

There are no statutory requirements regarding minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, a Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s), or transferees of nil-paid Rights Shares (or either of them, whichever shall be appropriate), may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code or result in the Company's non-compliance of the Public Float Requirement of the Listing Rules. Accordingly, the Rights Issue will be made on terms that the Company will provide for Scaling-down of applications for the Rights Shares, such that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which (i) does not trigger an obligation on the part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and (ii) does not result in the non-compliance of the Public Float Requirement. In particular, the applications of Mr. Wang Mengyao and Ms. Wei Yan for their respective entitlements under the PALs shall be subject to Scaling-down to ensure that their respective shareholdings in the Company immediately following completion of the Rights Issue will not reach such a level as would trigger an obligation to make a mandatory general offer under the Takeovers Code. Any subscription monies not utilised due to the Scaling-down of entitled Rights Shares will be refunded to the affected applicants.

Subscription Price

The Subscription Price is HK$0.5 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents (assuming the Share Consolidation has become effective as at the Latest Practicable Date):

(i) a discount of approximately 31.51% to the theoretical closing price of HK$0.73 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK$0.073 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 25.60% to the average closing price of approximately HK$0.672 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day;

(iii) a discount of 63.50% to the theoretical closing price of HK$1.37 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK$0.137 per Existing Share as quoted on the Stock Exchange on the Latest Practicable Date;

(iv) a discount of approximately 31.51% to the theoretical benchmarked price of HK$0.73 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the benchmarked price of HK$0.073 per Existing Share;

(v) a discount of approximately 13.30% to the theoretical ex-rights price of approximately HK$0.5767 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the benchmark price of HK$0.073 per Existing Share (as defined under Rule 13.36(5) of the Listing Rules, taking into account the closing price on the Last Trading Day of HK$0.073 per Existing Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of the Placing Agreement of approximately HK$0.0672 per Existing Share);

(vi) a discount of approximately 61.16% to the net asset value of the Company of approximately HK$1.2873 per Consolidated Share based on the audited net asset value of the Company of approximately HK$238,206,000 as at 31 March 2026 as disclosed in the annual report of the Company for the year ended 31 March 2026 and 185,042,506 Consolidated Shares assuming the Share Consolidation has become effective; and

(vii) a theoretical dilution effect (as defined under the Listing Rules) represented by a discount of approximately 21.00% of the theoretical ex-rights price of HK$0.5767 per Consolidated Share (after taking into account the effect of the Share Consolidation) to the theoretical benchmarked price of HK$0.73 per Consolidated Share.

The Subscription Price was determined by the Board with reference to, among others, (i) the market price of the Shares under the prevailing market conditions, (ii) the latest business performance and financial position of the Group; and (iii) the reasons for and benefits of proposed Rights Issue as discussed in the section headed "Reasons for and benefits of the Rights Issue and intended use of proceeds" in this circular. Each Qualifying Shareholder will be entitled to subscribe for the Rights Shares at the same Subscription Price in proportion to his/her/its shareholding held on the Record Date.

The Board notes that the Subscription Price represents a discount of approximately 61.16% to the audited net asset value of the Group of approximately HK$1.2873 per Consolidated Share as at 31 March 2026. In this regard, the Board has taken into account that (a) the Shares have been trading consistently and substantially below the net asset value per Consolidated Share during the twelve months preceding Last Trading Day and accordingly the Board considers the prevailing market prices of the Shares, being the prices at which Shareholders may actually realise their investments, to be a more relevant benchmark than the net asset value per Consolidated Share; (b) the Rights Issue is offered to all Qualifying Shareholders on the same terms in proportion to their shareholdings, such that Qualifying Shareholders who take up their provisional allotments in full will maintain their respective percentage shareholdings and will themselves benefit from subscribing at the same Subscription Price, and the discount to the net asset value will not, of itself, result in any transfer of value away from participating Shareholders; and (c) the discount is necessary to encourage participation in the Rights Issue. Having considered the above, the Board is of the view that the Subscription Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

After taking into consideration the reasons for the Rights Issue as stated in the section headed "Reasons for and benefits of the Rights Issue and intended use of proceeds" in this circular, the Directors (excluding the members of the Independent Board Committee whose recommendation are included in the "Letter from the Independent Board Committee" of this circular) consider that, the terms of the proposed Rights Issue, including the Subscription Price, are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

Basis of provisional allotments

The basis of the provisional allotment shall be two (2) Rights Shares (in nil-paid form) for every one (1) Consolidated Share held by the Qualifying Shareholders as at the close of business on the Record Date. Application for all or any part of a Rights Issue Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance by cheque or banker's cashier order for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Fractional entitlements to the Rights Shares

On the basis of two (2) Rights Shares for every one (1) Consolidated Share held on the Record Date, no fractional entitlement will arise under the Rights Issue.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Rights Shares, the Company has appointed Yuet Sheung International Securities Limited as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Rights Shares to make up a full board lot, or to dispose of their holding of odd lots of the Rights Shares. Shareholders who wish to take advantage of this facility should contact Rames Ting of Yuet Sheung International Securities Limited at Unit 04, 27/F, Shun Tak Centre West Tower, 168-200 Connaught Road Central, Sheung Wan, Hong Kong or at telephone number (852) 9654 9508 from 9:00 a.m. on Thursday, 15 October 2026 to 4:00 p.m. on Thursday, 5 November 2026.

Holders of odd lots of the Rights Shares should note that the matching of the sale and purchase of odd lots of the Rights Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional adviser.

Status of the Rights Shares

The Rights Shares (when allotted, fully paid or credited as fully paid and issued) will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares. Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Qualifying Shareholders

The Rights Issue is available to the Qualifying Shareholders only. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as members of the Company prior to the close of business on the Record Date, all transfers of the Shares (together with the relevant share certificate(s) and/or instrument(s) of transfer) must be lodged with the Registrar at Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Monday, 5 October 2026.

Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider the said nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company in relation to the Right Issue and are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date. Shareholders and investors of the Company should consult their professional advisers if they are in doubt.

It is expected that the last day of dealings in the Shares on a cum-rights basis is Wednesday, 30 September 2026, and the Shares will be dealt with on an ex-rights basis from Friday, 2 October 2026.

Subject to the Share Consolidation becoming effective and the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders on the Prospectus Posting Date.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company.

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

Rights of Overseas Shareholders (if any)

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

The Board will comply with Rule 13.36(2)(a) of the Listing Rules and make necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, based on legal advice to be provided by the legal advisers to the Company, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions under the laws of the place(s) of their registered address(es) or the requirements of the relevant regulatory body(ies) or stock exchange(s) in such place(s), no provisional allotment of the nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, the Rights Issue will not be extended to the Non-Qualifying Shareholders. The basis for excluding the Rights Issue Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

The Company will despatch the Prospectus (without the PAL) to the Rights Issue Non-Qualifying Shareholders for their information only on the Prospectus Posting Date.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Rights Issue Non-Qualifying Shareholders to be sold in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. If the proceeds from each such sale, less expenses, are more than HK$100, the excess will be paid on a pro-rata basis (but rounded down to the nearest cent) to the relevant Non-Qualifying Shareholders in Hong Kong dollars. The Company will retain individual amounts of HK$100 or less for its own benefit to cover the administrative costs that it would have incurred.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36 of the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Certificates of the Rights Shares and refund cheques

Subject to the fulfilment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Wednesday, 18 November 2026. Refund cheques in respect of wholly or partially unsuccessful applications for Rights Shares, or if the Rights Issue does not proceed, are expected to be despatched on or before Wednesday, 18 November 2026 to the applicants without interest to their registered addresses by ordinary post at their own risk.

Application for listing of the Rights Shares

The Company will apply to the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares in the board lot of size of 5,000 Rights Shares, in both their nil-paid and fully-paid forms. None of the Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, the Rights Shares will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Rights Shares in both their nil-paid and fully-paid forms or such other dates as may be determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

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

Taxation

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Rights Issue Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

Irrevocable Undertakings

As at the Latest Practicable Date, Mr. Wang Mengyao and Ms. Wei Yan held 517,384,080 Existing Shares (or 51,738,408 Consolidated Shares upon the Share Consolidation becoming effective) and 446,252,611 Existing Shares (or 44,625,261 Consolidated Shares upon the Share Consolidation becoming effective), respectively, representing approximately 27.96% and 24.12% of the existing issued share capital of the Company, respectively.

Mr. Wang Mengyao and Ms. Wei Yan have severally provided irrevocable and unconditional undertakings to the Company, pursuant to which Mr. Wang Mengyao and Ms. Wei Yan have irrevocably undertaken and warranted to the Company, among other things:

(i) to subscribe for 103,476,816 Rights Shares and 89,250,522 Rights Shares to be provisionally allotted to Mr. Wang Mengyao and Ms. Wei Yan, respectively, with such amounts being scaled down to a level which (i) does not trigger an obligation to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and does not result in the non-compliance of the Public Float Requirement. Any subscription monies not utilised due to the scaled-down application of entitled Rights Shares will be refunded to the affected applicants; and

(ii) not to sell, dispose of or transfer any of the Shares held by them before the Latest Time for Acceptance or the termination of the Rights Issue.

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

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares and NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue.

Accordingly, on 23 July 2026 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company has appointed the Placing Agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares during the Placing Period to placee(s) who and whose ultimate beneficial owner(s) are Independent Third Party(ies) on a best efforts basis. Any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders and Non-Qualifying Shareholders on a pro-rata basis. The Placing Agent will, on a best efforts basis, procure, by not later than 4:00 p.m. on Tuesday, 10 November 2026, placees for all (or as many as possible) of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares. Any Unsubscribed Rights Shares and NQS Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any but rounded down to the nearest cent) will be paid on a pro-rata basis to the relevant No Action Shareholders and Non-Qualifying Shareholders as set out below:

(i) for No Action Shareholders, the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for, and where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL and where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those nil-paid rights in CCASS; and

(ii) for Non-Qualifying Shareholders, the relevant Non-Qualifying Shareholders whose name and address appeared on the register of members of the Company on the Record Date with reference to their shareholdings in the Company on the Record Date.

It is proposed that if the Net Gain to any of the No Action Shareholder(s) and Non-Qualifying Shareholder(s) mentioned above (i) is more than HK$100, the entire amount will be paid to them; or (ii) is HK$100 or less, such amount will be retained by the Company for its own benefit.

Placing Agreement

On 23 July 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has agreed to procure Placee(s), on a best effort basis, to subscribe for the Unsubscribed Rights Shares. Further details of the Placing Agreement are set out below:

Date	:	23 July 2026
Issuer	:	The Company
Placing Agent	:	Yuet Sheung International Securities Limited The Placing Agent is a licensed corporation to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.
Placing Period	:	The period commencing from Friday, 30 October 2026 or such other dates as the Company may announce and ending at 4:00 p.m. on Tuesday, 10 November 2026 or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Placing.
Commission and expenses	:	Subject to completion of the Placing taking place, the Company shall pay a placing commission of 1.5% of the actual gross proceeds from the subscription of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares under the Placing.
Placing price of the Unsubscribed Rights Shares and NQS Unsold Rights Shares	:	The placing price of the Unsubscribed Rights Shares and NQS Unsold Rights Shares shall be not less than the Subscription Price. The final price determination will depend on the demand for and the market conditions of the Unsubscribed Rights Shares and NQS Unsold Rights Shares during the process of placement.

Placees	:	The Unsubscribed Rights Shares and NQS Unsold Rights Shares are expected to be placed to placee(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies) and none of the placees shall be a party acting in concert (as defined in the Takeovers Code) with any of them or other placees. The Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing. The Company will continue to comply with the Public Float Requirement upon completion of the Placing and the Rights Issue.
Ranking of the placed Unsubscribed Rights Shares and NQS Unsold Rights Shares	:	The placed Unsubscribed Rights Shares and NQS Unsold Rights Shares (when allotted, issued and fully paid, if any) shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of completion of the Rights Issue.
Conditions of the Placing Agreement	:	The obligations of the Placing Agent under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled: (i) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares; (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof. Conditions to the Placing Agreement may not be waived by the Company or the Placing Agent in any event. For the avoidance of doubt, if all the Rights Shares are fully subscribed under the Rights Issue, the Placing will not proceed.

The Company shall use its best endeavour to procure the fulfilment of the conditions set out above and undertakes to inform the Placing Agent promptly of any matter or circumstance which comes to its attention and indicate that any of such conditions are unable or fail to fulfil. If any of such conditions have not been fulfilled by the Long Stop Date or become incapable of being fulfilled (unless extended by mutual consent of the Company and the Placing Agent), then all respective rights, obligations and liabilities of the Company and the Placing Agent in relation to the Placing shall cease and terminate, save in respect of any accrued rights or obligations under the Placing Agreement and none of the Parties shall have any claim against the other in respect of the Placing. The Placing Agent shall provide to the Company all reasonable assistance required by the Company for the Company's fulfillment of such conditions.

Termination : If any of the following events occur at any time prior to 4:00 p.m. on the Long Stop Date, the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the date of completion of the Placing provided that such notice is received by the Company prior to 4:00 p.m. on the Long Stop Date, terminate the Placing Agreement without liability to the other party and, subject to clauses in the Placing Agreement which survive termination, the Placing Agreement shall thereupon cease to have effect and none of the parties to the Placing Agreement shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the Placing Agreement prior to such termination:

(a) in the opinion of the Placing Agent there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to materially prejudice the consummation of the Placing; or

(b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or

(c) any material breach of any of the representations and warranties by the Company coming to the knowledge of the Placing Agent or any event occurring or any matter arising on or after the date of the Placing Agreement and prior to the date of the Completion of the Placing which would have been rendered untrue or incorrect in any material respect if it had occurred or arisen before the date of the Placing Agreement or a material breach by the Company of any other provision of the Placing Agreement; or

(d) any moratorium, suspension or restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances; or

(e) there being any adverse change in the financial position of the Company which in the opinion of the Placing Agent is material in the context of the Placing; or

(f) any occurrence beyond the control and without the fault or gross negligence of the party affected and which by exercise of reasonable diligence the said party is unable to prevent or protect against. Without limiting the generality of the foregoing, such force majeure occurrences shall include: acts of nature (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, acts of foreign combatants, terrorists acts, military or other usurped political power or confiscation, nationalization, government sanction or embargo, labor disputes of third parties to this Agreement, or the prolonged failure of electricity or other vital utility service which would be likely to prejudice materially the consummation of the Placing.

The terms of the Placing Agreement (including the commission rate) were determined after arm's length negotiation between the Placing Agent and the Company with reference to the size of the Rights Issue. The Directors consider that the terms of the Placing Agreement, including the commission rate, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transaction contemplated under the Placing Agreement.

Given that the Compensatory Arrangements would provide a compensatory mechanism for the relevant No Action Shareholders and Non-Qualifying Shareholders, the Directors consider that the Compensatory Arrangements are in the interest of the minority Shareholders.

Conditions of the Rights Issue

The Rights Issue is conditional upon each of the following conditions being fulfilled:

(i) the Share Consolidation becoming effective;

(ii) the passing of all necessary resolutions by the Independent Shareholders to be proposed at the EGM for approving the Rights Issue and the Placing Agreement and the transactions contemplated thereunder;

(iii) the delivery of the Prospectus Documents to the Stock Exchange and the issue by the Stock Exchange on or before the Prospectus Posting Date of a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong;

(iv) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders and the Prospectus only (without the PAL) to the Non-Qualifying Shareholder for their information only and the publication of the Prospectus on the website of the Stock Exchange on or before the Prospectus Posting Date;

(v) the grant of listing of the Rights Shares (in both nil-paid and fully-paid forms) by the Stock Exchange (either unconditionally or subject only to the allotment and despatch of the share certificates in respect thereof) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange (and such permission and listing not subsequently having been withdrawn or revoked);

(vi) the Placing Agreement not having been terminated in accordance with the provisions thereof, including force majeure events; and

(vii) all other necessary waivers, consent and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transaction contemplated thereunder having been obtained and fulfilled.

None of the above conditions precedent can be waived. If any of the above conditions are not satisfied at or before 4:00 p.m. on Wednesday, 11 November 2026 (or such later date as the Company may determine), the Rights Issue will not proceed.

As at the Latest Practicable Date, none of the above conditions precedent has been fulfilled.

As the proposed Rights Issue is subject to the fulfilment of the above conditions, it may or may not proceed. Shareholders and public investors are advised to exercise caution in dealing in the securities of the Company.

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

The Company is an investment holding company and its subsidiaries are principally engaged in healthcare products and services business, money lending business and sales of liquor business.

Other than the Rights Issue, the Company has considered other debt/equity fund raising alternatives such as bank borrowings, placing or an open offer. However, the Board considers that debt financing will result in an additional interest burden and a higher gearing ratio of the Group. In addition, debt financing may not be achievable on favourable terms or may require pledging of other kind of assets or securities which may reduce the Group's flexibility. As for equity fund raising, such as placing of new Shares, it is relatively smaller in scale as compared to fund raising through rights issue and it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company. As for open offer, while it is similar to a rights issue, offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market.

