
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **AI Energy Engineering Holdings Limited**, you should at once hand or forward this Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed “15. Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this Prospectus, has been registered by the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (WUMP) Ordinance. The Registrar of Companies in Hong Kong, the Stock Exchange and the SFC take no responsibility for the contents of any of the Prospectus Documents.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

AI Energy Engineering Holdings Limited **智算能建控股有限公司**

(Formerly known as “Kingland Group Holdings Limited 景聯集團控股有限公司”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1751)

PROPOSED RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY FIVE (5) SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

The Rights Issue will proceed on a non-underwritten basis. Pursuant to the Company’s constitutional documents, the applicable laws in Hong Kong and the Cayman Islands and the Listing Rules, there is no requirement for a minimum level of subscription in the Rights Issue. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. The Rights Issue is subject to fulfilment of the conditions of the Rights Issue as set out in the section headed “Letter from the Board – Conditions of the Rights Issue” in this Prospectus. If the conditions of the Rights Issue are not fulfilled at or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

Capitalised terms used in this cover page have the same meanings as defined in this Prospectus.

Dealings in the Rights Shares in the nil-paid form will take place from Monday, 21 September 2026 to Monday, 28 September 2026 (both days inclusive). Any person contemplating dealing in the nil-paid Rights Shares during the period from Monday, 21 September 2026 to Monday, 28 September 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.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled.

The latest time for acceptance of and payment for the Rights Shares and for application is 4:00 p.m. on Friday, 2 October 2026. The procedure for acceptance and payment or transfer is set out on pages 15 to 16 of this Prospectus.

17 September 2026

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EXPECTED TIMETABLE

Set out below is the expected timetable for the Rights Issue, the Placing and the Change in Board Lot Size which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled:

Events	Date and Time 2026
Despatch of the Prospectus Documents (in the case of Non-Qualifying Shareholders, the Prospectus only)	Thursday, 17 September
First day of dealing in nil-paid Rights Shares in the new board lot size of 2,000 Shares	Monday, 21 September
Latest time for splitting of the PAL	4:30 p.m. on Wednesday, 23 September
Temporary counter for trading in the Shares in board lot of 10,000 Shares closes	4:10 p.m. on Friday, 25 September
Last day of parallel trading in the Shares (in board lot of 2,000 Shares and board lot of 10,000 Shares)	4:10 p.m. on Friday, 25 September
Last day of dealing in nil-paid Rights Shares in the new board lot size of 2,000 Shares	Monday, 28 September
Last day for free exchange of existing share certificates in board lot of 10,000 Shares for new share certificates in board lot of 2,000 Shares	4:30 p.m. on Tuesday, 29 September
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the Compensatory Arrangements	4:00 p.m. on Friday, 2 October
Latest time for acceptance and payment for the Rights Shares	4:00 p.m. on Friday, 2 October
Announcement of the number of Unsubscribed Rights Shares and NQS Unsold Rights Shares subject to the Compensatory Arrangements	Thursday, 8 October
Commencement of placing of the Placing Shares by the Placing Agent	Friday, 9 October

EXPECTED TIMETABLE

Events	Date and Time 2026
Latest time of placing of the Placing Shares by the Placing Agent	4:00 p.m. on Wednesday, 14 October
Latest time for Termination.	4:00 p.m. on Wednesday, 14 October
Announcement of the results of the Rights Issue (including results of the Placing and the amount of the Net Gain per Unsubscribed Rights Share and NQS Unsold Rights Share under the Compensatory Arrangements)	Wednesday, 21 October
Despatch of refund cheques, if any, if the Rights Issue is terminated, on or before.	Thursday, 22 October
Despatch of share certificates of fully-paid Rights Shares	Thursday, 22 October
Designated broker starts to stand in the market to provide matching services for odd lots of the Shares.	9:00 a.m. on Friday, 23 October
Expected first day of dealings in fully-paid Rights Shares in the new board lot size of 2,000 Shares	Friday, 23 October
Payment of Net Gain to relevant No Action Shareholders (if any)	Friday, 30 October
Designated broker ceases to stand in the market to provide matching services for odd lots of the Shares.	4:00 p.m. on Wednesday, 11 November

All times and dates in this Prospectus refer to Hong Kong local times and dates.

In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the website of the Stock Exchange and on the website of the Company as and when appropriate.

EXPECTED TIMETABLE

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

The Latest Time for Acceptance will not take place if there is a tropical cyclone warning signal no. 8 or above, “extreme conditions” as announced by the Government of Hong Kong and/or a “black” rainstorm warning:

- (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 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 either 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 does not take place on the currently scheduled date, the dates mentioned in this section may be affected. An announcement will be made by the Company as soon as practicable in such event.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 17 August 2026 in relation to, among others, the Rights Issue
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday or a day on which the “extreme conditions” is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the change in board lot size of the Shares for trading on the Stock Exchange from 10,000 Shares to 2,000 Shares with effect from 9:00 a.m. on Monday, 7 September 2026
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	AI Energy Engineering Holdings Limited (formerly known as “Kingland Group Holdings Limited”), a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on the Main Board of the Stock Exchange (stock code: 1751)
“Compensatory Arrangements”	the compensatory arrangements pursuant to Rule 7.21(1)(b) of the Listing Rules as described in the section headed “The Compensatory Arrangements” in this Prospectus

DEFINITIONS

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Rules of HKSCC”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	the Company and its subsidiaries
“Guangdong Fengxin”	Guangdong Fengxin Water Conservancy and Hydropower Engineering Co., Ltd. (廣東楓鑫水利水電工程有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquires, are third parties independent of and not connected with the Company and its connected persons (or any of their respective associate) within the meaning of the Listing Rules
“Intermediary”	in relation to a beneficial owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the beneficial owner’s broker, custodian, nominee or other relevant person who is a CCASS participant or who has deposited the beneficial owner’s Shares with a CCASS participant

DEFINITIONS

“Last Trading Day”	17 August 2026, being the last full trading day of the Shares on the Stock Exchange immediately prior to the publication of the Announcement
“Latest Practicable Date”	10 September 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this Prospectus prior to its publication
“Latest Time for Acceptance”	4:00 p.m. on Friday, 2 October 2026 or such later time or date as may be determined by the Company, being the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus Documents
“Latest Time for Termination”	4:00 p.m. on Wednesday, 14 October 2026 or such later time or date as the Company and the Placing Agent may agree in writing, being the latest time to terminate the Placing Agreement
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Net Gain”	any premium over the aggregate amount of (i) the Subscription Price for the Placing Shares; and (ii) the expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing
“Net Proceeds”	the net proceeds of the Rights Issue, after deducting all relevant expenses
“No Action Shareholder(s)”	those Qualifying Shareholder(s) who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or their renounces who hold any nil-paid rights at the time such nil-paid rights are lapsed, and/or the Non-Qualifying Shareholders (if any)
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place