The estimated net proceeds of the Rights Issue, if fully subscribed, will be up to approximately HK$183.8 million (after deducting the estimated expenses of approximately HK$1.23 million and assuming no exercise of any Share Options and no change in the number of Shares in issue on or before the Record Date) or approximately HK$192.4 million (assuming new Shares are allotted and issued upon full exercise of the outstanding Share Options on or before the Record Date). The Company intends to apply the net proceeds from the proposed Rights Issue as follows:

(a) approximately HK$60.0 million for repayment of outstanding indebtedness. As at the Latest Practicable Date, the amount due to director, being Mr. Wang Mengyao, is approximately RMB60.0 million which is interest bearing of 4.5% per annum. It is important to note that pursuant to the Irrevocable Undertakings, Mr. Wang Mengyao has undertaken to subscribe for 103,476,816 Rights Shares to be provisionally allotted to him, representing an aggregate subscription amount of approximately HK$51.74 million (based on the Subscription Price of HK$0.50 per Rights Share). Consequently, a substantial portion of the debt repayment is effectively being reinvested by Mr. Wang Mengyao into the Group through his participation in the Rights Issue, showing continuing financial commitment of Mr. Wang Mengyao to the Group. The Company expects to fully utilise the relevant proceeds immediately upon completion of the Rights Issue;

(b) approximately HK$80.0 million for the development of the sale of liquor business, among which, approximately HK$70.0 million will be deployed to expand the Group's liquor inventory, specifically by stocking up on "Diwangchi" branded liquor and the essential Kunsha base wine to support future production. The remaining of approximately HK$10.0 million will be allocated to marketing and channel development to combat market competition by establishing physical retail outlets and expanding offline sales channels to enhance direct customer engagement. The Company expects to fully utilise the relevant proceeds within 12 months after completion of the Rights Issue; and

(c) approximately HK$43.8 million will be applied to the development of the Superoxide Dismutase business segment ("**SOD**"), which forms part of and supplements the Group's existing healthcare product sales business, and related general working capital within 18 months upon completion of the Rights Issue in the following manner:

(i) approximately HK$15.0 million, representing about 34.2% of such proceeds, for capacity build-out of SOD-derived products, including acquisition and installation of production equipment, production line set-up, testing and supporting facilities, and preparatory expenditure for scale-up and contract/manufacturing arrangements comprising: (a) approximately HK$4.9 million for manufacturing deposits and prepayments to the Angeleo Biotechnology as manufacturing partner, deposits for packaging materials, trial production deposits, project contingency and buffer for production lead time and price fluctuations (including the Group's cash contribution of RMB4.0 million (equivalent to approximately HK$4.6 million) to the registered capital of Xuzhou Tiantian). Prior to the completion of the Group's own production line and the relevant production licence expansion, the SOD products are expected to be manufactured on an outsourced manufacturing basis through the licensed production line of the Angeleo Biotechnology; (b) approximately HK$6.2 million for core production equipment, including SOD purification equipment, an automated powder filling line and film-tablet pressing and coating units; (c) approximately HK$2.5 million for the renovation of a 100,000-class cleanroom and equipment installation and commissioning; and (d) approximately HK$1.4 million for the lease of a factory and warehouse of approximately 1,000 to 1,500 sq.m. in a biomedical industrial park in Nanjing;

(ii) approximately HK$13.0 million, representing about 29.7% of such proceeds, for research and development of new SOD-related products, including formulation optimization, sample production, efficacy validation, product testing, packaging development, registration and filing support, and research relating to application on medical aesthetics and functional food products comprising: (a) approximately HK$3.9 million for formulation optimisation and pilot sample production of the three pipeline products; (b) approximately HK$2.7 million for third-party CRO toxicology and safety testing; (c) approximately HK$1.8 million for third-party efficacy trials (antioxidant, gut health and sleep); (d) approximately HK$1.7 million for stability testing consumables and internal research personnel; (e) approximately HK$1.6 million for packaging development, material testing and sampling; and (f) approximately HK$1.3 million for patent applications and food registration and filing (including cross-border filing for the oral disintegrating film product);

(iii) approximately HK$10.0 million, representing about 22.8% of such proceeds, for commercialization and market development, including brand building, marketing campaigns, online and offline channel development, distributor onboarding, key opinion consumer promotion, and sales network expansion for the launch of SOD-related products comprising: (a) approximately HK$4.0 million for online platform and key opinion consumer commissions; (b) approximately HK$2.0 million for offline exhibitions, medical aesthetic store displays and distributor recruitment; (c) approximately HK$1.5 million for branding, packaging design and promotional materials; (d) approximately HK$1.5 million for industry media and search advertising; and (e) approximately HK$1.0 million as promotional contingency; and

(iv) approximately HK$5.8 million, representing about 13.3% of such proceeds, for recruitment of personnel for an independent SOD business unit, including management, research & development coordination, regulatory, sales and marketing staff, and as supplementary general working capital for the daily operation of such business segment comprising: (a) approximately HK$4.2 million for salaries, social insurance and benefits and training of a 21-member SOD business unit over the 18-month period, covering management, research and development coordination, regulatory, sales and marketing personnel; and (b) approximately HK$1.6 million as supplementary general working capital for the daily operation of the business unit, including office premises, travel and general administrative expenses.

The net proceeds of approximately HK$43.8 million from the Rights Issue allocated herein shall only be applied towards the development of the SOD business. In the event that there is any material change in the proposed use of such proceeds, the Company will comply with the applicable requirements under the Listing Rules, including making further announcement(s) and obtaining Shareholders' approval at a general meeting if so required.

The Rights Issue will proceed irrespective of the level of acceptance of provisionally allotted Rights Shares. In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be allocated and utilised in accordance with the above sequential order of proposed uses.

The Company does not intend to cease or downsize any of its existing businesses, including its existing healthcare products and services business, money lending business and sales of liquor business.

FURTHER INFORMATION IN RELATION TO SOD BUSINESS

Cooperation Arrangements Termination of the formation of joint venture

As disclosed in the announcement of the Company dated 7 July 2025, the Company previously contemplated participating in a healthcare cooperation arrangement through the subscription for a 34% equity interest in Angeleo Synthetic and making the corresponding contribution of RMB3.4 million. The Company wishes to clarify that, as at the Latest Practicable Date, the Company had not made any actual capital contribution, whether in cash or in kind.

In the course of implementing the then contemplated cooperation arrangement, the registered capital of the subject company was increased to approximately RMB14.8 million and such amount was intended to be an interim capital structure only. The parties' original commercial understanding was that the registered capital would ultimately be reduced to RMB10.0 million. However, such reduction was not completed because the Company had not made any paid in capital contribution and subsequently exited the arrangement. This position was confirmed in the agreement for termination of the capital increase and share expansion cooperation agreement and restoration of equity interests entered into by the relevant parties in January 2026, pursuant to which the Company exited the arrangement automatically and without consideration.

Cooperation with Angeleo Biotechnology and transfer of 20% equity interest in Xuzhou Tiantian

Following the termination of the formation of the joint venture, the Group identified the SOD business as a potential extension of its existing healthcare products and services business and Angeleo Biotechnology as a potential strategic partner given its experience in SOD business. The Company and Angeleo Biotechnology entered into various memorandums, pursuant to which both parties agreed that Xuzhou Tiantian, a then wholly owned subsidiary of the Company, with a registered capital of RMB5.0 million, was to be used as the vehicle for the proposed SOD business.

On 10 April 2026, Hainan Lucky, an indirect wholly owned subsidiary of the Company, entered into a disposal agreement with Angeleo Biotechnology in relation to the transfer of 20% of the registered capital of Xuzhou Tiantian for a consideration of RMB1.0 million. Under the disposal agreement, such consideration was intended to be satisfied by way of in kind contribution by Angeleo Biotechnology. As at the date of the disposal agreement, however, the definitive details of the relevant in kind assets were not specified therein and the relevant arrangements were stated to be subject to further agreement between the parties. Upon completion of the disposal, Xuzhou Tiantian shall become an indirect wholly owned subsidiary of the Company owned by the Company as to 80% and Angeleo Biotechnology as to 20%. Accordingly, the Company and Angeleo Biotechnology shall make a capital contribution of RMB4.0 million and RMB1.0 million in Xuzhou Tiantian respectively. On 20 April 2026, the Company submitted the relevant filing documents to the competent PRC registry and subsequently received a letter acknowledging receipt of the filing documents.

As the transfer of 20% equity interest in Xuzhou Tiantian involves establishing a joint venture entity or other form of joint arrangement, the transactions contemplated under the disposal agreement constitute a formation of joint venture under Rule 14.04(1)(f) of the Listing Rules. As the applicable percentage ratios (as defined in the Listing Rules) in respect of the formation of joint venture are less than 5%, the transfer of 20% equity interest in Xuzhou Tiantian is exempt from reporting, announcement and Shareholders' approval under Chapter 14 of the Listing Rules.

Shareholders' agreement in relation to Xuzhou Tiantian

On 4 June 2026, Hainan Lucky and Angeleo Biotechnology entered into a shareholders' agreement in relation to Xuzhou Tiantian, outlining further details of the capital contribution in Xuzhou Tiantian for the development of the SOD business.

Pursuant to the shareholders' agreement, as at the date of such agreement, neither Hainan Lucky nor Angeleo Biotechnology had completed its paid in contribution in respect of its respective equity interest in Xuzhou Tiantian, and both parties' contribution obligations are conditional upon completion of the Rights Issue of the Company and receipt of the relevant funds. Hainan Lucky shall make a cash contribution of RMB4.0 million within 30 working days after completion of the Rights Issue and the funds being in place. Angeleo Biotechnology shall make a non-monetary contribution in the amount of RMB1.0 million by contributing specified intellectual property and other non-monetary assets to Xuzhou Tiantian. The non-monetary assets currently include, among others, the software copyright titled "Intelligent Synthesis Control System for Functional Plant Protein*"（功能植物蛋白智能化合成控制系統）and the PRC invention patent application titled "An SOD-Omega3 Aminobutyric Acid Solid Beverage with Sleep-Promoting Functions*"（一種具有促進睡眠功能的SOD-Omega3氨基丁酸固體飲料）. According to the valuation report prepared by an independent valuer in the PRC on 3 June 2026 (the "**Valuation Report**"), the software copyright titled "Intelligent Synthesis Control System for Functional Plant Protein*"（功能植物蛋白智能化合成控制系統）was valued at RMB1.0 million as at 27 May 2026.

Under the shareholders' agreement, Angeleo Biotechnology shall, within 30 working days after the date of the agreement, engage a qualified valuation institution to issue a valuation report in respect of the non-monetary assets to be contributed, and submit such valuation report to Hainan Lucky and Xuzhou Tiantian for record purposes. The valuation result shall be binding on both parties. If the appraised value is less than RMB1.0 million, Angeleo Biotechnology shall make up the shortfall in cash. If the appraised value exceeds RMB1.0 million, the excess shall be credited to the capital reserve of Xuzhou Tiantian. Angeleo Biotechnology shall, within 60 working days after completion of the Rights Issue and the funds being in place, complete the transfer of title and delivery of the relevant non-monetary assets to Xuzhou Tiantian. If the Rights Issue does not proceed, the parties' contribution obligations will not be triggered and the parties will separately agree on the subsequent arrangements.

The software copyright titled "Intelligent Synthesis Control System for Functional Plant Protein V1.0*"（功能植物蛋白智能化合成控制系統V1.0) (registration no. 2024SR1615694), registered in the name of Angeleo Biotechnology, was valued at RMB1.0 million as at 27 May 2026 by Beijing Shengxinbo Asset Appraisal Co., Ltd.*（北京晨信博資產評估有限公司）(the "**Valuer**"), an independent qualified asset appraisal institution in the PRC, in the Valuation Report. The Valuation Report was prepared in accordance with the PRC Asset Appraisal Standards on a market value basis for the purpose of the capital contribution into Xuzhou Tiantian.

The Valuer adopted the income approach, having considered that the cost approach and the market approach were not applicable given the nature of the asset and the absence of comparable transactions in the PRC. The key inputs adopted include an income period of five years from the valuation base date, a revenue forecast based on the feasibility study provided by Xuzhou Tiantian, a profit-split rate of 25% attributable to the software copyright and a discount rate of 15.0%. The Valuer's verification was limited to interviews and review of written materials provided by Xuzhou Tiantian and Angeleo Biotechnology, as the relevant technology has not yet been applied in large-scale production. The Valuation Report only includes the value of the software copyright. No separate appraisal has been performed on the patent application filed by Angeleo Biotechnology.

On 26 June 2026, Hainan Lucky and Angeleo Biotechnology agreed in writing that the Valuation Report shall be recognised as evidence demonstrating that the value of the non-monetary assets to be contributed by Angeleo Biotechnology is sufficient to satisfy its contribution obligations under the shareholders' agreement.

The Company considers that the non-cash contribution by Angeleo Biotechnology, comprising the relevant intellectual property rights and related technical know-how, is essential to the development and commercialisation of the SOD products and forms an integral part of the business model of the SOD business. The Company's cash contribution will support the product development, regulatory, production and market expansion activities of the SOD business, while the arrangement will enable the Group to secure access to the relevant technology and expertise required for the development of the SOD products.

As Xuzhou Tiantian would be consolidated into the Company's accounts as a subsidiary, the contribution of the non-monetary assets by Angeleo Biotechnology constitutes an acquisition of assets under Chapter 14 of the Listing Rules. As the applicable percentage ratios (as defined in the Listing Rules) are less than 5%, the contribution of non-monetary assets by Angeleo Biotechnology is exempt from reporting, announcement and Shareholders' approval under Chapter 14 of the Listing Rules.

Formal capital commitment agreement in relation to Xuzhou Tiantian

Save for the parties' respective commitments in relation to the registered capital of Xuzhou Tiantian in the total amount of RMB5.0 million, no further capital commitment has been agreed by the parties as at the Latest Practicable Date. It is currently contemplated that, if the Rights Issue is completed and the Company proceeds to apply the relevant net proceeds to fund the development of the SOD business through Xuzhou Tiantian, Hainan Lucky will contribute such funding through Xuzhou Tiantian and Angeleo Biotechnology shall contribute its corresponding share of funding in proportion to its 20% equity interest in Xuzhou Tiantian. The detailed amount, timing, form and terms of such further capital contribution(s) will be subject to further negotiation between the parties. Subject to the completion of the Rights Issue (including the level of acceptance of provisionally allotted Rights Shares and the net proceeds to be raised under the Rights Issue), the Company may from time to time enter into formal capital commitment agreement(s) with Angeleo Biotechnology in respect of any further capital contribution(s) for the operation of Xuzhou Tiantian. As any transaction(s) with Angeleo Biotechnology may constitute notifiable transaction(s) and/or connected transaction(s) of the Company under the Listing

Rules, the Company will comply with Chapters 14 and 14A and all other applicable requirements under the Listing Rules and fulfilling the reporting, announcement, circular, shareholders' approval, annual review and other compliance requirements and will make further announcement(s) as and when appropriate.

Information of Angeleo Biotechnology

Angeleo Biotechnology is a company established in the PRC and is principally engaged in biotechnology research, development and application. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Angeleo Biotechnology and its ultimate beneficial owner, Mr. Qing Lijun*（青立軍）, who is ultimately and economically interested in approximately 58.49% of the equity interest in Angeleo Biotechnology and is its single largest shareholder, is third party independent of the Company and its connected persons. Angeleo Biotechnology possesses experience in research and development, technology application and commercialization relating to SOD and related healthcare products and is expected to contribute relevant intellectual property, technical know-how and other resources to support the development of the SOD business.

Information of Xuzhou Tiantian

Xuzhou Tiantian will principally engage in the research and development, trial production, commercialization and sale of SOD related products. Pursuant to the shareholders' agreement, Xuzhou Tiantian will establish a board of directors comprising three directors, of whom Hainan Lucky shall nominate two directors and Angeleo Biotechnology shall nominate one director. The chairman shall be a director nominated by Hainan Lucky. The general manager and the person in charge of finance shall be recommended by Hainan Lucky and appointed by the board, and will be responsible for the daily operation and management of Xuzhou Tiantian. Angeleo Biotechnology will have the right to obtain financial information and to inspect the books and records of Xuzhou Tiantian.

Key Personnel for SOD Business

The SOD business will be led by Ms. Wei Yan, the administration and business development director of the Company and a substantial shareholder of the Company, who will serve as the principal person in charge of the SOD business and be responsible for its overall management, business development and implementation. Ms. Wei Yan has 10 years of experience in healthcare-related products, including experience in product development, sales and distribution. Ms. Zou Na, the head of research and development of the Company, will be responsible for product development and technical coordination. Ms. Zou Na holds a master degree in medical physiology and has over 7 years of hands-on experience in areas such as biotechnology applications and formulation development. Mr. Li Li will be responsible for regulatory, compliance and operational matters. He is an executive Director of the Company and has over 20 years of experience in corporate operations, including experience in regulatory filing, internal control and commercialization support. The Company considers that the above personnel possess relevant experience and expertise in healthcare-related products, product commercialization, regulatory compliance and business operations, and are capable of supporting the development and operation of the SOD business as an extension of the Group's existing healthcare and services business.

Capital Requirement for SOD Business

As set out in the section headed "Reasons for and Benefits of the Rights Issues and Intended Use of Proceeds", approximately HK$43.8 million of the net proceeds from the Rights Issue is intended to be applied to the development of the Group's healthcare business, in particular the SOD business, and related general working capital. Part of such amount will be applied toward the Group's cash contribution of RMB4.0 million to Xuzhou Tiantian, while the remaining balance will be used for capacity build out, product development, trial production, registration and filing support, commercialization, market development, recruitment of personnel and the daily operation of the SOD business unit. More particularly, approximately HK$15.0 million is intended to be used for capacity build out of SOD derived products, approximately HK$13.0 million for research and development of new SOD related products, approximately HK$10.0 million for commercialization and market development, and approximately HK$5.8 million for recruitment of personnel and supplementary general working capital for the SOD business unit.

The Board considers the proposed allocation of approximately HK$43.8 million to be commercially reasonable and sufficient for the current development stage of the SOD business, having regard to the fact that the SOD business is at an early commercialization stage, the proceeds are intended to be applied over an approximately 18 month development cycle, and the Group is expected to leverage both its existing healthcare customer network and the expertise and resources to be contributed by Angeleo Biotechnology. In assessing sufficiency, the Board has taken into account that certain formulations have already completed sample development and are progressing toward patent filing, trial production and commercialization preparation, and that the Group intends to leverage its existing healthcare customer network and channels in the PRC to reduce initial customer acquisition and distribution costs. On this basis, and having considered the current business plan and phased budget, the Directors are of the view that the proposed amount is commercially reasonable and sufficient for the Group's present research and development and initial commercialization needs in respect of the SOD business, and that the Company does not currently plan to increase its capital commitment to Xuzhou Tiantian or require any further research and development funding for the SOD business beyond such amount.

Development of SOD Business

The Board currently expects that the development of the SOD business will commence progressively following completion of the Rights Issue, with the above proceeds being applied in phases according to business progress over the next 18 months. The initial phase will focus on implementing the shareholders' agreement arrangements, recruitment of core personnel, sample refinement and trial production, followed by product launch preparation and channel rollout, and thereafter capacity expansion and broader commercialization, subject always to the actual progress of the business, market conditions and regulatory approval requirements. The Company currently expects the initial SOD products to be launched progressively in the second half of 2027, subject to completion of the contribution arrangements, product refinement, trial production, channel preparation, market conditions and any applicable regulatory, registration or filing requirements.

As at the Latest Practicable Date, the initial product planning of the SOD business includes SOD and probiotic oral supplements, SOD and omega-3 oral supplements, and SOD oral disintegrating film, of which certain formulations have completed sample development and are progressing toward patent filing, trial production and commercialization preparation. In particular, the proposed SOD and omega-3 oral supplements are expected to be developed and commercialized with reference to Angeleo Biotechnology's PRC invention patent application titled "An SOD Omega3 Aminobutyric Acid Solid Beverage with Sleep Promoting Functions*"（一種具有促進睡眠功能的SOD Omega3氨基丁酸固體飲料）, which is included in the list of non-monetary assets to be contributed in kind by Angeleo Biotechnology pursuant to the shareholders' agreement.

The Board currently expects that the development of the SOD business will commence progressively following completion of the Rights Issue, with the above proceeds being applied in phases according to business progress over the next 18 months. Set out below is the expected implementation timetable of the SOD business:

Phase	**Timeline (following completion of the Rights Issue)**	**Key activities**
Phase 1 – Establishment	Months 1 to 6	Completion of the capital contribution into Xuzhou Tiantian and implementation of the shareholders' agreement; establishment of the core team; formulation optimisation and packaging design for the three pipeline products; evaluation and selection of research and development suppliers; factory sourcing and leasing; and execution of procurement contracts with equipment suppliers
Phase 2 – Testing and initial launch	Months 7 to 12	Product testing and regulatory registration and filing; factory renovation and equipment installation and commissioning; commencement of production through Angeleo Biotechnology's production facilities under a transitional contract manufacturing arrangement, prior to the commissioning and commencement of operation of the Group's own production line; and sample placement in medical aesthetic institutions and pharmacy channels
Phase 3 – Full commercialization	Months 13 to 18	Full-channel distribution and moderate capacity expansion; full commercialization across online and offline channels; and commissioning and commencement of production of the Group's own production line

Prior to the completion of the Group's own production line, the initial SOD products are expected to be manufactured through Angeleo Biotechnology's licensed production facilities on an original equipment manufacturer basis. The Company currently expects the initial SOD products to be launched progressively from around the tenth month following completion of the Rights Issue (which, based on the current expected timetable of the Rights Issue, corresponds to the second half of 2027), subject to completion of the contribution arrangements, product refinement, trial production, channel preparation, market conditions and any applicable regulatory, registration or filing requirements.

Synergy with the Group's Healthcare Products and Services Business

The Directors consider that the proposed Rights Issue provides the Group with an opportunity to secure medium term funding for the industrialization and commercialization of such pipeline products, while at the same time strengthening the Group's general working capital position in light of the Group's limited cash and bank balances as at 31 March 2026. The Directors consider that the SOD business represents a strategic extension of the Group's existing healthcare products and services business and is capable of creating commercial and operational synergies with such business.

In particular, the Group's existing healthcare business, operated by Hainan Lucky, primarily involves the trading of disinfectant products and recorded a revenue of approximately HK$40.1 million and a segment profit of approximately HK$9.4 million for the year ended 31 March 2026. This existing business has established a solid customer base encompassing local governments, state level institutions, hospitals and medical practitioners. The Directors consider the SOD business to be a strategic extension and upgrade of this segment. Commercially, the Group plans to leverage its established relationships with hospitals and health industry practitioners for cross selling, and introduce SOD products into its existing network of high end health chains and medical aesthetic clinics, thereby shortening the market introduction cycle and reducing expansion costs.

The Directors further consider that the SOD business will complement the Group's existing healthcare portfolio by broadening the range of products and services offered by the Group from general healthcare and hygiene related products to higher value added, technology driven healthcare products. The Board believes that this will not only enrich the Group's customer structure and strengthen its healthcare segment as a whole, but also create a more diversified revenue base and enhance the Group's long term development potential. Based on the Group's internal business plan and market forecast, the SOD business is expected to generate revenue of approximately HK$30.0 million to HK$40.0 million in its first two full operating years following product launch, principally from online electronic commerce platforms and offline health and medical aesthetic channels, supplemented by private membership networks, overseas markets and corporate purchases. The Group expects the SOD business to gradually achieve positive cash flow and profitability after the initial market investment phase, targeting a comprehensive gross profit margin of over 50%. The Board wishes to emphasize that the above financial projections are internal preliminary targets only and do not constitute a profit forecast or performance commitment.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

For illustration purposes only, set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon Share Consolidation becoming effective; (iii) immediately upon completion of the Rights Issue (assuming all Shareholders have taken up their respective allotment of Rights Shares in full); (iv) immediately upon completion of the Rights Issue assuming none of the Qualifying Shareholders (other than Mr. Wang Mengyao and Ms. Wei Yan pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and all the Unsubscribed Right Shares are placed to the Placees under the Compensatory Arrangements.

(a) assuming no outstanding Share Options have been exercised and there is no other change in the shareholding structure of the Company before completion of the Share Consolidation and the Rights Issue

					Immediately upon completion of the Rights Issue					
Name of Shareholder	As at the Latest Practicable Date		Immediately upon the Share Consolidation becoming effective		Assuming all Shareholders take up their respective allotment of Rights Shares in full		Assuming none of the Qualifying Shareholders (other than Mr. Wang Mengyao and Ms. Wei Yan pursuant to the Irrevocable Undertakings and Scalingdown) have taken up any entitlements of the Rights Shares and none of the Unsubscribed Right Shares are placed to the Placee		Assuming none of the Qualifying Shareholders (other than Mr. Wang Mengyao and Ms. Wei Yan pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and all the Unsubscribed Right Shares are placed to the Placees	
	Number of Existing Shares	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*
Substantial Shareholder										
Ms. Wei Yan	446,252,611	24.12	44,625,261	24.12	133,875,783	24.12	66,453,730	29.99	133,875,783	24.12
Director										
Mr. Wang Mengyao	517,384,080	27.96	51,738,408	27.96	155,215,224	27.96	66,453,730	29.99	155,215,224	27.96
Public Shareholders										
Independent placees	–	–	–	–	–	–	–	–	177,357,675	31.95
Other public shareholders	886,788,369	47.92	88,678,836	47.92	266,036,508	47.92	88,678,836	40.02	88,678,836	15.97
Total	1,850,425,060	100.00	185,042,506	100.00	555,127,518	100.00	221,586,296	100.00	555,127,518	100.00

(b) assuming all outstanding Share Options have been exercised and there is no other change in the shareholding structure of the Company before completion of the Share Consolidation and the Rights Issue:

Name of Shareholder	As at the Latest Practicable Date		Immediately upon the Share Consolidation becoming effective		Immediately upon completion of the Rights Issue: Assuming all Shareholders take up their respective allotment of Rights Shares in full		Immediately upon completion of the Rights Issue: Assuming none of the Qualifying Shareholders (other than Mr. Wang Mengyao and Ms. Wei Yan pursuant to the Irrevocable Undertakings and Scalingdown) have taken up any entitlements of the Rights Shares and none of the Unsubscribed Right Shares are placed to the Placee		Immediately upon completion of the Rights Issue: Assuming none of the Qualifying Shareholders (other than Mr. Wang Mengyao and Ms. Wei Yan pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and all the Unsubscribed Right Shares are placed to the Placees	
	Number of Existing Shares	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*	*Number of Consolidated Shares*	*Approx. %*
Substantial Shareholder										
Ms. Wei Yan	446,252,611	23.04	44,625,261	23.04	133,875,783	23.04	72,901,355	29.99	133,875,783	23.04
Director										
Mr. Wang Mengyao	517,384,080	26.72	51,738,408	26.72	155,215,224	26.72	72,901,355	29.99	155,215,224	26.72
Public Shareholders										
Independent placees	–	–	–	–	–	–	–	–	194,565,675	33.49
Other public shareholders	972,828,369	50.24	97,282,836	50.24	291,848,508	50.24	97,282,836	40.02	97,282,836	16.75
Total	1,936,465,060	100.00	193,646,506	100.00	580,939,518	100.00	243,085,546	100.00	580,939,518	100.00

Notes:

1. The percentages may not add up to subtotal or total due to rounding.

2. This scenario is for illustrative purposes only. As any Unsubscribed Shares together with the NQS Unsold Rights Shares will be placed to independent placees under the Compensatory Arrangements to a level which (i) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and (ii) does not result in the non-compliance of the Public Float Requirement, the Consolidated Shares held by the independent placees are deemed to be in public hands.

3. Pursuant to the Placing Agreement, the Placing Agent shall also ensure that the public float requirement under Rule 13.32B of the Listing Rules remains to be fulfilled by the Company upon completion of the Rights Issue.

CLOSURE OF REGISTER OF MEMBERS FOR RIGHTS ISSUE

The register of members of the Company will be closed from Tuesday, 6 October 2026 to Monday, 12 October 2026 (both dates inclusive) for the purpose of determining entitlements to the Rights Issue. During this period, no transfer of Shares will be registered.

FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS

The Company has not carried out any other equity fund raising activities during the 12 months immediately preceding the Latest Practicable Date.

POSSIBLE ADJUSTMENT TO THE SHARE OPTIONS UNDER THE SHARE OPTION SCHEMES

As at the Latest Practicable Date, there are 86,040,000 outstanding Share Options granted by the Company exercisable into 86,040,000 Existing Shares. Pursuant to the terms of the Share Option Schemes, the Share Consolidation and the Rights Issue may lead to adjustments to, among others, the exercise price and/or the number of Shares to be issued upon exercise of the outstanding Share Options under the Share Option Schemes. The Company will notify the holders of such Share Options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms of the Share Option Schemes and such adjustment will be certified by an independent financial adviser or auditors of the Company (as the case may be). Save for the foregoing, as at the Latest Practicable Date, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares prior to the Record Date. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

LISTING RULES IMPLICATIONS

The Share Consolidation is conditional upon, among other things, Shareholders' approval at the EGM. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, as none of the Shareholders or their associates have any material interest in the Share Consolidation, no Shareholder is required to abstain from voting on the resolution to approve the Share Consolidation at the EGM.

In accordance with Rule 7.19A(1) and Rule 7.27A(1) of the Listing Rules, as the Rights Issue, if proceeded with, will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to approval of the Independent Shareholders at the EGM by a resolution on which any controlling Shareholders and their respective associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the Rights Issue under Rule 7.19A(1) of the Listing Rules. Since there is no controlling shareholder, Mr. Wang Mengyao, an executive Director, who holds 517,384,080 Existing Shares (or 51,738,408 Consolidated Shares upon the Share Consolidation becoming effective) and his associates shall abstain from voting in favour of the resolutions to approve the Rights Issue at the EGM. Mr. Wang Mengyao and Ms. Wei Yan are not associates of each other and are not persons acting in concert with each other within the meanings ascribed thereto under the Listing Rules and the Takeovers Code. As at the Latest Practicable Date, save for Mr. Wang Mengyao, none of the Directors or chief executives of the Company had any interests in the Shares.

The Rights Issue does not result in a theoretical dilution effect of 25% or more. The Rights Issue is in compliance with the theoretical dilution limit under Rule 7.27B of the Listing Rules.

EGM

The register of members of the Company will be closed from Tuesday, 22 September 2026 to Monday, 28 September 2026 (both days inclusive) for determining the identity of the Shareholders entitled to attend and vote at the EGM. The record date for determining the eligibility of the Shareholders to attend and vote at the EGM will be Monday, 28 September 2026.

The EGM will be convened and held for the purpose of considering and, if thought fit approving, the Share Consolidation and the Rights Issue. A notice convening the EGM to be held at 11:00 a.m. on Monday, 28 September 2026 at 22/F, Euro Trade Centre, 13-14 Connaught Road Central, Central, Hong Kong is enclosed with this circular.

A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the meeting in person, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed (i.e. by 11:00 a.m. on Saturday, 26 September 2026) for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

DESPATCH OF PROSPECTUS DOCUMENTS

Subject to the approval of the Rights Issue by the Independent Shareholders at the EGM and the Share Consolidation becoming effective, the Prospectus containing further information in relation to the Rights Issue and financial and other information relating to the Group is expected to be despatched by the Company together with the PAL on or before Tuesday, 13 October 2026. A copy of the Prospectus will also be made available on the websites of the Company (www.kinginternational.hk) and the Stock Exchange (www.hkexnews.hk). To the extent reasonably practicable and subject to the advice of legal advisers in the relevant jurisdictions in respect of applicable local laws and regulations, the Company will send copies of the Prospectus to Non-Qualifying Shareholders for their information only but will not send the PAL to them.

RECOMMENDATION

The Independent Board Committee, comprising Mr. Lou Tao, Mr. Liu Zhong and Ms. Li Qian, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the Rights Issue and as to the voting action therefor. In this connection, Octal Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue and as to whether the terms of the Rights Issue is fair and reasonable and as to the voting action therefor.

You are advised to read carefully the letter of recommendation from the Independent Board Committee set out on pages IBC-1 to IBC-2 of this circular and the letter of advice from Octal Capital set out on pages IFA-1 to IFA-28 of this circular. The Independent Board Committee, having taken into account the advice of Octal Capital, considers that the terms of the Rights Issue are fair and reasonable so far as the Independent Shareholders are concerned and the Rights Issue is in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the proposed resolution approving the Rights Issue at the EGM.

ADDITIONAL INFORMATION

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

By order of the Board
King International Investment Limited
Leng Yueyingtan
Co-chairman and Executive Director

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

King International Investment Limited
帝王國際投資有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 928)

11 September 2026

To the Independent Shareholders

Dear Sir/Madam,

**(I) PROPOSED SHARE CONSOLIDATION;
(II) PROPOSED CHANGE OF BOARD LOT SIZE;
(III) PROPOSED RIGHTS ISSUE ON THE BASIS OF
TWO (2) RIGHTS SHARES FOR EVERY ONE (1) CONSOLIDATED
SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS;
AND
(IV) NOTICE OF EGM**

We refer to the circular dated 11 September 2026 (the "**Circular**") of the Company of which this letter forms part. Unless the context requires otherwise, terms defined in the Circular shall have the same meanings when used herein.

We have been appointed by the Board to advise the Independent Shareholders as to whether the terms of Rights Issue are fair and reasonable insofar as the Independent Shareholders are concerned and whether the Rights Issue is in the interests of the Company and the Shareholders as a whole and to advise the Independent Shareholders on how to vote. Octal Capital has been appointed as the independent financial advisor to advise you and us in this respect.

We wish to draw your attention to (i) the letter from the Independent Financial Adviser set out on pages IFA-1 to IFA-28 of the Circular; (ii) the letter from the Board set out on pages 11 to 44 of the Circular; and (iii) the additional information set out in the appendices to the Circular.

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

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

Mr. Lou Tao | **Mr. Liu Zhong** | **Ms. Li Qian**

Independent non-executive Directors

The following is the letter of advice from Octal Capital Limited to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Rights Issue prepared for the purpose of inclusion in this circular.

金 融 有 限 公 司
OCTAL Capital Limited

504 – 505, 5/F,
308 Des Voeux Road Central,
Hong Kong

To the Independent Board Committee and the Independent Shareholders

11 September 2026

Dear Sirs,

PROPOSED RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) CONSOLIDATED SHARE HELD ON THE RECORD DATE ON NON-UNDERWRITTEN BASIS

INTRODUCTION

We, Octal Capital Limited ("**Octal Capital**"), refer to our engagement to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Rights Issue, particulars of which are set out in the circular (the "**Circular**") dated 11 September 2026, in which this letter is reproduced. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as ascribed to them under the section headed "Definitions" in the Circular.

As set out in the letter from the Board (the "**Letter from the Board**"), the Board proposed to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of par value of HK$0.05 each will be consolidated into one (1) Consolidated Share of par value of HK$0.50 each.

The Company proposes, subject to the Share Consolidation becoming effective, to implement the Rights Issue on the basis of two (2) Rights Shares for every one (1) Consolidated Share held on the Record Date at the Subscription Price of HK$0.50 per Rights Share, to raise up to (i) approximately HK$185.0 million before expenses (assuming no exercise of any Share Options and no change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full) by way of the rights issuing up to 370,085,012 Rights Shares (assuming as aforesaid) to the Qualifying Shareholders; and (ii) approximately HK$193.6 million before expenses (assuming all Share Options having been exercised and no other change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full) by way of the rights issuing up to 387,293,012 Rights Shares (assuming as aforesaid) to the Qualifying Shareholders. The Rights Issue will not be extended to the Non-Qualifying Shareholder(s) (if any).