DEFINITIONS

“NQS Unsold Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders (if any) in nil-paid form that have not been sold by the Company
“Overseas Shareholder(s)”	the Shareholder(s) whose registered address(es) as shown in the register of members of the Company as at the close of business on the Record Date is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) proposed to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placing”	the offer by way of private placing of the Placing Shares on a best effort basis by the Placing Agent and/or its sub-placing agents(s), who and whose ultimate beneficial owner(s) shall not be the Shareholder(s) and shall be the Independent Third Party(ies), to independent placee(s) during the Placing Period on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	Astrum Capital Management Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the placing agent to the Placing
“Placing Agreement”	the placing agreement dated 17 August 2026 (as supplemented by the Supplemental Placing Agreement) and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Period”	a period commencing from the first Business Day after the date of announcement of the number of Unsubscribed Rights Shares and the NQS Unsold Rights Shares, which is expected to be Friday, 9 October 2026 and ending at 4:00 p.m. on Wednesday, 14 October 2026 or such later date as the Company and the Placing Agent may agree in writing, during which the Placing Agent will carry out the Placing
“Placing Shares”	collectively, the Unsubscribed Rights Shares and the NQS Unsold Rights Shares

DEFINITIONS

“PRC”	the People’s Republic of China, and for the purpose of this Prospectus, excludes Hong Kong, Macau and Taiwan
“Previous Rights Issue”	the previous issue by way of rights on the basis of one (1) rights share for every three (3) existing Shares held on 20 March 2026, which was completed in May 2026
“Prospectus”	this prospectus to be despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	collectively, the Prospectus and the PAL(s)
“Prospectus Posting Date”	Thursday, 17 September 2026, or such other date as the Company may determine, being the date on which the Prospectus Documents are made available and/or despatched (as the case may be) to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders (if any)
“Public Float Requirement”	the public float requirement under Rule 13.32B of the Listing Rules
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Wednesday, 2 September 2026 or such other date as may be determined by the Company, being the date for determining entitlements of Shareholders to participate in the Rights Issue
“Registrar”	Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, the branch share registrar and transfer office of the Company in Hong Kong
“Rights Issue”	the proposed issue of the Rights Shares by way of rights on the basis of two (2) Rights Shares for every five (5) Shares held by the Qualifying Shareholders at the close of business on the Record Date at the Subscription Price
“Rights Share(s)”	new Share(s) proposed to be allotted and issued pursuant to the Rights Issue, being up to 116,477,534 Rights Shares

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of par value HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.65 per Rights Share
“substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Supplemental Placing Agreement”	the supplemental placing agreement dated 3 September 2026 entered into between the Company and the Placing Agent in relation to the Placing Agreement
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Unsubscribed Rights Share(s)”	the Rights Shares that are not subscribed by the Qualifying Shareholders or transferees of nil-paid Rights Shares by the Latest Time for Acceptance
“USD”	U.S. dollar(s), the lawful currency of the United States
“%”	per cent

LETTER FROM THE BOARD

AI Energy Engineering Holdings Limited 智算能建控股有限公司

(Formerly known as “Kingland Group Holdings Limited 景聯集團控股有限公司”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1751)

Executive Directors:

Mr. Cao Yifan (*Chairman*)

Ms. Pang Xiaoli

Mr. Su Jia

Registered office:

Ocorian Trust (Cayman) Limited

Windward 3, Regatta Office Park

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

Independent non-executive Directors:

Mr. Zhang Yongkui

Mr. Ng Ho Man

Mr. Liu Wengang

Principal place of business

in Hong Kong:

Unit 1901, 19/F.

21 Ashley

21 Ashley Road

Tsim Sha Tsui, Kowloon

Hong Kong

17 September 2026

To the Qualifying Shareholders and,

for information only, the Non-Qualifying Shareholders (if any)

Dear Sir or Madam,

RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY FIVE (5) SHARES HELD ON THE RECORD DATE

INTRODUCTION

Reference is made to the Announcement in relation to, among other matters, the Rights Issue and the Placing. The Company proposes to raise gross proceeds of up to approximately HK\$75.7 million (assuming full subscription under the Rights Issue) by way of a rights issue of up to 116,477,534 Rights Shares at the subscription price of HK\$0.65 per Rights Share, on the basis of two (2) Rights Shares for every five (5) Shares held by the Qualifying Shareholders at the close of business on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders (if any).

The purpose of this Prospectus is to provide you with, among other things, details of the Rights Issue, financial information and other general information of the Group.

LETTER FROM THE BOARD

RIGHTS ISSUE

Rights Issue statistics

Basis of the Rights Issue	:	two (2) Rights Shares for every five (5) Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.65 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	291,193,835 Shares
Number of Rights Shares	:	up to 116,477,534 Rights Shares (assuming that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Aggregate nominal value of the Rights Shares	:	up to HK\$5,823,876.7 (assuming that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Number of Shares in issue as enlarged by the allotment and issue of the Rights Shares	:	up to 407,671,369 Shares (assuming that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Gross proceeds from the Rights Issue	:	up to approximately HK\$75.7 million
Net proceeds from the Rights Issue	:	up to approximately HK\$72.4 million
Net subscription price per Rights Share (i.e. maximum Net Proceeds divided by the maximum number of Rights Shares to be issued)	:	approximately HK\$0.62 per Rights Share

As at the Latest Practicable Date, the Company (i) did not have any options outstanding under any share option scheme of the Company or any other derivatives, options, warrants or convertible securities or other similar rights which are convertible or exchangeable into Shares; and (ii) had no treasury Shares or repurchased Shares pending cancellation.

LETTER FROM THE BOARD

Assuming no change in the share capital of the Company on or before completion of the Rights Issue, the 116,477,534 Rights Shares to be issued pursuant to the Rights Issue represents (i) approximately 40% of the total number of issued Shares as at the Latest Practicable Date; and (ii) approximately 28.57% of the total issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares (assuming full subscription).

When aggregated with the Previous Rights Issue, the Rights Issue would increase (i) the total number of issued Shares of the Company immediately prior to the announcement of the Previous Rights Issue (i.e. 6 March 2026) by approximately 40.43%; and (ii) the market capitalisation of the Company immediately prior to the announcement of the Previous Rights Issue (i.e. 6 March 2026) by approximately 16.81%, in each case by reference to the 889,835 rights shares actually allotted and issued under the Previous Rights Issue.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully subscribed, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed to independent placees on a best effort basis under the Compensatory Arrangements. 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.

The Company explored potential underwriting options for the Rights Issue and approached a number of securities firms. However, no underwriter was prepared to enter into a full underwriting agreement, only the Placing Agent agreed to participate in a placing capacity.

Accordingly, the Board determined that a non-underwritten Rights Issue, combined with the Placing Agreement, represents the most practical and efficient structure to fulfill the Company's financing needs.

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, any 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.

Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not (i) trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules; and/or (ii) result in the non-compliance of the Public Float Requirement on the part of the Company.

LETTER FROM THE BOARD

Undertakings

The Company has not received any information or irrevocable undertaking from any substantial Shareholder of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue as at the Latest Practicable Date.

Subscription Price

The Subscription Price of HK\$0.65 per Rights Share shall be payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares, or when a transferee of nil-paid Rights Shares applies for the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 9.09% to the closing price of HK\$0.715 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 7.80% to the closing price of HK\$0.705 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 8.32% to the average closing price of HK\$0.709 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 12.10% to the average closing price of HK\$0.7395 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 6.95% to the theoretical ex-rights price of approximately HK\$0.69857 per Share as adjusted for the effect of the Rights Issue, based on the benchmarked price of HK\$0.718 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price on the Last Trading Day of HK\$0.705 per Share; and (ii) the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day of HK\$0.718 per Share) (the “**Benchmarked Price**”);
- (vi) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 2.71%, represented by the theoretical diluted price of approximately HK\$0.69857 per Share to the Benchmark Price;
- (vii) a cumulative theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 2.71% in aggregation with the Previous Rights Issue of the cumulative theoretical diluted price of approximately HK\$1.60132 per Share as compared to the benchmarked price of approximately HK\$1.646 per Share in respect of the Previous Rights Issue (as defined under Rule 7.27B of the Listing Rules, taking

LETTER FROM THE BOARD

into account the higher of the closing price on 6 March 2026 of HK\$1.58 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five consecutive trading days preceding 6 March 2026 of approximately HK\$1.646 per Share);

- (viii) a premium of 1,525.0% over the consolidated net asset value per Share of approximately HK\$0.04 (based on the latest published audited consolidated net asset value of the Company of approximately HK\$12.53 million as at 31 December 2025 as disclosed in the annual report of the Company for the year ended 31 December 2025 and 291,193,835 Shares in issue as at the Latest Practicable Date); and
- (ix) a premium of 150% over the consolidated net asset value per Share of approximately HK\$0.26 (based on the latest unaudited consolidated net asset value of the Company of approximately HK\$74.26 million as at 30 June 2026 as disclosed in the interim results announcement of the Company for the six months ended 30 June 2026 and 291,193,835 Shares in issue as at the Latest Practicable Date).

The Rights Issue (together with the Previous Rights Issue) does not result in a theoretical dilution effect of 25% or more. As such, the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Subscription Price was determined with reference to, among others, (i) the market price of the Shares under the prevailing market conditions; (ii) the latest business development and financial position of the Group; and (iii) the reasons for and benefits of the Rights Issue as discussed in the section headed “**REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS**” in this Prospectus.

In determining the Subscription Price, the Board has taken into account the outcome of the Previous Rights Issue. As disclosed in the announcement of the Company dated 22 May 2026, only 889,835 Rights Shares, representing approximately 0.9% of the Rights Shares available for subscription under the Previous Rights Issue, were validly accepted, while the remaining 95,878,165 Unsubscribed Rights Shares (representing approximately 99.1% of the total number of Rights Shares offered) were subject to the Compensatory Arrangements by way of the Placing but none were successfully placed and accordingly lapsed. As a result, the gross proceeds actually raised under the Previous Rights Issue were reduced to approximately HK\$1.4 million (with Net Proceeds of approximately HK\$0.4 million). The Board further notes that the closing price of the Shares as quoted on the Stock Exchange has been on a general downward trend over the past six months, declining from a closing price of approximately HK\$2.00 per Share in late January 2026 to a closing price of approximately HK\$0.73 per Share on 20 July 2026, representing a decrease of approximately 63.5%. Having regard to the modest response to the Previous Rights Issue and the recent declining price performance of the Shares, the Board considers it appropriate for the Subscription Price to represent a discount to the prevailing market price of the Shares as quoted on the Stock Exchange (i) on the Last Trading Day; (ii) for the five (5) consecutive trading days up to and including the Last Trading Day; and (iii) for the ten (10) consecutive trading days up to and including the Last Trading Day, in order to make the

LETTER FROM THE BOARD

terms of the Rights Issue more attractive and to encourage higher participation by the Qualifying Shareholders in the Rights Issue.

The Directors consider that, despite any potential dilution impact of the Rights Issue on the shareholding interests of the Shareholders, the terms and structure of the Rights Issue are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account the following factors: (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue are able to sell the nil paid rights in the market; (ii) the Qualifying Shareholders who choose to accept their provisional entitlements in full can maintain their respective existing shareholding interests in the Company after the Rights Issue; (iii) the Rights Issue allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a relatively low price as compared to the recent market price of the Shares; and (iv) the discount of the Subscription Price to the current market price will encourage them to participate in the Rights Issue.

Qualifying Shareholders who do not take up the Rights Shares to which they are entitled should note that their shareholdings in the Company will be diluted upon completion of the Rights Issue. The possible maximum dilution to shareholdings of those Qualifying Shareholders who do not subscribe to the Rights Issue is approximately 28.57%. The theoretical dilution effect of the Rights Issue and the cumulative theoretical dilution effect when aggregated with the Previous Rights Issue are each approximately 2.71%, which is below 25% as required under Rule 7.27B of the Listing Rules.

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfilment of the following conditions:

- (i) the electronic submission of the Prospectus Documents for authorisation by the Stock Exchange and registration by the Registrar of Companies in Hong Kong not later than the Prospectus Posting Date;
- (ii) the Prospectus Documents being made available and/or despatched (as the case may be) to the Qualifying Shareholders (and, where applicable, the Prospectus to the Non-Qualifying Shareholders, if any, for information only), by no later than the Prospectus Posting Date;
- (iii) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the approval for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms in the new board lot size of 2,000 Shares; and
- (iv) the Placing Agreement not having been terminated pursuant to the terms thereof, and remaining in full force and effect.

LETTER FROM THE BOARD

All conditions set out above cannot be waived. If any of the above conditions is not fulfilled at or prior to the Latest Time for Termination, the Rights Issue will not proceed. As at the Latest Practicable Date, none of the above conditions precedent has been fulfilled.

Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders only and will not be extended to the Non-Qualifying Shareholders (if any). 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.

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

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

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

Rights of Overseas Shareholders

The Prospectus Documents to be issued in connection with the Rights Issue are not intended to be, have not been, and will not be registered or filed under the applicable securities law of any jurisdiction other than Hong Kong. If, at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside Hong Kong, such Shareholder may not be eligible to take part in the Rights Issue.

As at the Latest Practicable Date, based on the register of members of the Company, there is one (1) Overseas Shareholder with a registered address located in the PRC, who is interested in 80,000 Shares, representing approximately 0.027% of the total issued share capital of the Company.

LETTER FROM THE BOARD

The Company has, in compliance with Rule 13.36(2)(a) of the Listing Rules, made necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholder. Taking into account the advice provided by legal adviser in the PRC, the Board is of the opinion that the relevant legal restrictions and requirements of the regulatory body or stock exchange in the PRC do not make it necessary or expedient to exclude the Overseas Shareholder with registered address located in the PRC from the Rights Issue. Therefore, such Overseas Shareholder is not a Non-Qualifying Shareholder.

Save for the abovementioned Overseas Shareholder whose registered address is in the PRC, there were no other Overseas Shareholders based on the register of members of the Company as at the Latest Practicable Date. As the register of members of the Company had already been closed as at the Latest Practicable Date and would remain closed up to the Record Date, there would be no additional Overseas Shareholder and hence no Non-Qualifying Shareholder on the Record Date.

It is the responsibility of each Overseas Shareholder who wishes to take part in the Rights Issue to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territories and jurisdictions in that connection, including the obtaining of any governmental or other consents which may be required or the compliance with other necessary formalities or legal requirements.

Basis of provisional allotment

The basis of the provisional allotment shall be two (2) Rights Shares for every five (5) Shares in issue and held by the Qualifying Shareholders at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance. There will be no excess application arrangements in relation to the Rights Issue. Any holdings (or balance of holdings) of less than five (5) Shares will not entitle their holders to be provisionally allotted a Rights Share. Please refer to the arrangement as referred to in the section headed "**Fractional Entitlements to the Rights Shares**" below.

Status of the Rights Shares

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

LETTER FROM THE BOARD

Procedures for acceptance and payment or transfer

A PAL is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by not later than 4:00 p.m. on Friday, 2 October 2026. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to **"Tricor Investor Services Limited – Client A/C No.124"** and crossed **"ACCOUNT PAYEE ONLY"**. It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Friday, 2 October 2026, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer part or all of his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Wednesday, 23 September 2026 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee(s), will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

LETTER FROM THE BOARD

If the conditions of the Rights Issue as set out in the section headed “Conditions of the Rights Issue” hereinabove are not fulfilled, the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in their nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Thursday, 22 October 2026.