An Independent Board Committee comprising all independent non-executive Directors namely Mr. Lou Tao, Mr. Liu Zhong and Ms. Li Qian has been established to advise the Independent Shareholders as to whether the terms of the Rights Issue are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote at the EGM. We, Octal Capital Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

As at the Latest Practicable Date, we are not connected with the Group nor (where applicable) with any of their respective substantial shareholders, directors, chief executives, or any of their respective subsidiaries or associates, and we do not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for securities in any member of the Group. During the last two years, there has been no other engagement between the Company and us. Accordingly, we considered ourselves suitable to give independent advice to the Independent Board Committee and the Independent Shareholders.

Apart from the normal professional fees payable to us by the Company in connection with this appointment, no arrangement exists under which we will receive any fees or benefits from the Company or any of the directors, chief executive and substantial shareholders of the Company or any of their respective subsidiaries or associates that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent to act as the Independent Financial Adviser pursuant to Rule 13.84 of the Listing Rules.

In formulating our opinion, we have relied upon the accuracy of the information and representations contained in the Circular and have assumed that all information and representations made or referred to in the Circular were true and accurate as at the time they were made and continue to be true and accurate as at the Latest Practicable Date. We have also relied on our discussions with the management of the Company (the "**Management**") regarding the Group, including the information and representations contained in the Circular. We have further assumed that all statements of belief, opinion and intention made by the Directors and the Management in the Circular were reasonably made after due and careful enquiry. We consider that we have reviewed sufficient information to reach an informed view and to provide a reasonable basis for our advice. We have no reason to suspect that any material facts have been omitted or withheld from the information contained in the Circular, or to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the Management. We have not, however, conducted an independent in-depth investigation into the businesses and affairs of the Group and their respective controlling shareholder(s) and associates, nor have we carried out independent verification of the information provided to us.

Should there be any subsequent material changes which occur during the period from the Latest Practicable Date up to the date of the EGM, we will notify the Independent Board Committee and the Independent Shareholders as soon as possible.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion regarding the terms of the Rights Issue, we have considered the following principal factors and reasons:

(i) Financial performance and financial position

The Company is an investment holding company and its subsidiaries are principally engaged in healthcare products and services business, sales of liquor business and money lending business.

The table below summarises the consolidated statement of profit or loss and other comprehensive income of the Company for the three years ended 31 March 2024, 2025 and 2026 ("**FY2023/24**", "**FY2024/25**" and "**FY2025/26**", respectively) as extracted from the annual report of the Group for FY2024/25 and FY2025/26 (the "**2024/25 Annual Report**" and the "**2025/26 Annual Report**", respectively):

	FY2023/24	**FY2024/25**	**FY2025/26**
	HK$'000	*HK$'000*	*HK$'000*
	(Audited)	*(Audited)*	*(Audited)*
– Healthcare products	113,783	–	40,123
– Sales of liquor	119,844	40,723	102,970
– Loan interest income	54	42	135
Revenue	**233,681**	**40,765**	**143,228**
Cost of sales and services	(195,892)	(28,033)	(117,859)
Gross profit	**37,789**	**12,732**	**25,369**
Other income/(loss)	6,450	(30,953)	803
Finance costs	(200)	(793)	(3,022)
Other expenses	(20,169)	(25,892)	(16,308)
Income tax expenses	(8,756)	(2,548)	(4,998)
Net profit/(loss) for the year	**15,114**	**(47,454)**	**1,844**

FY2024/25 vs FY2023/24

The Group's revenue decreased by approximately HK$192.9 million, or 82.6%, from approximately HK$233.7 million in FY2023/24 to approximately HK$40.8 million in FY2024/25. This is mainly attributable to (i) no revenue was generated from the healthcare products business due to intense market competition and rising costs during FY2024/25; and (ii) the decrease in revenue from sale of liquor due to the decline in demand and increased competition from more competitors entering the market. The Group's gross profit decreased by approximately HK$25.1 million, or 66.3%, from approximately HK$37.8 million in FY2023/24 to approximately HK$12.7 million in FY2024/25 while the Group's gross profit margin has been improved from approximately 16.2% in FY2023/24 to approximately 31.2% in FY2024/25.

The Group turned from net profit of approximately HK$15.1 million in FY2023/24 to a net loss of approximately HK$47.5 million in FY2024/25, mainly attributable to (i) the decrease in revenue in FY2024/25 as discussed above; (ii) the Group recorded a loss on deconsolidation of certain subsidiaries of approximately HK$31.0 million due to the Group has loss of control on those subsidiaries which were managed by the former executive Director; (iii) the increase in impairment of trade receivables by approximately HK$4.7 million; and (iv) the reconciliation of impairment of amount due from former subsidiaries of approximately HK$5.3 million.

FY2025/26 vs FY2024/25

The Group's revenue increased by approximately HK$102.5 million, or 251.4%, from approximately HK$40.8 million in FY2024/25 to approximately HK$143.2 million in FY2025/26. This is mainly attributable to (i) the Company generated revenue from the trading of disinfectant water of approximately HK$40.1 million during FY2025/26; and (ii) the increase in revenue from sale of liquor due to the Company adjusted its product portfolio and launched the new low-end food liquor which increased the overall demand of the Company's liquor. The Group's gross profit increased by approximately HK$12.6 million, or 99.3%, from approximately HK$12.7 million in FY2024/25 to approximately HK$25.4 million in FY2025/26 while the Group's gross profit margin deteriorated from approximately 31.2% in FY2024/25 to approximately 17.7% in FY2025/26.

The Group turned from net loss of approximately HK$47.5 million in FY2024/25 to a net profit of approximately HK$1.8 million in FY2025/26. Such increase was mainly attributable to (i) the increase in revenue in FY2025/26 as discussed above; (ii) no loss on deconsolidation was recognized in FY2025/26; and (iii) the decrease in other expenses due to the reduction in impairment of trade receivable and amount due from former subsidiaries.

The table below summarised the audited consolidated statement of financial position of the Company as at 31 March 2026 as extracted from the 2025/26 Annual Report:

	As at 31 March 2026
	HK$'000
	(Audited)
Non-current assets	**1,870**
Inventories	263,870
Trade and other receivables	118,894
Bank balances and cash	531
Current assets	**383,295**
Non-current liabilities	**1,569**
Trade and other payables	39,824
Due to a director	70,782
Other current liabilities	34,784
Current liabilities	**145,390**
Net current assets	**237,905**
Total assets	**385,165**
Total liabilities	**146,959**
Net assets	**238,206**

As at 31 March 2026, total assets of the Group was approximately HK$385.2 million, which mainly consisted of inventories of approximately HK$263.9 million and trade and other receivables of approximately HK$118.9 million. The total bank balances and cash of the Group was approximately HK$0.5 million as at 31 March 2026.

(ii) Reasons for and benefits of the Rights Issue and use of proceeds

As discussed is the section headed "(i) Financial performance and financial position", the Group had trade and other payables of approximately HK$39.8 million and amount due to a director of approximately HK$70.8 million as at 31 March 2026. While the Group had total bank balances and cash of the Group was approximately HK$0.5 million as at 31 March 2026, which were insufficient to cover the Group's payment obligations on trade and other payables and the director's loan. According to the 2025/26 Annual Report, the Group recorded net cash outflow from the operating activities of approximately HK$13.4 million. Having considered low level of cash on hand available to the Group, the Group encountered pressures on liquidity and is in need for fund raising to relieve its liquidity pressure.

As mentioned in the Letter from the Board, the estimated net proceeds (the "**Net Proceeds**") of the Rights Issue, if fully subscribed, will be up to approximately HK$183.8 million (after deducting the estimated expenses of approximately HK$1.23 million and assuming no exercise of any Share Options and no change in the number of Shares in issue on or before the Record Date) or approximately HK$192.4 million (assuming new Shares are allotted and issued upon full exercise of the outstanding Share Options on or before the Record Date). The Company intends to apply the Net Proceeds as follows:

(a) approximately HK$60.0 million for repayment of outstanding indebtedness. As at the Latest Practicable Date, the amount due to director, being Mr. Wang Mengyao, is approximately RMB60.0 million which is interest bearing of 4.5% per annum (the "**Director's Loan**"). It is important to note that pursuant to Irrevocable Undertakings, Mr. Wang Mengyao has undertaken to subscribe for 103,476,816 Rights Shares to be provisionally allotted to him, representing an aggregate subscription amount of approximately HK$51.74 million (based on the Subscription Price of HK$0.50 per Rights Share). Consequently, a substantial portion of the debt repayment is effectively being reinvested by Mr. Wang Mengyao into the Group through his participation in the Rights Issue, showing continuing financial commitment of Mr. Wang Mengyao to the Group. The Company expects to fully utilise the relevant proceeds immediately upon completion of the Rights Issue;

(b) approximately HK$80.0 million for the development of the sale of liquor business, among which, approximately HK$70.0 million will be deployed to expand the Group's liquor inventory, specifically by stocking up on "Diwangchi" branded liquor and the essential Kunsha base wine to support future production. The remaining of approximately HK$10.0 million will be allocated to marketing and channel development to combat market competition by establishing physical retail outlets and expanding offline sales channels to enhance direct customer engagement. The Company expects to fully utilise the relevant proceeds within 12 months after completion of the Rights Issue; and

(c) approximately HK$43.8 million will be applied to the development of the Superoxide Dismutase business segment ("**SOD**"), which forms part of and supplements the Group's existing healthcare product sales business, and related general working capital within 18 months upon completion of the Rights Issue in the following manner:

a. approximately HK$15.0 million, representing about 34.2% of such proceeds, for capacity build-out of SOD-derived products, including acquisition and installation of production equipment, production line set-up, testing and supporting facilities, and preparatory expenditure for scale-up and contract/manufacturing arrangements;

b. approximately HK$13.0 million, representing about 29.7% of such proceeds, for research and development of new SOD-related products, including formulation optimization, sample production, efficacy validation, product testing, packaging development, registration and filing support, and research relating to applications in medical aesthetics and functional food products;

c. approximately HK$10.0 million, representing about 22.8% of such proceeds, for commercialization and market development, including brand building, marketing campaigns, online and offline channel development, distributor onboarding, key opinion consumer promotion, and sales network expansion for the launch of SOD-related products; and

d. approximately HK$5.8 million, representing about 13.3% of such proceeds, for recruitment of personnel for an independent SOD business unit, including management, research & development coordination, regulatory, sales and marketing staff, and as supplementary general working capital for the daily operation of such business segment.

With regards to the repayment of the Director's Loan, we noted that the Director's Loan has an annum interest of 4.5% and was originally due on 31 May 2026 and was subsequently extended to 1 June 2027. During the FY2025/26, finance cost of the Group has been significantly increased from approximately HK$0.8 million in FY2024/25 to approximately HK$3.0 million in FY2025/26. As advised by the Management, the Group could save approximately HK$2.7 million of annual finance cost upon the repayment of the Director's Loan. We considered the interest cost saving is significant as the amount represents 146.4% of the Group's profit after taxation in FY2025/26. Given the limited cash reserves currently accessible to the Group, the repayment of the Director's Loan could alleviate the financial burden faced by the Group, lower its finance costs and improve its gearing ratio (a reduction from 29.7% to 4.5%) and overall financial position of the Group.

The Group has proactively responded to market changes by adjusting its product portfolio and launching new lines of low-end food liquor. These efforts have strengthened the Group's liquor business. According to the 2025/26 Annual Report, the revenue of the Group generated from sales of liquor was approximately HK$103.0 million in FY2025/26, representing an increase of approximately 152.9% compared with FY2024/25. The Group also recorded segment profit from liquor business of approximately HK$0.8 million in FY2025/26 compared to a segment loss of approximately HK$3.2 million in FY2024/25. The Company further refers to external economic data, including the information from the National Bureau of Statistics that the gross domestic product of the PRC increased by approximately 4.0% in 2025 while the per capita expenditure on tobacco and alcohol was RMB8,631 in 2025, representing an increase of approximately 2.6% as compared to RMB8,411 in 2024. In view of the improved performance of the Group's liquor business in FY2025/26 and the recovery of the PRC economy, the Board intends to continue allocating resources to develop the liquor business. Among the Net Proceed, approximately HK$10.0 million will be used for marketing and establishing physical retail shops in order to expand the sales channels. As advised by the Management, the Group expected to establish 10 retail shops in Nanjing and Shenzhen within 12 months from the completion of the Rights Issue. Besides, approximately HK$70.0 million of the Net Proceed will be used to expand the inventory of the Group. As advised by the Management, the Group's liquor branded "Diwangchi" and other liquor products primarily produce by Kunsha base wine aged for at least five years depending on customers' requirement. As at 31 March 2026, the Group's inventory amounted to approximately HK$263.9 million. This included approximately 28 tonnes of 8-years aged Kunsha base wine, accounting for approximately 1.9% of total inventory. The Group has no 10-years aged Kunsha base wine as at 31 March 2026. To ensure sufficient supply of aged base wine for further production, the Group intends to procure approximately 114 tonnes of 8-years aged Kunsha base wine and approximately 85 tonnes of 10-year aged Kunsha base wine within 12 months upon completion of the Rights Issue. We noted the unit price difference between Kunsha base wine of different ages is significant. As provided by the Management, the unit price of 15-years aged Kunsha base wine is approximately double that of 10-years aged Kunsha base wine, while the unit price of 10-years aged Kunsha base wine is approximately 3.4 times that of 8-years aged Kunsha base wine. Hence, procuring shorter-aged base wine and aging them in-house could help reduce the production costs.

According to the information published by World Health Organization in February 2025, the global population aged 60 or above is projected to increase from 1.1 billion in 2023 to 1.4 billion by 2030. In response to preventive healthcare needs, older adults are increasingly interested in SOD supplements to address age-related oxidative stress and related conditions like neurodegenerative diseases and cardiovascular issues. According to Superoxide Dismutase Finished Products Market Research Report 2034 published by Dataintelo Consulting Pvt. Ltd., a global market research and consulting firm, the global SOD finished products market was valued at US$123.5 million in 2025 and is projected to reach US$239.8 million by 2034, representing a compound annual growth rate of 7.8%. Tablet, capsule and powder formulations account for approximately 86.3% of the SOD finished products market. Based on the perceived industry development potential and the synergy with the Group's existing healthcare products and services business, the Board commenced the development of the SOD business in 2025 to expand and diversify the Group's income stream.

The Group's initial foray into the SOD industry dates back to July 2025, when it intended to establish a joint venture with several joint venture partners to operate the SOD business. Subsequently, due to matters concerning the investment amounts and other considerations, the Group exited such arrangement. Later, the Group entered into various memorandums with Angeleo Biotechnology, under which both parties agreed that Xuzhou Tiantian was to be used as the vehicle for the operation of SOD business. The Group's SOD business includes three main products, namely SOD and probiotic oral supplements, SOD and omega-3 oral supplements, and SOD oral disintegrating film. Besides anti-aging, these three products are designed for gastrointestinal health support, relaxation and sleep aid, brain function maintenance, as well as addressing the antioxidant needs of individuals engaged in business drinking and late-night work schedules.

In order to make the capital contribution in Xuzhou Tiantian and to implement the development of the SOD business, the Company intends to apply the Net Proceeds of approximately HK$43.8 million in the SOD business, among of which: (i) approximately HK$15.0 million is intended to be used for capacity build out of SOD derived products (the "**Proposed SOD Production Funding**"); (ii) approximately HK$13.0 million for research and development of the SOD related products (the "**Proposed SOD R&D Funding**"); (iii) approximately HK$10.0 million for commercialization and market development (the "**Proposed SOD Marketing Funding**"); and (iv) approximately HK$5.8 million for recruitment of personnel and supplementary general working capital for the SOD business (the "**Proposed SOD Operation Funding**").

We have obtained and reviewed the business plan of the SOD business from the Management. In relation to the Proposed SOD Production Funding, we noted that the Company intends to utilise (i) approximately HK$6.2 million for the procurement of core production equipment, such as SOD purification equipment, an automated powder filling line and film-tablet pressing and coating units; (ii) approximately HK$3.9 million for the establishment of a factory and warehouse of approximately 1,000 to 1,500 sq. m. in a biomedical industrial park in Nanjing, including the rental, the renovation of a 100,000-class cleanroom, production line modification and installation; (iii) approximately HK$4.9 million for the deposits and prepayments to the suppliers. Upon completion of the Rights Issue, the Group expects to select the factory site and engage equipment suppliers during the first six months, and commence factory renovation and equipment installation over the following six months. Prior to the completion of the Group's own production line, the Group will engage Angeleo Biotechnology, a minority shareholder of Xuzhou Tiantian, which holds a licensed production line qualified to manufacture the Group's SOD products. As any transaction(s) with Angeleo Biotechnology may constitute notifiable transaction(s) and/or connected transaction(s) of the Company under the Listing Rules, the Company will comply with Chapters 14 and 14A and all other applicable requirements under the Listing Rules and fulfilling the reporting, announcement, circular, shareholders' approval, annual review and other compliance requirements and will make further announcement(s) as and when appropriate.

In relation to the to the Proposed SOD R&D Funding, we noted that throughout a 12-months period upon the completion of the Rights Issue, the Company intends to utilise (i) approximately HK$10.1 million for formulation optimization and pilot sample production, products testing, stability testing consumables and internal research personnel, third-party CRO toxicology and safety testing and third-party efficacy trials; (ii) approximately HK$1.6 million for packing development, material testing and sampling; (iii) approximately HK$1.3 million for patent applications and food registration and filing. As advised by the Management, the Group will focus on formulation optimization and packing development in the first six months upon completion of the Rights Issue, then further six months period will be used for testing the products including human trials and observations on volunteers and complete the registration and filing of the products.