No receipt will be issued in respect of any application monies received.

Actions to be taken by beneficial owners holding Shares through CCASS

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or “split” their nil-paid Rights Shares by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their Intermediary and provide their Intermediary with instructions or make arrangements with their Intermediary in relation to the acceptance, transfer and/or “splitting” of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the section headed “Expected Timetable” in this Prospectus and otherwise in accordance with the requirements of their Intermediary in order to allow their Intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or “splitting” in these cases shall be in accordance with the General Rules of HKSCC, HKSCC Operational Procedures and any other applicable requirements of CCASS.

Share certificates and refund cheques for the Rights Issue

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 Thursday, 22 October 2026. If the Rights Issue does not become unconditional, refund cheques (without interest) are expected to be posted on or before Thursday, 22 October 2026 by ordinary post, at the respective Shareholders’ own risk, to their registered addresses.

Fractional entitlements to the Rights Shares

The Company will not provisionally allot and will not accept application for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number of a Share) and sold by the Company in the open market if a premium (net of expenses) can be obtained. Any of the Rights Shares remain unsold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

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Odd lots matching services

In order to facilitate the trading of odd lots of the Shares arising from the Rights Issue, the Placing Agent has been appointed as designated broker by the Company to match the purchase and sale of odd lots of the Shares at the relevant market price per Share. The Placing Agent confirmed that it and its ultimate beneficial owner(s) (i) are not Shareholder; and (ii) they are Independent Third Parties. Holders of the Shares in odd lots represented by valid share certificates for the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full board lot, may directly or through their brokers, contact the Placing Agent at (852) 3665 8111 during the period from 9:00 a.m. on Friday, 23 October 2026 to 4:00 p.m. on Wednesday, 11 November 2026 (both days inclusive). Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of Shares is on a best effort basis and not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers.

Application for listing of the Rights Shares

The Company has applied to the Listing Committee for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. The Rights Shares, in both their nil-paid and fully-paid forms, will be traded in the new board lot size of 2,000 Shares. No part of the securities of the Company is listed or dealt in or on which listing or permission to dealing is being or is proposed to be sought on any other stock exchange.

Stamp duty and other applicable fees

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 Non-Qualifying Shareholders (if any), their receipt of the Net Proceeds, if any, from sales of the nil-paid Rights Shares on their behalf. It is emphasised that none of the Company, its Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of any person resulting from the purchase, holding or disposal of, or dealing in, the Rights Share in both their nil-paid and fully-paid forms.

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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. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

The Compensatory Arrangements

According to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of any Unsubscribed Rights Shares and NQS Unsold Rights Shares by offering such Unsubscribed Rights Shares and NQS Unsold Rights Shares to independent placees for the benefit of those 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 as stipulated by Rule 7.21(1)(a) of the Listing Rules.

Accordingly, on 17 August 2026 (after trading hours), 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 independent placees on a best effort basis, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing (the “**Net Gain**”) will be paid to the relevant No Action Shareholders in the manner set out below.

As a result of the revisions to the expected timetable of the Rights Issue and the Placing as set out in the announcement of the Company dated 3 September 2026, the Company and the Placing Agent entered into the Supplemental Placing Agreement on 3 September 2026, to reflect the changes of the relevant dates of the Rights Issue and the Placing as referred to in the Placing Agreement.

The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Wednesday, 14 October 2026, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the NQS Unsold Rights Shares at a price not less than the Subscription Price. Any Unsubscribed Rights Shares and the 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.

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

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

If and to the extent in respect of any Net Gain, any No Action Shareholders become entitled on the basis described above to an amount of HK\$100 or more, such amount will be paid to the relevant No Action Shareholder(s) in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefits.

The Placing Agreement

Details of the Placing Agreement (as supplemented by the Supplemental Placing Agreement) are summarised as follows:

Date	:	17 August 2026 (the Placing Agreement); and 3 September 2026 (the Supplemental Placing Agreement)
Issuer	:	The Company
Placing Agent	:	Astrum Capital Management Limited

The Placing Agent confirmed that it and its ultimate beneficial owner(s) (i) are not Shareholder; and (ii) they are Independent Third Parties.

Placing Period	:	A period commencing from the first Business Day after the date of announcement of the number of Unsubscribed Rights Shares and the NQS Unsold Rights Shares, which is expected to be Friday, 9 October 2026, and ending at 4:00 p.m. on Wednesday, 14 October 2026 or such later date as the Company and the Placing Agent may agree in writing.
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- Commission and expense : Subject to completion of the Placing, the Company shall pay to the Placing Agent a placing commission in Hong Kong dollars of (i) 3.0% of the amount which is equal to the placing price multiplied by the number of Placing Shares that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement; or (ii) an amount equal to HK\$250,000, whichever is higher.
- Placing price of the Placing Shares : The placing price of the Placing Shares shall be not less than the Subscription Price and the final price determination will be depended on the demand for and the market conditions of the Placing Shares during the process of placement.
- Placees : The Placing Agent undertakes to use its best endeavour to procure that (i) the Placing Shares shall only be placed to professional persons, institutional, corporate or individual investor(s) who and whose respective ultimate beneficial owner(s) shall be Independent Third Parties and are not acting in concert with any of the connected persons of the Company and their respective associates; (ii) 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; and (iii) the Company will continue to comply with the Public Float Requirement upon completion of the Placing and the Rights Issue.
- Ranking of the successfully placed Placing Shares : The successfully placed Placing 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 allotment and issue.

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Conditions of the Placing Agreement : The Placing is conditional upon the fulfilment of the following conditions:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the approval for the listing of, and the permission to deal in, the Rights Shares (including the Placing Shares) in both their nil-paid and fully-paid forms;
- (ii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and
- (iii) the Placing Agreement not having been terminated pursuant to the terms thereof, including provisions regarding the force majeure events.

In the event that the above condition precedents have not been fulfilled on or before the Latest Time for Termination, all rights, obligations and liabilities of the parties thereunder in relation to the Placing shall cease and determine and none of the parties shall have any claim against the other in respect of the Placing (save for any antecedent breaches thereof).

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- Termination of the Placing Agreement : If any of the following events occur at any time prior to the Latest Time for Termination, 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 Latest Time for Termination provided that such notice is received prior to 6:00 p.m. on the day immediately preceding the Latest Time for Termination, this Agreement shall thereupon cease to have effect and none of the parties hereto 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 reasonable 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 prejudice materially 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 set out in Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date hereof and prior to the Latest Time for Termination which if it had occurred or arisen before the date hereof would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of this Agreement; or

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- (d) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

All conditions of the Placing Agreement set out above cannot be waived. As at the Latest Practicable Date, none of the conditions of the Placing Agreement has been fulfilled.

The terms of the Placing Agreement, including the commission payable, was determined after arm's length negotiation between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Company, the size of the Rights Issue, and the current and expected market conditions. The Directors consider that the terms of Placing Agreement (including the commission payable) are on normal commercial terms.

As explained above, the Placing Shares will be placed by the Placing Agent to independent placees on a best effort basis for the benefits of the No Action Shareholders. If all or any of the Placing Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders.

The Board is of the view that the above Compensatory Arrangements are fair and reasonable and are in the best interests of the Shareholders as a whole after taking into account the following considerations:

- (i) the arrangements are in compliance with the requirements under Rule 7.21(1)(b) of the Listing Rules under which the No Action Shareholders may be compensated even if they do nothing (i.e. neither subscribe for Rights Shares nor sell their nil-paid rights) because under the arrangements, the Unsubscribed Rights Shares and the NQS Unsold Rights Shares will be first offered to Independent Third Parties and any premium over the Subscription Price will be paid to the respective No Action Shareholders. The commission payable to the Placing Agent and the related fees and expenses in relation to the Placing will be borne by the Company;
- (ii) the Compensatory Arrangements (including the determination of the placing price) will be managed by an independent licensed placing agent which is subject to the stringent code of conduct over, among others, pricing and allocation of the Placing Shares. The Placing Agent and its ultimate beneficial owner(s) (i) are not a Shareholder; and (ii) are Independent Third Parties; and
- (iii) the Compensatory Arrangements will not only provide an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Non-Qualifying Shareholders, it also provides a distribution channel of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to the Company.

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

The Group is engaged in the provision of (i) concrete demolition services in Hong Kong and Macau, mainly as a subcontractor; and (ii) engineering services in the PRC, mainly as a main contractor.

The Engineering Projects Pipeline and the Synergistic Effect with Current Business

The Group has strategically expanded its geographical footprint and broadened its engineering service capabilities in the PRC through the acquisition of Guangdong Fengxin. Guangdong Fengxin, which had not substantially commenced business at the time of the acquisition, was acquired for its possession of the necessary certificates to undertake engineering projects in the PRC. Subsequently, leveraging Mr. Cao Yifan's extensive industry experience and network (as discussed below), the Group successfully secured various engineering contracts (including the project disclosed in the announcement of the Company dated 7 January 2026) through Guangdong Fengxin, with an aggregate contract value of RMB878.3 million (collectively, the "**Secured Projects**"). As at the Latest Practicable Date, the Secured Project has not generated any revenue for the Group.

Below are the key details of the Secured Projects:

Project description	Key parties	Contract value	Contracting date
(i) Phase II construction of an industrial waste gas power generation	Employer: Shenzhen Shengshi Environmental Technology Co., Ltd* (深圳市晟世環境技術股份有限公司) (<i>Note (i)</i>) Contractor: Guangdong Fengxin	RMB78.3 million	7 January 2026
(ii) Phase II mechanical and electrical (M&E) construction work for wind turbine generator units (Section A)	Employer: Inner Mongolia Xinmeng New Energy Technology Co., Ltd* (內蒙古新蒙新能源科技有限公司) (<i>Note (ii)</i>) Contractor: Guangdong Fengxin	RMB320 million	9 January 2026

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Project description	Key parties	Contract value	Contracting date
(iii) Phase II mechanical and electrical (M&E) construction work for wind turbine generator units (Section B)	Employer: Inner Mongolia Xinmeng New Energy Technology Co., Ltd* (內蒙古新蒙新能源科技有限公司) (Note (ii)) Contractor: Guangdong Fengxin	RMB480 million	9 January 2026

Notes:

- (i) Shenzhen Shengshi Environmental Technology Co., Ltd* (深圳市晟世環境技術股份有限公司) is principally engaged in the investment, construction and operation of renewable power generation facilities, and is an Independent Third Party.
- (ii) Inner Mongolia Xinmeng New Energy Technology Co., Ltd* (內蒙古新蒙新能源科技有限公司) is principally engaged in the construction and operation of wind power generation facilities, and is an Independent Third Party.

The Secured Projects encompass mechanical and electrical (M&E) construction works for wind turbine generator units in the PRC. The Board considers this a natural progression to diversify and elevate the Group's existing construction and engineering service offerings. The Group is well-equipped with the requisite technical expertise and qualified personnel to execute these projects to a high standard. Mr. Cao Yifan, the chairman of the Board and an executive Director, possesses extensive experience in engineering and corporate management in the PRC. Holding the professional title of senior engineer in M&E engineering, Mr. Cao has previously served in senior management roles across several sizable construction and property development companies in the PRC.

To ensure the stringent and timely execution of the Secured Projects, the Group has deployed a dedicated team of more than 100 experienced professionals in the PRC. This team comprises critical roles including, but not limited to, project managers, engineers, technicians, safety officers, materials supervisors and construction workers. The Group is principally responsible for the overall supervision and project management for the Secured Projects, while the labour-intensive works are mainly subcontracted to external subcontractors. The Board is highly confident in the Group's operational capability to deliver the Secured Projects efficiently and with uncompromised quality.

The Directors believe that integrating M&E construction capabilities into the Group's portfolio will yield significant synergistic benefits. By leveraging an enlarged customer base and enhanced technical credentials, the Directors and senior management team will actively cross-sell the Group's broadened range of services. On one hand, the Group aims to introduce its newly acquired M&E engineering capabilities to its established network of clients in Hong Kong and Macau. To facilitate this, the Group has already reinforced its Hong Kong operations with additional managerial and consulting personnel. On the other hand, the Group intends to market

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its longstanding expertise and track record in demolition and structural engineering works to its expanding client base in the PRC.

In view of the above, the Directors believe that this two-pronged approach will enable the Group to optimise resource allocation, deliver comprehensive integrated engineering solutions, and ultimately drive long-term sustainable growth for the Group and the Shareholders.

Capital Requirements

The implementation of the Secured Projects requires substantial upfront liquidity. Pursuant to the terms of the relevant agreements in respect of project (ii) and (iii), the Group is required to provide performance bonds ranging from 10% to 15% of the respective contract value as security for the due performance and observance of the Group's obligations. The Directors confirmed that the requirement and terms of such performance bonds are under normal commercial terms and were agreed upon through arm's length negotiations.

With reference to the terms of the relevant agreements in respect of project (ii) and (iii), and based on the management's estimation, the upfront cash requirement for performance bonds alone would be expected to be approximately RMB87.8 million to RMB131.7 million, and the initial project costs would be expected to be approximately RMB185.6 million.

The Board considers that the Group has an imminent need to strengthen its liquidity position in order to satisfy these upfront obligations in a timely manner and to support the orderly commencement and execution of the Secured Projects while maintaining a prudent capital structure.

In addition, engineering projects typically involve a time lag between (i) upfront cash outflows (including procurement and subcontractor payments) and (ii) the receipt of progress payments, and may also involve retention monies and other customary deductions. As a result, even where projects are expected to be profitable, the cash conversion cycle may create material short-term liquidity needs. The Board considers it prudent to secure adequate funding headroom to manage such timing differences and execution risks.

Expected Industry Growth and Opportunities

Despite cyclical headwinds in certain segments of the economy, construction and engineering activity in the PRC is expected to sustain its momentum into 2026 and beyond, supported by infrastructure investment and sector diversification. Independent industry forecasts indicate that the PRC construction market, which is already one of the largest globally, is expected to grow further in 2026, with the total market projected to expand from approximately USD4.85 trillion in 2025 to around USD5.03 trillion in 2026. Moreover, long-term projections suggest the market could reach approximately USD6.01 trillion by 2031, underpinned by broad-based investment in infrastructure, industrial facilities and urban development. In addition, analysts project that the construction industry in the PRC will record sustained average annual growth into the latter half of this decade, driven by transport infrastructure, renewable energy projects and government-led capital expenditure programmes, with annual growth rates in the

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mid-to-high single digits in the medium term. This forward-looking demand environment has resulted in a continued flow of tender invitations and project opportunities for the Group. However, given the Group's current project commitments and resource allocations, the Group has been selective in tendering despite the volume of invitations received. The Board considers that strengthening the Group's capital base through the Rights Issue will enhance its ability to participate in additional high-quality project opportunities in this evolving market while maintaining prudent risk and resource management.