For the Proposed SOD Marketing Funding, we noted that (i) approximately HK$4.0 million would be used for the development of online sales channel including the commission to the online platforms and key opinion leaders; (ii) approximately HK$2.0 million would be used for the development of offline sales channel including offline exhibitions, medical aesthetic store displays and distributor recruitment; (iii) approximately HK$4.0 million would be used for promotion, branding and industry media and search advertising. According to the Management's tentative development timetable of the SOD business, the promotion and marketing activities will be commenced in 13 to 18 months following the completion of the Rights Issue.

The Group intends to establish an independent SOD business team comprising 21 members covering management, research and development coordination, regulatory, sales and marketing personnel, including and leading by Ms. Wei Yan, Ms. Zou Na, and Mr. Li Li, with their biographical details and key responsibilities outlined in the Letter from the Board. The estimated remuneration packages amount to approximately HK$4.2 million for an 18-months period. The remaining Proposed SOD Operation Funding of approximately HK$1.6 million will supplement the general working capital of the SOD business including but not limited to the office rental and other office expenses. As advised by the Management, the Group plans to complete the recruitment within two months upon completion of the Rights Issue.

Alternative modes of fund raising

As disclosed in the Letter from the Board, the Board has considered various fund raising alternatives before resolving to the Rights Issue including debt financing and equity financing alternatives such as bank borrowings, placing or an open offer.

The Board is of the view that debt financing such as bank borrowings, if available, would increase the gearing ratio and interest burden of the Group which may in turn affect the profitability of the Group. Furthermore, the Board considered debt financing may not be achievable on favourable terms or may require pledge of other kind of assets or securities which may reduce the Group's flexibility. We noted that the Group had non-current assets of approximately HK$1.9 million, among of which majority was right of use assets which may not be suitable as collateral. Given that (i) the funds raised through the Rights Issue would not be interest-bearing; and (ii) the Group's has no suitable assets to pledge for a favourable terms, the Board does not consider debt financing to be beneficial to the Company.

For placing of new Shares, it will only be available to certain placees who are not necessarily the existing Shareholders and it would dilute the shareholding of the existing Shareholders while the Rights Issue could allow the Qualifying Shareholders to maintain their respective shareholdings in the Company on a pro rata basis. Furthermore, placing of new Shares is relatively smaller in scale as compared to fund raising through rights issue. For open offer, although it is similar to a rights issue in offering Qualifying Shareholders to participate, it does not allow the trading of rights entitlements in the open market and accordingly, Shareholders must either participate in the offer or lose the monetary benefit of any discount available to them at which the new shares are offered.

The Rights Issue could allow Qualifying Shareholders to participate in the future development of the Company and at the same time offer flexibility to the Qualifying Shareholders to choose whether to maintain their respective pro rata shareholding interests in the Company or trade the relevant nil-paid Rights Shares in the market thus reducing impact from dilution of their shareholdings.

Having considered the above, we concur with the Board's view that the Rights Issue, which will offer Qualifying Shareholders the opportunity to maintain their respective pro rata shareholding interests in the Company, is fair and reasonable and it is in the interests of the Company and the Shareholders as a whole.

(iii) The principal terms of the Rights Issue

The principal terms of the Rights Issue are summarised below:

Basis of the Rights Issue	:	Two (2) Rights Shares for every one (1) Consolidated Share held on the Record Date
Subscription Price	:	HK$0.50 per Rights Share (after the Share Consolidation has become effective)
Net subscription price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	HK$0.4967 per Rights Share
Number of Existing Shares in issue at the Latest Practicable Date	:	1,850,425,060 Existing Shares
Number of Consolidated Shares in issue upon the Share Consolidation becoming effective	:	185,042,506 Consolidated Shares (assuming no change in the number of Shares in issue on or before the Record Date ("**Scenario A**")) and 193,646,506 Consolidated Shares (assuming all Share Options having been exercised and no other change in the number of Shares in issue on or before the Record Date ("**Scenario B**"))

Maximum number of Rights Shares	:	Up to 370,085,012 Rights Shares (under Scenario A) and up to 387,293,012 Rights Shares (under Scenario B)
Maximum number of issued Shares as enlarged by the allotment and issue of the Rights Shares	:	Up to 555,127,518 Consolidated Shares (under Scenario A) and up to 580,939,518 Consolidated Shares (under Scenario B)
Maximum Gross proceeds from the Rights Issue (before expenses)	:	approximately HK$185.0 million (under Scenario A) and approximately HK$193.6 million (under Scenario B)

Analysis on the Subscription Price

The Subscription Price is HK$0.50 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents (assuming the Share Consolidation has become effective as at the Latest Practicable Date):

(i) a discount of approximately 63.50% to the theoretical closing price of HK$1.37 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK$0.137 per Existing Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 31.51% to the theoretical closing price of HK$0.73 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the closing price of HK$0.073 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 25.60% to the average closing price of approximately HK$0.672 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day;

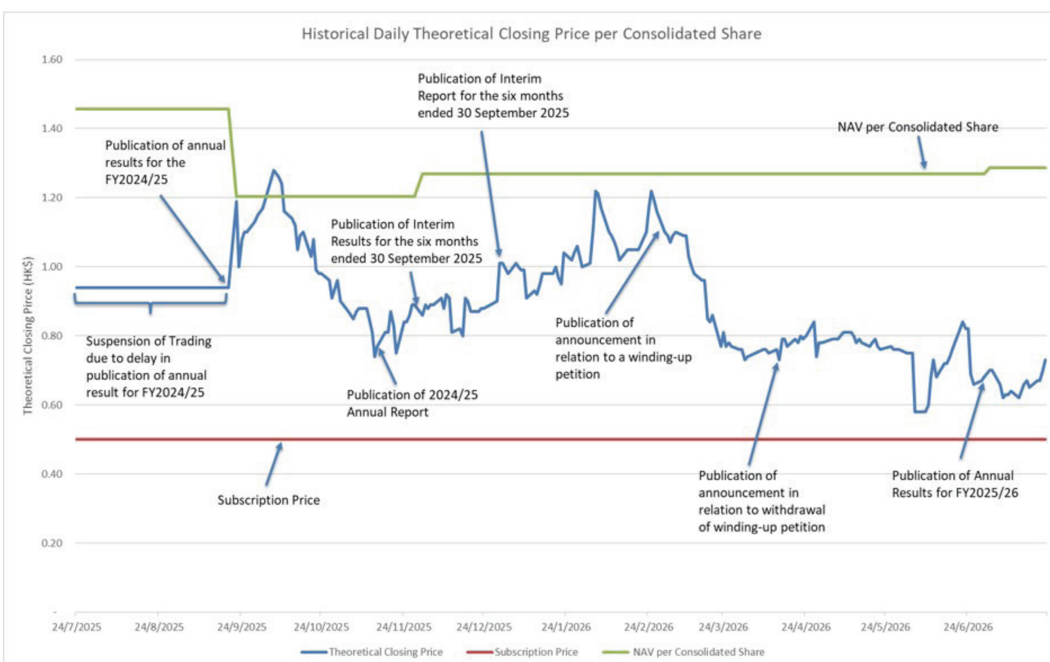
(iv) a discount of approximately 13.30% to the theoretical ex-rights price (the "**TERP**") of approximately HK$0.5767 per Consolidated Share (after taking into account the effect of the Share Consolidation) based on the benchmarked price of HK$0.073 per Existing Share (as defined under Rule 13.36(5) of the Listing Rules, being the higher of (a) the closing price on the Last Trading Day of HK$0.073 per Existing Share, and (b) the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the Last Trading Day of approximately HK$0.0672 per Existing Share);

(v) a discount of approximately 61.16% to the net asset value ("**NAV**") of the Company of approximately HK$1.2873 per Consolidated Share based on the audited net asset value of the Company of approximately HK$238,206,000 as at 31 March 2026 as disclosed in the 2025/26 Annual Report and 185,042,506 Consolidated Shares assuming the Share Consolidation has become effective; and

(vi) a theoretical dilution effect (as defined under the Listing Rules) represented by a discount of approximately 21.00% of the TERP of approximately HK$0.5767 per Consolidated Share (after taking into account the effect of the Share Consolidation) to the theoretical benchmarked price of HK$0.73 per Consolidated Share.

Comparison with theoretical closing price of the Consolidated Shares

In order to assess the fairness and reasonableness of the Subscription Price, we have performed a review on the daily theoretical closing price (after taking into account the effect of the Share Consolidation) and trading volume of the Shares from 24 July 2025 to the Last Trading Day (the "**Review Period**") (being a period of approximately 12 months prior to and including the Last Trading Day) and compared with the Subscription Price. We consider the Review Period is adequate to reflect the general market sentiment and illustrates the general trend and level of movement of the daily theoretical closing price (after taking into account the effect of the Share Consolidation) of the Consolidated Shares.



Source: The Stock Exchange

As shown in the chart above, the theoretical closing prices of the Consolidated Shares were above the Subscription Price at all time during the Review Period, ranging from the lowest of HK$0.58 during the period from 4 June 2026 to 8 June 2026 to the highest of HK$1.28 on 6 October 2025. In other words, the Subscription Price of HK$0.5 per Rights Share represents discounts of approximately 13.79% to 60.94% to the theoretical closing prices of the Consolidated Shares during the Review Period.

Reference is made to the announcement of the Company dated 2 July 2025, the trading of the Shares was suspended due to delay in publishing the annual results for the year ended 31 March 2025. Following the publication of the annual results on 22 September 2025, the trading has been resumed. The theoretical closing price of the Consolidated Shares remained at HK$0.94 during the suspension. Subsequently, after trading resumed, the theoretical closing price of the Consolidated Shares surged to a peak of HK$1.28 on 6 October 2025. However, the theoretical closing price then experienced a significant decline to HK$0.74 per Consolidated Share on 13 November 2025. On 14 November 2025, the Company published the 2024/25 Annual Report and the theoretical closing price gradually stabilised and reached HK$1.22 per Consolidated Share on 4 February 2026. The theoretical closing price fluctuated between HK$1.02 and HK$1.22 per Consolidated Share until the Company announced that a subsidiary had received a winding-up petition on 3 March 2026, leading to a drop in the theoretical closing price to HK$0.73 per Consolidated Share on 14 April 2026, the day the Company revealed the withdrawal of the winding-up petition. From 15 April 2026 to 3 June 2026, the theoretical closing price fluctuated between HK$0.74 and HK$0.84 per Consolidated Share. On 4 June 2026, the theoretical closing price sharply dropped and remained at the level of HK$0.58 per Consolidated Share for three trading days. Subsequently, the theoretical closing price recovered to its pre-drop high of HK$0.84 per Consolidated Share on 22 June 2026. Following this peak, the Consolidated Shares were traded within a range of HK$0.62 to HK$0.73. We have made enquiries with the Management and were advised that, save for the publication of announcements of the Company as described above, the Management were not aware of any specific reasons that may have an impact on the fluctuations in the closing prices of the Shares during the Review Period.

We noted that Subscription Price represents a deep discount (i.e. approximately 61.16%) to the NAV per Consolidated Share as at 31 March 2026. Taking into account that (a) the theoretical closing price per Consolidated Share on 200 trading days out of 203 trading days during the Review Period (excluding the trading days which trading of the Shares was suspended) was trading below the NAV per Consolidated Share; (b) the funding needs of the Group as discussed in the section headed "(ii) Reasons for and benefits of the Rights Issue and use of proceeds"; (c) the interests of the Qualifying Shareholders will not be prejudiced by the level of discount of the Subscription Price as long as they are offered an equal opportunity to participate in the Rights Issue and subscribe for the Rights Shares; and (d) the discount represented by the Subscription Price to the NAV per Consolidated Share is within the range of the Comparables as disclosed in the section headed "Comparison with recent rights issue exercises" below and is necessary to encourage participation in the Rights Issue, we consider a substantial discount of the Subscription Price to the NAV per Consolidated Share given to attract subscriptions by the Qualifying Shareholders is fair and reasonable.

During the period from 24 June 2026 to the Last Trading Day (being a period of approximately one month prior to and including the Last Trading Day), the average theoretical closing price was approximately HK$0.67 per Consolidated Share (the "**Recent Average**"). The Subscription Price represents a discount of approximately 25.37% to the Recent Average. As discussed in the section headed "Comparison with recent rights issue exercises" below, we noted that it is a common market practice to set the subscription price at a discount to the prevailing market prices of the relevant shares in order to increase the attractiveness and encouraging shareholders to participate in the rights issue.

Historical trading liquidity of the Shares

For the purpose of independently assessing the trading liquidity of the Shares, the following table shows the daily trading volume of the Shares during the Review Period:

	Number of trading days	Approximate average daily trading volume	Approximate percentage of average daily trading volume to total number of Shares in issue [2]	Approximate percentage of average daily trading volume to total number of Shares held by public [3]
2025				
July	N/A[1]	N/A[1]	N/A[1]	N/A[1]
August	N/A[1]	N/A[1]	N/A[1]	N/A[1]
September	7[1]	6,197,029[1]	0.33%[1]	0.70%[1]
October	20	1,310,801	0.07%	0.15%
November	20	1,914,327	0.10%	0.22%
December	21	1,535,030	0.08%	0.17%
2026				
January	21	2,372,777	0.13%	0.27%
February	17	7,065,677	0.38%	0.80%
March	22	2,049,440	0.11%	0.23%
April	19	1,687,370	0.09%	0.19%
May	19	1,235,044	0.07%	0.14%
June	21	3,586,327	0.19%	0.40%
From 1 July 2026 to Last Trading Day	16	1,864,151	0.10%	0.21%

Source: The Stock Exchange

Notes:

1. Trading of the Shares was suspended from 2 July 2025 to 21 September 2025.

2. Based on the total number of the Shares in issue at the end of each month or period as disclosed in the monthly returns of the Company.

3. Based on the number of Shares held by public Shareholders as calculated by deducting the Shares held by Mr. Wang Mengyao and Ms. Wei Yan.

As illustrated in the table above, the average daily trading volume for the respective month or period during the Review Period ranged from approximately 1,235,044 Shares in May 2026 to approximately 7,065,677 Shares in February 2026, representing approximately 0.07% to 0.38% of the total number of the Shares in issue and approximately 0.14% to 0.80% of the total number of the Shares held by the public, respectively.

Upon our review of the "HKEx Monthly Market Highlights" for the period from July 2025 to July 2026 (the "**Relevant Period**") available on the website of the Stock Exchange, we noted that the average daily trading turnover to total market capitalisation of listed securities (including Main Board and GEM listed issuers) (the "**Market Trading Turnover Ratio**") during such period ranged from approximately 0.39% to approximately 0.74% with an average of approximately 0.58%. In view of this, we consider the trading liquidity of the Shares are generally thin during the Review Period, given that the average daily trading volumes of the Shares by month as to the total numbers of issued Shares for the respective months during the Review Period are all below the lower end (i.e. 0.39%) of the Market Trading Turnover Ratio during the Relevant Period. In light of the relatively thin trading liquidity of the Shares, we consider that it is reasonable for the Subscription Price to be set at a discount to the prevailing theoretical closing prices of the Consolidated Shares in order to attract the Qualifying Shareholders to participate in the Rights Issue and to maintain their respective shareholding interest in the Company.

Comparison with recent rights issue exercises

To further assess the fairness and reasonableness of the terms of the Rights Issue, including the Subscription Price, we compared the Rights Issue to other rights issues conducted by other listed companies on the Stock Exchange. We reviewed rights issues of the companies listed on Mainboard of the Stock Exchange based on the key selection criteria: (i) the initial announcement of the rights issue was published from 1 January 2026 to the Last Trading Day (the "**Comparables Review Period**"); and (ii) the rights issues are either (a) not subject to the shareholders' approval under the Listing Rules; or (b) has been approved by the shareholders at the respective general meeting as at the Last Trading Day.

We consider that the Comparables Review Period is appropriate, fair and representative because (i) the selected rights issue exercises are considered for the purpose of taking a general reference for the recent market practice in relation to the rights issue exercise in the recent market conditions; and (ii) sufficient number of comparables were identified during the Comparison Period. Based on our research, we have identified an exhaustive list of 23 rights issue comparables (the "**Comparables**") during the Comparables Review Period.

Although the Comparables differ from the Company in terms of principal activities, market capitalisation, profitability and financial position, and include underwritten rights issue transactions with varying bases of entitlement, we consider that the Comparables can provide a general reference to the pricing trend of recent rights issue transactions under the current market conditions as well as a sufficient sample size for comparison purpose, so as to determine whether the Subscription Price aligns with recent rights issue transactions in the market. We noted that the discount or premium of the subscription price to the benchmarked prices across the Comparables exhibits a wide range. We consider that this variation reflects the differences in individual company fundamentals, financial positions, share liquidity, market sentiment, and transaction structures. Notwithstanding such variation, we consider the Comparables to be fair and representative for assessing the Subscription Price, as they share key structural characteristics with the Rights Issue, including being announced by issuers listed on the Stock Exchange and involving pro-rata rights entitlements to existing shareholders. As such, we consider that the full set of Comparables collectively provides a meaningful reference to prevailing market practices.