Use of Proceeds

The gross proceeds from the Rights Issue are expected to be approximately HK\$75.7 million. After deducting the relevant expenses, the Net Proceeds are estimated to be approximately HK\$72.4 million. The Company intends to apply the Net Proceeds as follows:

- (i) approximately HK\$48 million, representing approximately 66.3% of the Net Proceeds, will be used to satisfy the performance bond requirements as mentioned above; and
- (ii) approximately HK\$24.4 million, representing approximately 33.7% of the Net Proceeds, will be allocated to the upfront project costs, including but not limited to the procurement of construction materials.

The expected timeline for the use of Net Proceeds is as follows:

Project stages	Capital requirement <i>(Note (a))</i>	Expected timeline <i>(Note (a))</i>	Intended use of proceeds
Project (i) – Phase II construction of an industrial waste gas power generation			
Stage 1: Procurement and site preparation	Approximately RMB50.2 million	August 2026 to October 2026	• Approximately HK\$2.6 million to be used for procurement • Approximately HK\$1.1 million to be used for site preparation
Stage 2: Equipment and piping installation	Approximately RMB10.8 million	September 2026 to October 2026	N/A

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Project stages	Capital requirement <i>(Note (a))</i>	Expected timeline <i>(Note (a))</i>	Intended use of proceeds
Stage 3: Final installation & unit commissioning	Approximately RMB7.2 million	November 2026 to December 2026	N/A
Stage 4: System pre-commissioning and quality assurance verification	Approximately RMB3.6 million	January 2027 to February 2027	N/A
Project (ii) & (iii) – Phase II mechanical and electrical (M&E) construction work for wind turbine generator units (Section A & B)			
Stage 1: Pre-project planning, project team assembly, survey and design, consulting services, equipment procurement, site demolition & preparation, construction of temporary facilities	Approximately RMB183.4 million <i>(Note (b))</i>	October 2026 to August 2027	• Approximately HK\$48 million to be used for the payment of performance bond • Approximately HK\$6.2 million to be used for pre-project planning, project team assembly, survey and design, consulting services • Approximately HK\$9.4 million to be used for equipment procurement • Approximately HK\$3.9 million to be used for site demolition & preparation • Approximately HK\$1.2 million to be used for construction of temporary facilities

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Project stages	Capital requirement (Note (a))	Expected timeline (Note (a))	Intended use of proceeds
Stage 2: Equipment procurement and foundation works	Approximately RMB305.4 million (Note (b))	April 2027 to October 2027	N/A
Stage 3: Substation & site civil works	Approximately RMB254.4 million	August 2027 to March 2028	N/A
Stage 4: Installation & unit commissioning	Approximately RMB78.6 million	March 2028 to July 2028	N/A
Stage 5: Quality assurance verification	Approximately RMB26.2 million	May 2028 to September 2029	N/A

Notes:

- (a) The expected timeline and amounts set out above represent the Company's present estimate of the capital requirements of the Secured Projects, prepared by reference to (i) the payment and delivery milestones stipulated under the relevant project contracts; and (ii) the Company's anticipated construction schedule for the projects on hand as at the Latest Practicable Date. While the expected timeline and amounts set out above represent the Company's best estimate, which is consistent with prevailing industry practice, the precise timing and quantum of individual items may vary having regard to the actual progress of the relevant works, the sequencing of site activities and other factors which may be outside the Company's control.
- (b) The capital requirement includes payment of the performance bond, which will be released upon completion of the respective projects.

The Net Proceeds are expected to be fully utilised by 31 August 2027. In the event that there is an under-subscription of the Rights Issue and the Placing (as the case may be), the Net Proceeds will be allocated and utilised in proportion to the above uses.

Fundraising alternatives considered

Apart from the Rights Issue, the Directors have considered other debt/equity fundraising alternatives such as bank borrowings, placing, or an open offer.

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The Directors noted that bank borrowings will carry interest costs and may require the provision of security, creditors will rank before the Shareholders, and placings will dilute the interests of Shareholders without allowing them to participate in the exercise. The Directors consider that over-reliance on debt financing would expose the Group to a huge liquidity risk, especially when there are any unforeseen economic downturns and the additional finance costs would also affect the Group's financial performance. Unlike an open offer, the Rights Issue enables the Shareholders to sell the nil-paid rights in the market. The Rights Issue will allow the Qualifying Shareholders to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company.

In view of the above, the Directors consider raising funds through the Rights Issue is more attractive in the current market condition. The Rights Issue will enable the Company to strengthen its working capital base and enhance its financial position while allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company.

Future fundraising plan to support the Secured Projects

The aggregate contract value of the Secured Projects of RMB878.3 million represents the value of the works to be performed over the respective contract periods and does not fall due as a single upfront payment. The Group's funding requirements in respect of the Secured Projects arise progressively as the works advance, and the Company intends to meet them from a combination of the net proceeds from the Rights Issue, the progress payments received from the relevant employers and the Group's internally generated cash flows from operating activities, supplemented, where appropriate, by bank financing as the last resort. Save for the Rights Issue and the Placing, the Company has not entered into any negotiation, agreement, arrangement or undertaking in respect of any other fundraising as at the Latest Practicable Date. The Directors confirm that the Company has sufficient financial resources to meet the funding requirements of the Secured Projects.

Taking into account the Group's existing financial resources, the cash flows expected to be generated from its operations and the Net Proceeds, and in the absence of unforeseen circumstances, the Directors are of the opinion that the Group has sufficient working capital to satisfy its present requirements and for at least the next twelve months from the date of this Prospectus. In the event that the Rights Issue is not fully subscribed, the Group will adjust the pace of mobilisation of the Secured Projects to the funding available to it and, where appropriate, apply for bank financing.

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CHANGE IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE RIGHTS ISSUE

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders; and (iii) immediately upon completion of the Rights Issue assuming no acceptance by any Qualifying Shareholder and full subscription of the Placing:

Name of Shareholders	As at the Latest Practicable Date		Immediately upon completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders		Immediately upon completion of the Rights Issue assuming (i) no acceptance by any Qualifying Shareholder and (ii) full subscription of the Placing	
	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %
	<i>Long position</i>		<i>Long position</i>		<i>Long position</i>	
Applewood Developments Limited (Note 1)	37,800,000	12.98	52,920,000	12.98	37,800,000	9.27
Mr. Cao Yifan	33,900,000	11.64	47,460,000	11.64	33,900,000	8.32
景逸投資有限公司 (Note 2)	24,000,000	8.24	33,600,000	8.24	24,000,000	5.89
CITIC Securities Company Limited (Note 3)	24,190,000	8.31	33,866,000	8.31	24,190,000	5.93
Other public shareholders	171,303,835	58.83	239,825,369	58.83	171,303,835	42.02
Independent placees	–	0.00	–	0.00	116,477,534	28.57
	<i>Short position</i>		<i>Short position</i>		<i>Short position</i>	
CITIC Securities Company Limited (Note 3)	24,190,000	8.31	33,866,000	8.31	24,190,000	5.93
TOTAL	291,193,835	100.00	407,671,369	100.00	407,671,369	100.00

Notes:

- Mr. Kwok Shun Tim (“**Mr. Kwok**”) holds more than one-third of the voting power at general meetings of Applewood Developments Limited (“**Applewood Developments**”), which in turn holds 37,800,000 ordinary Shares. By virtue of the SFO, Mr. Kwok is deemed to be interested in the same number of the Shares held by Applewood Developments. In addition, Ms. Yip Nga Wan, the spouse of Mr. Kwok, is deemed under the SFO to be interested in all the Shares in which Mr. Kwok is deemed to be interested.