Item no.	Date of announcement	Company name (stock code)	Basis of entitlement	Premium/discount of the subscription price over/to the closing price on the last trading day prior to/on the date of the relevant announcements *(Approximate)*	Premium/(discount) of the subscription price over/to the average closing price for the five (5) consecutive trading days immediately prior to the last trading day/the date of the relevant announcements *(Approximate)*	Premium/ (discount) of the subscription price over/to the TERP *(Approximate)*	Premium/ (discount) of the subscription price over/to the consolidated net asset value per share *(Approximate)*	Theoretical dilution effect *(Approximate)*	Placing commission	Right of excess applications	Underwritten
1	2 Jan 2026	HKC International Holdings Limited (248)	1 for 2	(25.50)%	(25.50)%	(18.60)%	(79.10)%	8.50%	N/A[2]	Yes	No
2	13 Jan 2026	EPI (Holdings) Limited (689)	2 for 1	(17.10)%	(21.57)%	(8.57)%	(76.88)%	14.38%	1.80%	Yes	Yes
3	14 Jan 2026	Anchorstone Holdings Limited (1592)	4 for 1	(42.86)%	(39.81)%	(8.57)%	N/A[1]	24.00%	1.25%	No	No
4	14 Jan 2026	Jutal Offshore Oil Services Limited (3303)	1 for 6	(69.23)%	(69.35)%	(66.10)%	(85.13)%	9.92%	1.00%	No	No
5	15 Jan 2026	Shanghai International Shanghai Growth Investment Limited (770)	3 for 8	(60.00)%	(60.00)%	(52.19)%	47.44%	16.33%	1.00%	No	No
6	26 Jan 2026	Kwan On Holdings Limited (1559)	1 for 2	(17.65)%	(15.05)%	(12.50)%	79.09%	5.88%	N/A[2]	Yes	No
7	29 Jan 2026	Add New Energy Investment Holdings Group Limited (2623)	1 for 2	(37.66)%	(34.81)%	Not disclosed	65.02%	12.55%	N/A[2]	Yes	No
8	16 Feb 2026	Xinming China Holdings Limited (2699)	6 for 1	(20.00)%	(20.00)%	Not disclosed	N/A[1]	17.14%	2.00%	No	No
9	6 Mar 2026	Kingland Group Holdings Limited (1751)	1 for 3	0.00%	(2.30)%	(3.10)%	2157.10%	1.00%	3.00%	No	No
10	9 Mar 2026	Hang Pin Living Technology Company Limited (1682)	1 for 1	(27.97)%	(27.72)%	(16.26)%	(22.73)%	13.98%	1.00%	No	No
11	24 Mar 2026	Alco Holdings Limited (328)	4 for 1	(20.30)%	(24.20)%	(4.80)%	N/A[1]	21.00%	1.50%	No	No
12	26 Mar 2026	Zhongshen Jianye Holding Limited (2503)	2 for 1	(33.63)%	(35.18)%	(14.45)%	(72.22)%	23.45%	0.50%	No	No
13	27 Mar 2026	China Health Technology Group Holding Company Limited (1069)	2 for 1	(20.63)%	(19.35)%	(7.98)%	(54.79)%	13.76%	4.00%	No	No
14	16 Apr 2026	Pa Shun International Holdings Limited (574)	1 for 2	(72.88)%	(69.04)%	(64.18)%	N/A[1]	24.29%	1.00%	No	No

Item no.	Date of announcement	Company name (stock code)	Basis of entitlement	Premium/discount of the subscription price over/to the closing price on the last trading day prior to/on the date of the relevant announcements *(Approximate)*	Premium/(discount) of the subscription price over/to the average closing price for the five (5) consecutive trading days immediately prior to the last trading day/the date of the relevant announcements *(Approximate)*	Premium/(discount) of the subscription price over/to the TERP *(Approximate)*	Premium/(discount) of the subscription price over/to the consolidated net asset value per share *(Approximate)*	Theoretical dilution effect *(Approximate)*	Placing commission	Right of excess applications	Underwritten
15	29 Apr 2026	Minerva Group Holding Limited (397)	1 for 2	(19.10)%	(17.70)%	(12.60)%	(91.80)%	8.50%	3.50%	No	No
16	5 May 2026	Citychamp Watch & Jewellery Group Ltd (256)	1 for 3	31.60%	28.20%	19.00%	(88.90)%	0.00%	Higher of HK$300,000 or 1.5%[3]	No	No
17	12 May 2026	MTT Group Holdings Limited (2350)	2 for 5	(64.29)%	(65.01)%	(57.10)%	1.85%	18.65%	2.20%	No	No
18	21 May 2026	Mog Digitech Holdings Limited (1942)	1 for 2	(54.55)%	(56.95)%	(46.85)%	(90.05)%	18.98%	1.00%	No	No
19	29 May 2026	FDB Holdings Limited (1826)	1 for 2	(20.60)%	(1.20)%	(14.80)%	N/A[1]	6.90%	3.50%	No	No
20	5 Jun 2026	Gaodi Holdings Limited (1676)	1 for 2	(12.44)%	(12.44)%	(9.00)%	(51.90)%	4.31%	0.75%	No	No
21	22 Jun 2026	Imperium Technology Group Limited (776)	1 for 2	(66.67)%	(67.24)%	(65.00)%	N/A[1]	22.34%	3.00%	No	No
22	24 Jun 2026	Biosysen Limited (1355)	1 for 2	(51.43)%	(50.29)%	(41.38)%	N/A[1]	17.14%	1.50%	No	No
23	16 Jul 2026	PINE Technology Holdings Limited (1079)	1 for 2	(41.18)%	(42.31)%	Not disclosed	221.20%	14.32%	N/A[2]	Yes	No
			Maximum	31.60%	28.20%	19.00%	2,157.10%	24.29%	4.00%[3]		
			Minimum	(72.88)%	(69.35)%	(66.10)%	(91.80)%	0.00%	0.50%[3]		
			Median	(27.97)%	(27.72)%	(14.63)%	(53.35)%	14.32%	1.50%[3]		
			Average	(33.22)%	(32.56)%	(25.25)%	116.14%	13.80%	1.86%[3]		
		The Company	2 for 1	(31.51)%	(25.60)%	(13.30)%	(61.20)%	21.00%	1.50%	No	No

Source: The Stock Exchange

Notes:

1. The companies recorded net liabilities in their respective latest financial statement, thus its premium/(discount) of its subscription price over/to the consolidated net asset value per share is unavailable.

2. No placing agent for these rights issue exercises.

3. For the purpose of our analysis, we have excluded those Comparables included higher of fixed fee or certain percentage on the placing amount.

We noted that it is a common market practice to set the subscription price at a discount to the prevailing market prices of the relevant shares in order to enhance the attractiveness of the rights issue transactions and encourage participation of shareholders. As illustrated from the above table, the subscription prices of 21 out of 23 Comparables represented discounts to the closing price on the respective last trading day. The premium/discount of the subscription price over/to the respective last trading day price of the Comparables ranged from a premium of approximately 31.60% to a discount of approximately 72.88% (the "**LTD Range**"), with an average discount of approximately 33.22%. The Subscription Price represents a discount of approximately 31.51% to the theoretical closing price per Consolidated Share on the Last Trading Day, which is therefore within the LTD Range and below the average discount of the Comparables (the "**LTD Average Discount**").

The premium/discount of the subscription price over/to the respective average closing price for the five (5) consecutive trading days immediately prior to the last trading day of the Comparables ranged from a premium of approximately 28.20% to a discount of approximately 69.35% (the "**5 Days Average Range**"), with an average discount of approximately 32.56%. The Subscription Price represents a discount of approximately 25.60% to the theoretical average closing price per Consolidated Share for the five (5) consecutive trading days immediately prior to the Last Trading Day, which is therefore within the 5 Days Average Range and below the average discount of the Comparables (the "**5 Days Average Discount**").

In relation to the TERP of the Comparables, we noted that the subscription prices for 19 out of 23 Comparables represented discounts to the TERP based on the respective last trading day. The premium/discount of the subscription price over/to the TERP of the Comparables ranged from a premium of approximately 19.00% to a discount of approximately 66.10% (the "**TERP Range**"), with an average discount of approximately 25.25%. The Subscription Price represents a discount of approximately 13.30% to the TERP per Consolidated Share, which is therefore within the TERP Range and below the average discount of the Comparables (the "**TERP Average Discount**").

Taking into consideration that (i) setting subscription prices at discounts to the prevailing market prices represents a common market practice, with the discounts reflected by the Subscription Price within the LTD Range, 5 Days Average Range and TERP Range and lower than the LTD Average Discount, 5 Days Average Discount and TERP Average Discount; (ii) the trading volume of the Shares was thin during the Review Period; (iii) the discount to theoretical closing prices offered by the Subscription Price could enhance the attractiveness of the Rights Issue and encourage Qualifying Shareholders to participate; and (iv) the interest of the Qualifying Shareholders will not be prejudiced by the discount of the Subscription Price as long as they are offered with an equal opportunity to participate in the Rights Issue and subscribe for the Rights Shares, we are of the view that the Subscription Price is acceptable so far as the Independent Shareholders are concerned.

Placing commission

Pursuant to the Placing Agreement, the Company has appointed the Placing Agent to place the Unsubscribed Rights Shares and NQS Unsold Rights Shares during the Placing Period to independent placees on a best effort basis, and any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders and Non-Qualifying Shareholders on a pro rata basis. The Placing Agent shall be entitled to a commission equal to 1.50% of the actual gross proceeds from the subscription of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares under the Placing.

As set out in table under the sub-section headed "Comparison with recent rights issue exercises", we noted that the placing commission rate of the Comparables ranged from 0.50% to 4.00%, with an average of 1.86%. The placing commission rate of 1.50% under the Placing Agreement is within the range of the Comparables and lower than the average placing commission rate of the Comparables. Furthermore, according to the Placing Agreement, there is no fixed placing fee to be payable by the Company. Therefore, we are of the view that the placing commission rate of 1.50% under the Placing Agreement is fair and reasonable so far as the Independent Shareholders are concerned.

Right of excess application

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares and NQS Unsold Rights Shares by offering the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to independent placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue.

We noted that 18 out of 23 Comparables has no excess application arrangements in relation to the rights issue exercise.

Excess application is considered as a passive arrangement to facilitate additional participation of the Qualifying Shareholders. Taking into account the low liquidity of the Shares before the Last Trading Day, we consider it would be more desirable for the Company to adopt a more active measure by way of the Placing to mitigate the uncertainty of the fundraising exercise.

Underwriting arrangement

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed to independent placees under the Compensatory Arrangements on a best efforts basis. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue.

It is noted that 22 out of the 23 Comparables were conducted on a non-underwritten basis, which suggests that it is common practice in the recent period for rights issues to be conducted on a non-underwritten basis.

(iv) Dilution effect of the Rights Issue on shareholding interests

All Qualifying Shareholders are entitled to subscribe for the Rights Shares. For those Qualifying Shareholders who take up their full provisional allotments under the Rights Issue, their shareholding interests in the Company will remain unchanged after the Rights Issue. Qualifying Shareholders who do not accept the Rights Issue can, subject to the then prevailing market conditions, consider selling their nil-paid rights to subscribe for the Rights Shares in the market, however, their shareholdings in the Company will be diluted upon completion of the Rights Issue.

As set out in table under the sub-section headed "Comparison with recent rights issue exercises" in this letter, the maximum dilution of the Comparables ranged from approximately 0% to approximately 24.29%. We noted that the theoretical dilution effect of the Rights Issue of approximately 21.00% falls within the range and is above the average of the Comparables of approximately 13.80%.

In all cases of rights issue, the dilution on the shareholding of those qualifying shareholders who do not take up in full their provisional allotments under the rights issue is inevitable. The dilution magnitude of any rights issue depends mainly on the extent of the basis of entitlement under such exercise since the higher offering ratio of new shares to existing shares is, the greater the dilution on the shareholding would be.

Having considered (i) the dilution effect is not prejudicial as all Qualifying Shareholders are offered an equal opportunity to participate in the enlargement of the capital base of the Company and Independent Shareholders' interests in the Company will not be diluted if they elect to exercise their full provisional allotments under the Rights Issue; (ii) the Qualifying Shareholders have the opportunity to realise their nil-paid rights to subscribe for the Rights Shares in the market, subject to availability; and (iii) the theoretical dilution effect of the Rights Issue falls within the range of the Comparables, we are of the view that the potential dilution effect on the shareholding, which may only happen to the Qualifying Shareholders who decide not to subscribe for their pro-rata Rights Shares, is justifiable.

(v) Financial effects of the Rights Issue

It should be noted that the below analyses are for illustrative purpose only and does not purport to represent how the financial position of the Company upon completion of the Rights Issue.

Net tangible assets

Based on the unaudited pro forma financial information of the Group set out in Appendix II to the Circular, the unaudited consolidated net tangible assets of the Group as at 31 March 2026 under Scenario A was approximately HK$238.2 million, while the unaudited consolidated net tangible assets of the Group as at 31 March 2026 under Scenario B was approximately HK$315.8 million. Upon completion of the Rights Issue and assuming all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full, the unaudited pro forma adjusted consolidated net tangible assets of the Group as at 31 March 2026 under Scenario A would become approximately HK$422.0 million, representing an increase of approximately 77.16%, while the unaudited pro forma adjusted consolidated net tangible assets of the Group as at 31 March 2026 under Scenario B would become approximately HK$508.2 million, representing an increase of approximately 60.92%.

Liquidity

According to the 2025/26 Annual Report, as at 31 March 2026, the bank balances and cash of the Group was approximately HK$0.5 million. Immediately upon completion of the Rights Issue, the bank balances and cash of the Group is expected to increase by the expected the Net Proceeds from the Rights Issue of approximately HK$183.8 million.

Gearing ratio

The gearing ratio of the Group (calculated by dividing the Director's Loan by the equity attributable to owners of the Company) as at 31 March 2026 was approximately 29.7%. Immediately upon completion of the Rights Issue, if part of the Net Proceeds of approximately HK$60.0 million were applied to repay the Director's Loan, the total consolidated borrowings of the Company would be reduced while the equity attributable to owners of the Company would be enlarged by the Net Proceeds. As such, the Group's gearing ratio would be decreased upon completion of the Rights Issue.

Having considered the above, we are of the view that the Rights Issue is in the interest of the Company and the Shareholders as a whole.

RECOMMENDATION

Taking into consideration of the principal factors and reasons as set out in this letter, in particular, (i) the significant improvement of the Group's liquor business in FY2025/26; (ii) the funding needs arisen from further expansion of the Group's liquor and SOD businesses; (iii) the respective discount represent by the Subscription Price is below the LTD Average Discount, the 5 Days Average Discount and the TERP Average Discount of the Comparables; (iv) the positive impact on the Group's liquidity position after repayment of the Director's Loan as a result of the Rights Issue; (v) the Rights Issue as a more preferential options as compared to other alternatives available to the Group; and (vi) the Qualifying Shareholders' interest in the Company by participating into the Rights Issue, we are of the opinion that the terms of the Rights Issue are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and the Rights Issue including the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the ordinary resolution(s) to be proposed at the EGM to approve the Rights Issue and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
Octal Capital Limited
Alan Fung **Celina Yuen**
Managing Director *Director*

Note: Mr. Alan Fung has been a responsible officer of Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since 2003. Mr. Fung has more than 28 years of experience in corporate finance and investment banking and has participated in and completed various advisory transactions in respect of mergers and acquisitions, connected transactions and transactions subject to compliance with the Takeovers Code of listed companies in Hong Kong. Ms. Celina Yuen is a licensed person and a responsible officer of Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Ms. Yuen has over 15 years of experience in corporate finance industry and has participated in and completed various advisory transactions of listed companies in Hong Kong in respect of the Listing Rules and the Takeovers Code.

A. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group are disclosed in the annual reports of the Company for the years ended 31 March 2024 (pages 95 to 183), 2025 (pages 90-179) and 2026 (pages 115-191), which are published on 31 July 2024, 14 November 2025 and 2 August 2026 respectively. The above mentioned financial information is available on the website of the Company at www.kinginternational.hk and the website of the Stock Exchange at www.hkexnews.hk:

(a) the annual report of the Company for the year ended 31 March 2024 in relation to the audited consolidated financial statements of the Group for the same year (https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0731/2024073101434.pdf);

(b) annual report of the Company for the year ended 31 March 2025 in relation to the audited consolidated financial statements of the Group for the same year (https://www1.hkexnews.hk/listedco/listconews/sehk/2025/1114/2025111401690.pdf); and

(c) the annual report of the Company for the year ended 31 March 2026 in relation to the audited consolidated financial statements of the Group for the same year (https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0802/2026080200033.pdf).

B. INDEBTEDNESS

As at the close of business of 31 July 2026, being the latest practicable date for the purpose of determining the indebtedness of the Group prior to the printing of this circular, the Group had the following indebtedness:

	HK$'000
Other payables	5,971
Due to a director	73,248
Lease liabilities	1,884
	81,103

Notes

(a) The other payables and due to a director are neither secured nor guaranteed and bear interest rate of 4.5%

(b) The Group had lease liabilities in respect of operating leases under HKFRS 16 Lease. The Group's lease liabilities are unsecured and unguaranteed.

Save as disclosed above and for intra-group liabilities, the Group did not have any debt securities authorised or created but unissued, issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance leases, hire purchase commitments, guaranteed, unguaranteed, secured and unsecured borrowing and debt, or other material contingent liabilities as at the close of business on 31 July 2026.

C. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that, taking into account (i) the financial resources presently available to the Group including the internally generated funds and the currently available banking facilities; and (ii) the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for its present requirements for at least 12 months from the date of this circular. The Company has obtained the relevant confirmations from the Company's auditor as required under the Listing Rules.

D. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there is no material adverse change in the financial or trading position of the Group since 31 March 2026, the date to which the latest published audited consolidated financial statements of the Group were made up.

E. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Company is an investment holding company and, through its subsidiaries, the Group is principally engaged in healthcare products and services business, money lending business and sales of liquor. In respect of its healthcare products and services business, the Group provides medical supplies including medical thermometers, masks, protective clothing, disinfectants, virus testing kits and reagents, breathing machines and other medical products. The Group also provides value-added services relating to the procurement of such medical supplies and products, including market intelligence, sourcing of bids, comparative assessment of technical specifications and cost analysis, and negotiation of terms of supply.

For the year ended 31 March 2026, the Group's sales of liquor business recorded revenue of approximately HK$103.0 million (2025: approximately HK$40.7 million), with a gross profit margin of approximately 16.2% (2025: approximately 31.0%). The Group's healthcare products and services business recorded revenue of approximately HK$40.1 million (2025: nil) and a segment profit of approximately HK$9.4 million, with a gross profit margin of approximately 21.5%.

For the year ended 31 March 2026, the Group's top five liquor products accounted for approximately 67.2% of the revenue of the liquor business (2025: approximately 81.6%), with the single largest product (10-year Kunsha aged wine) accounting for approximately 32.4%. The decrease in the concentration of the top five liquor products, together with the shift of the best-selling product from the Diwangchi series in 2025 to the Kunsha aged wine series in 2026, reflects a broadening of the Group's liquor product portfolio and a strategic shift towards higher-aged liquor products, which is in line with the Group's plan to apply approximately HK$70.0 million of the net proceeds from the Rights Issue to procure Kunsha base wine and aged wine.

The Group's top five healthcare products accounted for approximately 91.7% of the revenue of the healthcare business, with the single largest product (hypochlorous acid disinfectant) accounting for approximately 70.6%. The Directors consider that the healthcare business currently relies on a relatively concentrated product portfolio. The development of the SOD business is expected to broaden the Group's healthcare product offering, reduce the reliance on any single product and diversify the revenue base of the healthcare segment.

In respect of the healthcare business, the Group is developing its SOD business as an extension of its existing healthcare products and services business, with an initial pipeline of three products, namely SOD and probiotic oral supplements, SOD and omega-3 oral supplements, and SOD oral disintegrating film. The initial SOD products are expected to be launched progressively in the second half of 2027. According to third-party industry research cited in the Company's internal market analysis, the SOD functional food market in the PRC grew from approximately RMB21.2 billion in 2022 to approximately RMB34.5 billion in 2025, representing a compound annual growth rate of approximately 17.6%, and is forecast to exceed RMB69.4 billion by 2030.

The Group's existing businesses generated an average monthly net operating cash inflow of approximately HK$0.6 million during the year, and the Group manages its receivable and payable cycles at approximately 120 days.

Prospects of the Liquor Business

The domestic Maotai-flavour liquor industry in the PRC has shifted from rapid expansion to a development stage prioritising quality and characterised by brand differentiation. Consumers' appreciation of the quality of pure-grain Kunsha-process base wine continues to deepen, and market participants with quality base wine reserves will enjoy a relatively favourable competitive position. Leveraging the net proceeds from the Rights Issue, the Group's liquor business will focus on the procurement of Kunsha base wine and its continued ageing, so as to consolidate its upstream base wine inventory foundation and optimise its product matrix. Going forward, the Group will steadily advance its brand building, channel expansion and marketing efforts, strengthen the market reach of its Maotai-flavour liquor products, and capture structural opportunities in the Maotai-flavour liquor segment, with a view to developing the liquor business into a significant source of revenue for the Group. At the same time, the Group will closely monitor industry competition and changes in consumer demand, flexibly adjust its business strategies, and manage its operational risks.

Prospects of the Healthcare Business

In light of external factors such as intensifying market competition and rising operating costs, the Group has expanded into new business directions within its original healthcare products segment, including SOD antioxidant dietary supplements. In respect of the disinfectant products trading business, which has become the principal revenue contributor of the healthcare segment since its launch, the Group will step up its sales and marketing efforts to drive further growth, including deepening relationships with existing customers such as local governments, state-level institutions, hospitals and medical practitioners, broadening its sales and distribution channels, and expanding its customer base through active marketing and promotional activities. The Group will also continue to observe market demand and adjust its product and sales strategies accordingly, with a view to further enlarging the business scale of the disinfectant products trading business in accordance with commercial viability principles. Looking ahead, the Group will focus on the research and development, production implementation and commercialisation of SOD-related health products, prudently evaluate various business opportunities in the broader healthcare sector, and prioritise projects with a solid technological foundation and commercial viability. The Group will continue to manage the pace of investment in the healthcare segment, balance business development against operational risks, and strive to generate reasonable returns for Shareholders.

Looking ahead, the Group will continue to focus on developing its healthcare products and services business and strengthening its sales of liquor business. The directors are of the view that demand for healthcare-related products and services will continue to be supported by ongoing health awareness, the need for reliable medical supply chains, and customers' increasing emphasis on product quality and sourcing efficiency. At the same time, the Group will continue to manage its liquor business in line with market conditions and consumer demand.

The Group will continue to adopt a prudent and cautious approach in managing its operations and financial resources. In particular, the Group will seek to enhance its procurement capability, maintain close relationships with suppliers and customers, and improve operating efficiency in order to strengthen its competitiveness. The Group will also continue to monitor market developments, including changes in economic conditions, industry competition and customer preferences, so as to respond appropriately to emerging opportunities and risks.

Subject to market conditions, the Group may continue to explore suitable business opportunities that are in line with its existing business strategies and available resources, with a view to broadening its revenue streams and enhancing long-term value for shareholders. Barring unforeseen circumstances, the directors remain cautiously optimistic about the Group's business outlook and financial prospects.

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

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group prepared in accordance with Paragraph 13 of Appendix D1B and Paragraph 29 of Chapter 4 of the Listing Rules is set out below to illustrate the effects of the Rights Issue on the consolidated net tangible asset of the Group as if the Share Consolidation and Rights Issue had taken place on 31 March 2026.

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

The following statement of unaudited pro forma adjusted consolidated net tangible assets of the Group is based on the audited consolidated net tangible asset of the Group as at 31 March 2026 and included two scenarios, (a) the maximum number of 370,085,012 Rights Shares are issued (assuming no exercise of any Share Options and no change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full) ("**Scenario A**"); and (b) the maximum number of 387,293,012 Rights Shares are issued (assuming all Share Options having been exercised and no other change in the issued share capital of the Company on or before the Record Date, and all the Qualifying Shareholders taking up their respective allotment of Rights Shares in full) ("**Scenario B**"), adjusted as described below:

	Audited consolidated net tangible asset of the Group as at 31 March 2026 *(Note 1)* *HK$'000*	**Estimated proceeds from the full exercise of all Outstanding Share Options** *(Note 2)* *HK$'000*	**Unaudited consolidated net tangible asset of the Group as at 31 March 2026** *HK$'000*	**Estimated net proceeds from the Rights Issue** *(Note 3)* *HK$'000*	**Unaudited proforma adjusted consolidated net tangible assets of the Group as at 31 March 2026** *HK$'000*
Scenario A	238,206	N/A	238,206	183,800	422,006
Scenario B	238,206	77,608	315,814	192,400	508,214

Audited consolidated net tangible assets per existing share before exercise of Share Options, implementation of the Share Consolidation and the Rights Issue *(Note 4)*	
Scenario A and B	HK$0.13
Unaudited consolidated net tangible asset per share after exercise Share Options and immediately before implementation of the Share Consolidation and the Rights Issue *(Note 5)*	
Scenario A	HK$0.13
Scenario B	HK$0.16
Unaudited consolidated net tangible assets per Consolidated Share immediately before completion of the Rights Issue *(Note 6)*	
Scenario A	HK$1.29
Scenario B	HK$1.63
Unaudited pro forma adjusted consolidated net tangible assets per Consolidated Share immediately after completion of the Rights Issue *(Note 7)*	
Scenario A	HK$0.76
Scenario B	HK$0.87

Notes:

1. The audited consolidated net tangible asset of the Group as at 31 March 2026 is extracted from the audited consolidated net asset of the Group as at 31 March 2026 of approximately HK$238,206,000, that has been extracted from the published annual report of the Company for the year ended 31 March 2026 dated 30 June 2026.

2. The estimated proceeds from the full exercise of the Share Options of approximately HK$77,608,000 is calculated based on the maximum number of 86,040,000, Share Options to be issued at the exercise price of HK$0.902 per Share Options.

3. **Scenario A**

   The estimated net proceeds from the Rights Issue of approximately HK$183,800,000 is calculated based on the maximum number of 370,085,012 Rights Shares to be issued at the subscription price of HK$0.5 per Rights Share, after deduction of the estimated related expenses of approximately HK$1,243,000, assuming that the Rights Issue had been completed on 31 March 2026.

Scenario B

The estimated net proceeds from the Rights Issue of approximately HK$192,400,000 is calculated based on the maximum number of 387,293,012 Rights Shares to be issued at the subscription price of HK$0.5 per Rights Share, after deduction of the estimated related expenses of approximately HK$1,247,000, assuming that the Rights Issue had been completed on 31 March 2026.

4. The calculation is determined based on the audited consolidated net tangible asset of the Group as at 31 March 2026 of approximately HK$238,206,000 divided by the number of Shares in issue of 1,850,425,060 as at 31 March 2026 and before exercise of Share Options, completion of the Share Consolidation and Rights Issue.

5. **Scenario A**

The calculation is determined based on the unaudited consolidated net tangible asset of the Group as at 31 March 2026 of approximately HK$238,206,000 divided by the number of Shares in issue 1,850,425,060 as at 31 March 2026, assuming that no outstanding Share Options being exercised and immediately before completion of the Share Consolidation and Rights Issue.

Scenario B

The calculation is determined based on the unaudited consolidated net tangible asset of the Group as at 31 March 2026 of approximately HK$315,814,000 divided by the number of Shares in issue 1,936,465,060 as at 31 March 2026, assuming that all outstanding Share Options being exercised and immediately before completion of the Share Consolidation and Rights Issue.

6. **Scenario A**

The calculation is determined based on the unaudited consolidated net tangible asset of the Group as at 31 March 2026 of approximately HK$238,206,000 divided by 185,042,506 Consolidated Shares immediately before completion of the Right Issue, assuming that no outstanding Share Options being exercised and the Share Consolidation had become effective as at 31 March 2026.

Scenario B

The calculation is determined based on the unaudited consolidated net tangible asset of the Group as at 31 March 2026 of approximately HK$315,814,000 divided by 193,646,506 Consolidated Shares immediately before completion of the Right Issue, assuming that all outstanding Share Options being exercised and the Share Consolidation had become effective as at 31 March 2026.

7. **Scenario A**

The calculation is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group as at 31 March 2026 of approximately HK$422,006,000 divided by total number of Shares as enlarged by the issue of the Rights Shares of 555,127,518 which is arrived at on the basis that (i) 185,042,506 Consolidated Shares and (ii) 370,085,012 Rights Shares were in issue at 31 March 2026, as if no outstanding Share Options being exercised, the Share Consolidation and Rights Issue had been completed on 31 March 2026.

Scenario B

The calculation is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group as at 31 March 2026 of approximately HK$508,214,000 divided by total number of Shares as enlarged by the issue of the Rights Shares of 580,939,518 which is arrived at on the basis that (i) 193,646,506 Consolidated Shares and (ii) 387,293,012 Rights Shares were in issue at 31 March 2026, as if all outstanding Share Options being exercised, the Share Consolidation and Rights Issue had been completed on 31 March 2026.

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

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

ZHONGHUI ANDA CPA Limited
Certified Public Accountants

11 September 2026

The Board of Directors
King International Investment Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of King International Investment Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the pro forma adjusted consolidated net tangible assets as at 31 March 2026 as set out on pages II-1 to II-3 of the circular (the "**Circular**") issued by the Company. The applicable criteria on the basis of which the directors have compiled the pro forma financial information are described in Section A of Appendix II to the Circular.

The pro forma financial information has been compiled by the directors to illustrate the impact of the Rights Issue on the Group's consolidated net tangible assets as at 31 March 2026 as if the transaction had been taken place at 31 March 2026. As part of this process, information about the Group's consolidated net tangible assets has been extracted by the directors from the Group's consolidated financial statements for the year ended 31 March 2026, on which an audited report has been published.

Directors' Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the pro forma financial information in accordance with paragraph 13 of Appendix D1B and paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on the The Stock exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline ("**AG**") 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Our Independence and Quality Management

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

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

Reporting Accountant's Responsibilities

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

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

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

The purpose of pro forma financial information included in the circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 March 2026 would have been as presented.

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

- The related pro forma adjustments give appropriate effect to those criteria; and

- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

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

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

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

We make no comments regarding the reasonableness of the amount of net proceeds from the Rights Issue, the application of those net proceeds, or whether such use will actually take place as described under "Reasons for and benefits of the Rights Issue and use of proceeds " set out on pages 30 to 32 of the Circular.

Opinion

In our opinion:

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

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

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

Yours faithfully,

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Yeung Hong Chun
Practising Certificate Number P07374
Hong Kong
11 September 2026

1. RESPONSIBILITY STATEMENT

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

2. SHARE CAPITAL

(i) Share capital as at the Latest Practicable Date

Authorised		*HK$*
10,000,000,000	Existing Shares of HK$0.05 each	500,000,000
Issued and fully paid:		
1,850,425,060	Existing Shares of HK$0.05 each	92,521,253

(ii) Immediately following the Share Consolidation having become effective (assuming no change in the number of issued Existing Shares (or the Consolidated Shares upon the Share Consolidation having become effective) from the Latest Practicable Date up to the effective date)

Authorised		*HK$*
1,000,000,000	Consolidated Shares of HK$0.5 each	500,000,000
Issued and fully paid:		
185,042,506	Consolidated Shares of HK$0.5 each	92,521,253

(iii) Share capital immediately following the Share Consolidation becoming effective and upon completion of the Rights Issue (assuming no further issue of Consolidated Shares or repurchase of Shares on or before the completion of the Rights Issue (other than issue of the Rights Shares) and the Rights Issue is fully subscribed)

Authorised		*HK$*
1,000,000,000	Consolidated Shares immediately following the Share Consolidation becoming effective	500,000,000
Issued and fully paid:		
185,042,506	Consolidated Shares of HK$0.5 each	92,521,253
370,085,012	Rights Shares to be allotted and issued under the Rights Issue	185,042,506
555,127,518	Shares in issue immediately upon completion of the Rights Issue	277,563,759

All the Existing Shares, Consolidated Shares and the Rights Shares in issue and to be issued rank and will rank *pari passu* in all respects with each other including rights to dividends, voting and return of capital. The Existing Shares, Consolidated Shares and the Rights Shares in issue and to be issued are or will be listed on the Stock Exchange.

As at the Latest Practicable Date, save for the Share Options, the Company did not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares and no capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option. The Company has no intention to issue or grant any convertible securities, warrants and/or options on or before the Record Date.

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Existing Shares, the Consolidated Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

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

3. DISCLOSURE OF INTERESTS

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

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) 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 in which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (iii) pursuant to the Model Code of Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long position in the Shares and underlying shares of the Company

Name of Directors	**The Company/ name of associated company**	**Capacity/ nature of interests**	**Number of Shares held**	**Approximate percentage of interests** *(Note)*
Mr. Wang Mengyao	The Company	Beneficial owner/ Personal interest	517,384,080	27.96%

Note:

The percentage is calculated on the basis of the total number of issued 1,850,425,060 Shares as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had 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) which would have to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or which would be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which would be required pursuant to the Model Code.

(b) Interests of substantial Shareholders

As at the Latest Practicable Date, so far as the Directors are aware, the interests or short positions owned by the following persons (other than a Director or the chief executive of the Company)/entities in the Shares or underlying Shares, which were required: (a) to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO; or (b) to be recorded in the register of the Company required to be kept under section 336 of the SFO are as follows:

Name of shareholders	Capacity/nature of interest	Number of issued Shares held	Approximate percentage of interest
Ms. Wei Yan	Beneficial owner/ Personal interest	446,252,611	24.12%

Notes:

The percentage is calculated on the basis of the total number of issued 1,850,425,060 Shares as at the Latest Practicable Date.

Save as disclosed above and as at the Latest Practicable Date, the Company had not been notified for any interests or short positions owned by any persons (other than a Director or the chief executive of the Company)/entities in the Shares or underlying Shares, which were required: (a) to be disclosed under Divisions 2 and 3 of Part XV of the SFO; or (b) to be recorded in the register of the Company required to be kept under section 336 of the SFO.

4. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation, arbitration or claims of material importance, and none of the Directors was aware of any litigation, arbitration or claims of material importance pending or threatened against any member of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which will not expire or which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 March 2026, being the date to which the latest published audited accounts of the Group were made up, up to and including the Latest Practicable Date, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group. 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.

7. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) which have been entered into by any member of the Group within the two years immediately preceding the date of the Announcement up to and including the Latest Practicable Date:

(i) the Placing Agreement; and

(ii) the Irrevocable Undertaking;

8. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors was interested in any business which competed or was likely to compete directly or indirectly with the businesses of the Group.

9. QUALIFICATION AND CONSENT OF EXPERTS

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

Name	**Qualification**
ZHONGHUI ANDA CPA Limited	Certified Public Accountants Registered Public Interest Entity Auditors
Octal Capital	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activity under the SFO

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

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

As at the Latest Practicable Date, none of the Experts had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2026, being the date to which the latest published audited accounts of the Company were made up.

10. EXPENSE

The expenses payable by the Company in connection with the Rights Issue, including financial adviser fees, printing, registration, translation, legal and accounting fees, are estimated to be approximately HK$1.2 million.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors	*Executive Directors:* Mr. Leng Yueyingtan *(Co-Chairman)* Mr. Wang Jun *(Co-Chairman)* Mr. Wang Mengyao Mr. Man Wai Lun Mr. Li Li *Independent Non-executive Directors:* Mr. Lou Tao Mr. Liu Zhong Ms. Li Qian
Audit Committee	Ms. Li Qian *(chairlady)* Mr. Leng Yueyingtan Mr. Liu Zhong
Nomination Committee	Mr. Leng Yueyingtan *(chairperson)* Mr. Man Wai Lun Ms. Li Qian
Remuneration Committee	Mr. Liu Zhong *(chairperson)* Mr. Leng Yueyingtan Ms. Li Qian

Registered Office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head office and principal place of business in Hong Kong	1101, 11th Floor Gloucester Tower The Landmark 15 Queen's Road Central Hong Kong
Authorised representative	Mr. Wang Mengyao Mr. Wong Ka Sing
Company secretary	Mr. Wong Ka Sing, HKICPA
Hong Kong branch share registrar and transfer office	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Principal share registrar and transfer office in the Cayman Islands	**Suntera (Cayman) Limited** Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal bankers	**Bank of Communications Limited** 20 Pedder Street Central Hong Kong
Auditors	**ZHONGHUI ANDA CPA Limited** 23/F, Tower 2 Enterprise Square Five 38 Wang Chiu Road Kowloon Bay, Kowloon Hong Kong
Legal adviser to the Company as to Hong Kong laws	**DeHeng Law Offices (Hong Kong) LLP** 28/F, Henley Building, 5 Queen's Road Central, Hong Kong

Financial adviser	**Emperor Corporate Finance Limited** 23/F Emperor Group Centre 288 Hennessy Road Wanchai Hong Kong
Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders	**Octal Capital Limited** 504-505, 5th Floor, 308 Des Voeux Road Central, Hong Kong

12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. Leng Yueyingtan ("Mr. Leng"), aged 40, is the co-chairman and an executive director of the Company, has extensive working experience in management. He has served as the chairman of Guoheng Times Co., Ltd.*（國恒時代有限公司）since November 2021, and previously held the position of Chief Executive Officer at Shanghai Hongqiao Development Group*（上海虹橋發展集團投資有限公司）from January 2019 to October 2021. Prior to that, he was the general manager of the Chengdu branch of Mianyang Science and Technology City Service Co., Ltd.*（綿陽科技城科技服務有限責任公司成都分公司）from April 2015 to December 2018.

Mr. Wang Jun ("Mr. Wang"), aged 57, is the co-chairman and an executive director of the Company, possesses extensive professional experience in management. As the founder and chairman of the board of Bio Holdings Group*（拜奧控股集團）, he is primarily responsible for formulating the Bio Holdings Group's overall development strategy, technological Research & Development roadmap, and capital operation plans. Mr. Wang possesses over twenty years of experience in biotechnology, regenerative medicine, and international financial capital markets.

Mr. Wang initiated the international exploration of healthcare in 2009 and pioneered the introduction and localisation of the United States "Know Your Number" health data system in 2010, laying the early foundation for Bio Group*（拜奧集團）'s data-driven mindset. In 2016, Mr. Wang founded Yubo International Biotechnology (Beijing) Group Co., Ltd.*（羽鉑國際生物科技（北京）集團有限公司）, developing the "Vivicell" product portfolio centred on endometrial stem cells. He successfully guided the company to list on the United States capital market (Pink Sheets) in 2020, and subsequently upgraded it to the OTCQB Market in 2023, charting a strategic roadmap for transitioning to the NASDAQ main board. Mr. Wang is the president, a director and a controlling shareholder holding 68.39% of Yubo International Biotech Limited, a company listed on the United States of America OTCQB Market with stock code: YBGJ and was the executive director of Easy Smart Group Holdings Limited (stock code: 2442) from 4 August 2025 to 3 November 2025. Save as disclosed above, as at the Latest Practicable Date, Mr. Wang confirmed that he does not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Wang Mengyao ("Mr. Wang Mengyao"), aged 29, is an executive director of the Company. He was the vice president of Jiangsu Jinyan Fund Management Co., Ltd.* from January 2020 to March 2022. Mr. Wang Mengyao has been the general manager of Jiangsu Zhuoding Medical Technology Co., Ltd.* since April 2022, and is responsible for all operations and management matters of such company. He is currently pursuing a business administration degree at Myongji University in South Korea. Mr. Wang Mengyao is experienced in business operations and management, has in-depth knowledge about finance and medical technology industries who will be able to provide unique insights regarding business operations and management to the Board.

Mr. Man Wai Lun ("Mr. Man"), aged 53, is an executive director of the Company. He obtained his diploma in Business Management from the School of Continuing Education, Hong Kong Baptist University in April 2003 and obtained a bachelor degree of accountancy from the University of South Australia in March 2007. Mr. Man was appointed as an executive Director and a member of the Nomination Committee in January 2019. Mr. Man has over 16 years of experience in accounting.

Currently, Mr. Man is an executive director of Century Group International Holdings Limited (Stock code: 2113). He was previously an independent non-executive director of Elegance Optical International Holdings Limited (stock code: 907) until 9 February 2024, an independent non-executive director of Millennium Pacific Group Holdings Limited (Stock code: 8147) until 29 May 2024 and an independent nonexecutive director of Momentum Financial Holdings Limited (Stock code: 1152) until 30 April 2024. He was an executive director of China Clean Energy Technology Group Limited (Stock Code: 2379) until 3 October 2022, an independent non-executive director of China Trustful Group Limited (Stock code: 8265, delisted on 12 November 2021) until 9 November 2020 and an executive director of CT Environmental Group Limited (Stock code: 1363, delisted on 10 September 2021) until 19 April 2021.

Mr. Li Li ("Mr. Li"), aged 48, graduated from Binhai County High School. He has over 20 years of experience in corporate operations, particularly in business promotion. As an entrepreneur for many years, he possesses a broad network and market resources. Mr. Li has been an executive Director since 19 September 2024. He is currently the Executive Vice President of Jiangsu Xingyun Zhiguang Liquor Co., Ltd.* (江蘇幸運之光酒業有限責任公司). From 2014 to 2020, he worked as the Chief Operating Officer at Jiangsu Biaoke Information Technology Co., Ltd.* (江蘇鏢客信息科技有限公司), primarily responsible for business expansion. From 2007 to 2014, he served as the Sales Director of Nanjing Yaopi Glass Co., Ltd.* (南京耀皮玻璃有限公司), where he was fully responsible for the company's business development.

Independent non-executive Directors

Mr. Lou Tao ("Mr. Lou"), aged 59, has been appointed as an independent non-executive Director with effect from 18 December 2023. He obtained a Bachelor's Degree in international finance from Capital University of Economics and Business in 1991. He worked at China Ocean Shipping Company as a financial officer from 1991 to 2000. Mr. Lou has been the General manager of the Electronics Division of Tibet Huajun Advertisement Co., Ltd.* (西藏華君廣告有限公司) since 2001.

Mr. Liu Zhong ("**Mr. Liu**"), aged 44, graduated from China Media University with a major in Broadcasting and Hosting in 2007. He has extensive experience in coordinating project teams, management, and marketing planning. From 2023 to 2024, he served as the General Manager of the marketing department at Guizhou Diwang Chi Liquor Co., Ltd.* (貴州帝王池酒業有限公司), focusing on market development. From 2005 to 2023, he founded Hunan Wanjing Cultural Media Co., Ltd.* (湖南瀾溪文化傳媒有限公司), which successfully organized over 57 investment promotion training conferences.

Ms. Li Qian ("Ms. Li"), aged 46, possesses extensive professional experience in finance and accounting. She graduated from the Nanjing Political College of the People's Liberation Army of China in 2002 with a bachelor's degree. In December 2020, she obtained the Chinese Institute of Certified Public Accountant (CICPA) qualification. Since August 1999, Ms. Li has been engaged in full-time financial work for 28 years and holds junior and intermediate accountant titles as well as the CICPA certificate.

Ms. Li has held various financial positions. She served as the financial manager/supervisor of Nanjing Xingcheng Future Intelligent Technology Co., Ltd. (南京星程未來智能科技有限公司) from June 2023 to March 2026, and as the financial manager/supervisor of Nanjing Huake Guangfa Technology Co., Ltd. (南京華科廣發科技有限公司) from August 2019 to May 2023. Prior to that, she acted as the general ledger accountant of a large catering and hotel group from January 2013 to October 2018. She also worked as an accountant at Lenovo Mobile Communication Technology Company (聯想移動通信科技公司) from May 2004 to June 2012, and started her career as a finance staff member at a large building materials company from August 1999 to April 2004.

Business address of the Directors

The business address of the Directors is the same as the Company's principal office in Hong Kong at Room 1101, 11th Floor, Gloucester Tower, The Landmark, 15 Queen's Road Central Hong Kong.

13. DOCUMENTS ON DISPLAY

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

(a) the annual reports of the Company for each of the three financial years ended 31 March 2024, 2025 and 2026;

(b) the letter of recommendation from the Independent Board Committee, the text of which is set out on pages IBC-1 to IBC-2 of this circular;

(c) the letter of advice from the Independent Financial Adviser, the text of which is set out on pages IFA-1 to IFA-28 of this circular;

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

(e) the material contracts referred to in the paragraph headed "7. Material Contracts" of this appendix; and

(f) the written consent referred to in paragraph headed "9. Qualification and Consent of Experts" of this appendix.

14. MISCELLANEOUS

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

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

(c) As at the Latest Practicable Date, save as disclosed elsewhere in this circular, there was no material contract for the hire or hire purchase of plant to or by any member of the Group for a period of over a year which is substantial in relation to the Group's business; and

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

King International Investment Limited
帝王國際投資有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 928)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of King International Investment Limited (the "**Company**") will be held at 22/F, Euro Trade Centre, 13-14 Connaught Road Central, Central, Hong Kong at 11:00 a.m. on Monday, 28 September 2026 for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company. Unless otherwise indicated, capitalised terms used herein shall have the same meaning as those defined in the circular of the Company dated 11 September 2026 (the "**Circular**").

ORDINARY RESOLUTIONS

1. "**THAT** subject to and conditional upon (i) the compliance with all relevant procedures and requirements under the laws of the Cayman Islands (where applicable) and the Listing Rules to effect the Share Consolidation (as defined below), and (ii) the Stock Exchange (as defined below) granting the listing of, and permission to deal in, the Consolidated Shares (as defined below) arising from the Share Consolidation, with effect from the second business day immediately following the day of passing of this resolution, being a day on which the shares of the Company are traded on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"):

   (a) every ten (10) issued and unissued shares of par value HK$0.05 each in the share capital of the Company be consolidated into one (1) share of par value HK$0.5 (each a "**Consolidated Share**"), and such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the articles of association of the Company (the "**Share Consolidation**");

   (b) immediately following the Share Consolidation becoming effective, the authorised share capital of the Company will be changed from HK$500,000,000 divided into 10,000,000,000 Existing Shares of par value of HK$0.05 each to HK$500,000,000 divided into 1,000,000,000 Consolidated Shares of par value of HK$0.5 each;

   (c) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the board of directors (the "**Directors**") of the Company may think fit; and

(d) any one or more Directors be and is/are hereby authorised to take such actions, do all such acts and things and execute all such further documents or deeds as he/they may, in his/their absolute discretion, consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Share Consolidation."

2. "**THAT** conditional upon (i) resolution 1 set out in this notice being passed by the shareholders of the Company (the "**Shareholders**"); (ii) the Stock Exchange granting or agreeing to grant the listing of and permission to deal in the Rights Shares (as defined below) (in their nil-paid and fully-paid forms); (iii) the satisfaction of the conditions set out in the letter from the board under the heading "Conditions of the Rights Issue" in the Circular; and (iv) the filing and registration of all documents relating to the Rights Issue (as defined below) required to be filed or registered with the Registrar of Companies in Hong Kong in accordance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong):

(a) the allotment and issue of up to 370,085,012 rights shares (assuming no exercise of any Share Options and no other change in the issued share capital of the Company on or before the Record Date) or up to 387,293,012 Rights Shares (assuming all Share Options have been exercised and no other change in the issued share capital of the Company on or before the Record Date) (the "**Rights Share(s)**") by way of Rights Issue (the "**Rights Issue**") at the Subscription Price of HK$0.5 per Rights Share on the basis of two (2) Rights Shares for every one (1) Consolidated Share of the Company held by the shareholders (the "**Qualifying Shareholders**") of the Company whose names appear on the register of members of the Company as at the close of business on Monday, 28 September 2026 (or such later date as may be determined and announced by the Company) (the "**Record Date**") other than those shareholders (the "**Non-Qualifying Shareholders**") of the Company whose names appear on the register of members of the Company as at the close of business on the Record Date and whose addresses as shown on the register of members of the Company are outside Hong Kong and whom the Directors, based on legal opinions provided by the Company's legal advisers, consider it necessary or expedient not to offer the Rights Shares on account either of restrictions under the laws of the relevant place or the requirements of a relevant regulatory body or stock exchange in that place, and the transactions contemplated thereunder, be and are hereby approved;

(b) the placing agreement dated 23 July 2026 entered into between the Company and Yuet Sheung International Securities Limited ("**Placing Agreement**") in relation to the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares on a best effort basis (a copy of the Placing Agreement marked "A" is produced to this meeting and initialled by the chairman of the meeting for the purpose of identification), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

(c) the board of Directors (the "**Board**") or a committee thereof be and is/are hereby authorised to allot and issue the Rights Shares pursuant to or in connection with the Rights Issue notwithstanding that the same may be offered, allotted or issued otherwise than pro-rata to the Qualifying Shareholders and, in particular, the Board may make such exclusions or other arrangements in relation to the Non-Qualifying Shareholders as it may deem necessary or expedient having regard to the legal restrictions under the laws of the place and requirements of the relevant regulatory body or stock exchange; and

(d) any one Director be and is hereby authorised to sign or execute such documents and do all such acts and things in connection with the allotment and issue of the Rights Shares, the implementation of the Rights Issue in accordance with all terms and conditions of the Rights Issue, the implementation of or giving effect to or the completion of any matters relating to the Placing Agreement and the transactions contemplated thereunder as set out in the "Letter from the Board" in the circular of the Company dated 11 September 2026 and the Placing Agreement, the exercise or enforcement of any of the Company's rights under the Placing Agreement and to make and agree to make such variations of the terms of the Placing Agreement as he/she may in his/her discretion consider to be appropriate, necessary or desirable and in the interests of the Company and its shareholders as a whole."

By order of the Board
King International Investment Limited
Leng Yueyingtan
Co-chairman and Executive Director

Hong Kong, 11 September 2026

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head office and principal place of business in Hong Kong:
1101, 11th Floor
Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

Notes:

1. Any member of the Company ("**Members**" or "**Shareholders**") entitled to attend and vote at the meeting above ("**Meeting**") is entitled to appoint in written form one or, if he/she is the holder of two or more shares of the Company ("**Shares**"), more proxies to attend and vote instead of him/her. A proxy need not be a Member.

2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of Members in respect of the joint holding.

3. In order to be valid, the form of proxy must be in writing signed by the appointor or his/her attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or signed by an officer or attorney duly authorised, and must be deposited with the Hong Kong branch share registrar and transfer office of the Company ("**Branch Registrar**"), Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time appointed for holding of the Meeting (i.e. by 11:00 a.m. on Saturday, 26 September 2026) or any adjournment or postponement thereof.

4. For the purpose of determining Members who are qualified for attending and voting at the Meeting, the register of Members will be closed from Tuesday, 22 September 2026 to Monday, 28 September 2026, both days inclusive, during which no transfer of Shares will be effected. The record date for determining the eligibility of the Shareholders to attend and vote at the EGM will be Monday, 28 September 2026. In order to qualify for attending and voting at the Meeting, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Branch Registrar at the address stated in note 3 above not later than 4:30 p.m. on Monday, 21 September 2026 for registration.

5. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting at the Meeting or any adjournment or postponement thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.

6. According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, voting on all proposed resolutions set out in this notice will be taken by a poll. According to articles of the Company, a resolution put to the vote of a meeting shall be decided by way of a poll save that in the case of a physical meeting, the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

7. (a) Subject to paragraph (b) below, if a tropical cyclone warning signal No. 8 or above is expected to be hoisted or "extreme conditions" caused by super typhoons or a black rainstorm warning signal is expected to be in force at any time on the date of the Meeting, the Meeting will be postponed to the next Business Day on which no tropical cyclone warning signal No. 8 or above or "extreme conditions" caused by super typhoons or a black rainstorm warning signal is hoisted or in force in Hong Kong at any time between the hours from 8:00 a.m. to 11:00 a.m. and in such case the meeting shall be held at the same time and venue.

   (b) If a tropical cyclone warning signal No. 8 or above or "extreme conditions" caused by super typhoons or a black rainstorm warning signal is lowered or cancelled three hours before the time appointed for holding the Meeting and where conditions permit, the Meeting will be held as scheduled.

   (c) The Meeting will be held as scheduled when a tropical cyclone warning signal No. 3 or below is hoisted or an amber or red rainstorm warning signal is in force.

   (d) After considering their own situations, Members should decide on their own whether or not they would attend the Meeting under any bad weather condition and if they do so, they are advised to exercise care and caution.

8. All times and dates specified herein refer to Hong Kong local times and dates.

As at the date of this notice, the Board comprises five executive Directors, namely Mr. Leng Yueyingtan (Co-chairman), Mr. Wang Jun (Co-chairman), Mr. Wang Mengyao, Mr. Man Wai Lun and Mr. Li Li; and three independent non-executive Directors, namely Mr. Lou Tao, Mr. Liu Zhong and Ms. Li Qian.