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2. Mr. He Guangping (“**Mr. He**”) holds 100% interest in 景逸投資有限公司 which in turn holds 24,000,000 ordinary shares of the Company. By virtue of the SFO, Mr. He is deemed to be interested in the same number of Shares held by 景逸投資有限公司.
3. CITIC Securities Company Limited holds 100% interest in CITIC Securities International Company Limited. CITIC Securities International Company Limited holds 100% interest in CSI Global Markets Holdings Limited. CSI Global Markets Holdings Limited holds 100% interest in CITIC Securities International Capital Management Limited, which in turn holds a long position of 24,190,000 Shares and a short position of 24,190,000 Shares. By virtue of the SFO, CITIC Securities Company Limited is deemed to be interested in the same number of the Shares held by CITIC Securities International Capital Management Limited.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

FUND RAISING EXERCISE IN THE PAST 12 MONTHS

The Company has conducted the following equity fund raising activities during the twelve months immediately preceding the Latest Practicable Date:

Date of relevant announcement	Fund raising activity	Net proceeds raised	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
12 December 2025	Placing of new shares under general mandate	Approximately HK\$70.76 million	(i) approximately HK\$31.84 million towards expanding and developing construction and engineering business in the PRC;	Approximately HK\$13.26 million has been utilised and the remaining portion of the proceeds is expected to be utilised by 31 December 2026
			(ii) approximately HK\$31.84 million for replenishing the Company's general working capital; and	Approximately HK\$18.66 million has been utilised and the remaining portion of the proceeds is expected to be utilised by 31 December 2026.
			(iii) approximately HK\$7.08 million towards developing energy and construction business supporting the overseas computing power hub.	The proceeds have been fully utilised.

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Date of relevant announcement	Fund raising activity	Net proceeds raised	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
6 March 2026	The Previous Rights Issue (i.e. the rights issue on the basis of one (1) rights share for every three (3) existing Shares)	approximately HK\$0.4 million	(i) approximately HK\$0.24 million towards satisfying the performance bond requirements in relation to various secured engineering contracts; and (ii) approximately HK\$0.16 million towards paying upfront projects costs in relation various secured engineering contracts, including but not limited to the procurement of construction materials.	The proceeds have been fully utilised. The proceeds have been fully utilised.

LISTING RULES IMPLICATIONS

Save for the Previous Rights Issue, the Company has not conducted any rights issue or open offer within the 12-month period prior to the date of the Announcement. The Rights Issue, when aggregated with the Previous Rights Issue, will not increase the number of issued shares or the market capitalisation of the Company by more than 50% and is not subject to Shareholders' approval under Rule 7.19A(1) of the Listing Rules.

The theoretical dilution effect of the Rights Issue and the cumulative theoretical dilution effect when aggregated with the Previous Rights Issue are each below 25%. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

As at the Latest Practicable Date, save for the Rights Issue and the Placing, the Company did not have any plan and had not entered into any negotiation, agreement, arrangement or undertaking to conduct any other corporate action or arrangement that may affect the trading of the Company's shares in the next 12 months.

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

The Shares have been dealt in on an ex-rights basis since Tuesday, 25 August 2026. Dealings in the nil-paid Rights Shares are expected to take place from Monday, 21 September 2026 to Monday, 28 September 2026 (both days inclusive).

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Shareholders and potential investors of the Company should note that the Rights Issue is subject to the fulfilment of the conditions (please refer to the section headed “Conditions of the Rights Issue” in this Prospectus). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed.

Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the acceptance of the provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Non-Qualifying Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional advisor(s).

ADDITIONAL INFORMATION

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

By order of the Board
AI Energy Engineering Holdings Limited
Cao Yifan
Chairman and Executive Director

A. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the three years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk/) and the Company's website (www.aienergy.com.hk), respectively:

- (i) the audited consolidated financial information of the Group for the year ended 31 December 2023 is disclosed in the annual report of the Company for the year ended 31 December 2023 published on 25 April 2024, from pages 71 to 127:

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0425/2024042501396.pdf>);

- (ii) the audited consolidated financial information of the Group for the year ended 31 December 2024 is disclosed in the annual report of the Company for the year ended 31 December 2024 published on 24 April 2025, from pages 70 to 123:

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0424/2025042400488.pdf>);

- (iii) the audited consolidated financial information of the Group for the year ended 31 December 2025 is disclosed in the annual report of the Company for the year ended 31 December 2025 published on 13 April 2026, from pages 79 to 135:

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0413/2026041301370.pdf>);
and

- (iv) the unaudited consolidated interim financial information of the Group for the six months ended 30 June 2026 is disclosed in the interim results announcement of the Company for the six months ended 30 June 2026 published on 21 August 2026 (the “**2026 Interim Results**”), from pages 2 to 12:

(<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0821/2026082102037.pdf>).

B. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 July 2026, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Prospectus, the indebtedness of the Group was as follows:

(a) Lease liabilities

The Group had lease liabilities of approximately HK\$14,358,000 in respect of finance leases for certain rental property, motor vehicles and machinery. Approximately HK\$2,706,000 of these liabilities was secured by the Company's motor vehicles, plant, and machinery with a carrying amount of approximately HK\$3,591,000. Within this secured

portion, approximately HK\$2,706,000 was guaranteed by Mr. Cheung Shek On (a director of a principal subsidiary of the Group).

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade and other payable, as of 31 July 2026, being the latest practicable date for determining indebtedness, the Group did not have any outstanding mortgages, charges, debentures, debt securities or other loan capital or bank overdrafts or loans or other similar indebtedness or finance lease commitments, liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments or guarantees or other material contingent liabilities, nor any authorized or otherwise created but unissued debt securities.

The Directors confirmed that there has been no material change in the indebtedness and contingent liabilities of the Group since 31 July 2026 up to the Latest Practicable Date.

C. WORKING CAPITAL STATEMENT

The Directors, after due and careful consideration, are of the opinion that in the absence of unforeseeable circumstances, taking into account the financial resources available to the Group and the estimated net proceeds from the Rights Issue, the Group will have sufficient working capital for its present requirements for at least the next twelve (12) months following the date of this Prospectus.

D. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that, save for the following matters, there had been no material adverse change in the financial or trading position of the Company since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Company were made up) up to and including the Latest Practicable Date.

As disclosed in the 2026 Interim Results, the gross profit margin decreased from approximately 29.7% for the financial year ended 31 December 2025 to approximately 24.6% for the six months ended 30 June 2026 (the “**Reporting Period**”) and the administrative and other operating expenses increased to approximately HK\$22.8 million for the Reporting Period, by approximately HK\$8.8 million or 62.9%, from approximately HK\$14.0 million for the six months ended 30 June 2025 (the “**Previous Reporting Period**”).

In addition, the net loss of the Group increased from approximately HK\$4.6 million for the Previous Reporting Period to approximately HK\$9.9 million for the Reporting Period, representing an increase of approximately 115.2%. The basic and diluted loss per share increased to approximately HK\$2.88 cents for the Reporting Period, compared to a loss of approximately HK\$1.92 cents per share for the Previous Reporting Period.

E. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Following the year ended 31 December 2025, the Group continues to pursue a strategic dual-track approach by stabilising its core concrete demolition operations in Hong Kong and Macau while actively scaling its burgeoning engineering business in the PRC.

Although the 2025 financial results reflected a temporary slowdown in the local construction market, the Group remains well-positioned to capture upcoming opportunities from major infrastructure and redevelopment initiatives such as the Northern Metropolis. With Hong Kong's economy growing significantly in the first half of 2026, the Board believes that this broader economic expansion will benefit the construction sector. Management intends to maintain its market presence by leveraging this positive momentum, alongside its long-standing operational history and technical expertise in the region.

The Group has also successfully diversified its geographic footprint by entering the PRC engineering sector. Having secured a substantial pipeline of engineering contracts, the focus has shifted toward the efficient mobilisation of resources and the timely execution of these projects to drive future revenue growth. The Net Proceeds will significantly improve the Group's liquidity position, providing the necessary financial resources to satisfy upfront costs and performance bond requirements for new large-scale projects while supporting the expanded operational scale in the PRC. By combining the steady foundations of its core demolition business with the growth potential of the PRC engineering market, the Group aims to improve its financial performance and deliver long-term value to the Shareholders. The Board believes that the capital injected through the Rights Issue is vital to transforming the Group's current project pipeline into realised growth and stabilising its financial trajectory.

F. PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are aware that the Group is exposed to various risks and uncertainties, including the following key areas:

(i) Availability of construction and civil engineering projects in Hong Kong and Macau

The results of operations of the Group are affected by the number and availability of construction and civil engineering projects from the public and private sectors in Hong Kong and construction projects from the private sector in Macau, which in turn are affected by various factors, including but not limited to the general economic conditions, the changes in government policies relating to the property markets, and the general conditions of the property markets, in Hong Kong, Macau, and the amount of investment in the construction of new infrastructure and improvement of existing infrastructure.

In the event that the availability of concrete demolition jobs decreases as a result of the decrease in the number of private and/or public sector projects in Hong Kong, Macau, the Group's businesses and results of operations may be adversely and materially affected.

(ii) The Group's business is subject to the risk of cost overrun and job extension or delay

In pricing a tender or quotation, the Group is required to estimate the job costs based on various factors such as (i) the estimated number and types of workers required; (ii) the estimated number and types of machinery required; and (iii) the need for subcontracting and machinery leasing. Any deviation between the estimated cost by the time the Group submits tenders or quotations and the actual costs to complete the jobs may adversely affect the Group's financial performance and profitability. Further, in the case of job extension or delay, the Group may experience decrease in revenue derived given that the progress payment to the Group is based on works done by the Group on a monthly basis. There is no assurance that the Group would not experience cost overrun and job extension or delay, which may in turn adversely affect the Group's profit margin and operating results.

(iii) Issue of labour shortage

The construction industry, including the concrete demolition industry in Hong Kong and Macau has been facing the issue of labour shortage. The growing demand for construction works exacerbated the shortage issue and has been pushing up the daily wage of workers in concrete demolition industry in Hong Kong and Macau.

(iv) The Group has limited track record of performing engineering projects in the PRC

The Group's expansion into mechanical and electrical construction work in the PRC through Guangdong Fengxin is recent. Guangdong Fengxin had not substantially commenced business at the time of its acquisition and was acquired principally for its PRC engineering certifications. The Secured Projects are among the Group's first engineering projects of this scale in the PRC. There is no assurance that the Group will be able to mobilise the personnel, subcontractors and equipment required, or to perform the Secured Projects within the contracted time and cost parameters. Any failure to do so may result in liquidated damages, the forfeiture of performance bonds, claims by the employers or termination of the relevant contracts, any of which may materially and adversely affect the Group's business, financial position and results of operations. As at the Latest Practicable Date, none of the performance bonds in respect of the Secured Projects has been paid.

(v) The performance of the Secured Projects depends on the Group obtaining substantial upfront funding

The Group is required to provide performance bonds of between 10% and 15% of the contract value of projects (ii) and (iii), which management estimates at approximately RMB87.8 million to RMB131.7 million, and to fund initial project costs estimated at approximately RMB185.6 million. Those amounts exceed the maximum Net Proceeds of approximately HK\$72.4 million. The Rights Issue is not underwritten and there is no minimum subscription level, so the Net Proceeds may be substantially less than the maximum, or nil. If the Group is unable to fund its upfront obligations, whether from the Net Proceeds, progress payments, internally generated cash flows or bank financing, it may be required to defer or curtail the performance of the Secured Projects, and may be exposed to claims or termination by the relevant employers.

(vi) The Group is exposed to currency and remittance risk in respect of its PRC operations

The Secured Projects are denominated and payable in Renminbi, while the Group reports in Hong Kong dollars and the Net Proceeds will be received in Hong Kong dollars. The Group is therefore exposed to fluctuations in the exchange rate between the Renminbi and the Hong Kong dollar. In addition, the Renminbi is not freely convertible and the remittance of funds into and out of the PRC is subject to PRC foreign exchange controls and to the approval or registration requirements of the relevant PRC authorities. There is no assurance that the Group will be able to remit funds to or from its PRC subsidiaries when required.

If the Group is unable to recruit or retain sufficient workers or fails to effectively manage its staff costs as a result of shortage of local labour supply, the Group's business operations and financial performance may be materially and adversely affected.

The following is the text of a report received from the Company's reporting accountants, HLB Hodgson Impey Cheng Limited, Certified Public Accountants, Hong Kong, prepared for the purpose of inclusion in this Prospectus.

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

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company prepared in accordance with paragraph 4.29 of the Listing Rules is to illustrate the effect of the proposed rights issue of up to 116,477,534 new shares of the Company at the subscription price of HK\$0.65 each (the “**Rights Shares**”) and on the basis of two Rights Shares for every five existing ordinary shares of the Company (the “**Shares**”) held by the qualifying shareholders (hereinafter collectively referred to as the “**Rights Issue**”) on the consolidated net tangible assets of the Group as if the Rights Issue had been completed on 30 June 2026.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026 or any future dates.

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026 as derived from the published interim results announcement, the text of which is set out in Appendix I to this prospectus, and adjusted as described below:

				Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to owners of the Company as at 30 June 2026 immediately after completion of the Rights Issue HK\$ (Note 4)
	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026 HK\$'000 (Note 1)	Estimated net proceeds from the Rights Issue HK\$'000 (Note 2)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026 HK\$'000	Unaudited consolidated net tangible assets per Share attributable to owners of the Company as at 30 June 2026 prior to the completion of the Rights Issue HK\$ (Note 3)
Based on 116,477,534 Rights Shares to be issued at the Subscription Price of HK\$0.65 per Rights Share	72,645	72,443	145,088	0.25
				0.36

Notes:

1. The unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026 is based on the unaudited consolidated net assets of the Group attributable to owners of the Company as of 30 June 2026 of approximately HK\$72,645,000 as extracted from the published interim results announcement of the Group set out in Appendix I to this prospectus.
2. The estimated net proceeds from the Rights Issue are based on 116,477,534 Rights Shares to be issued on the basis of two Rights Shares for every five Shares at the Subscription Price of HK\$0.65 per Rights Shares, after deduction of the estimated related expenses of approximately HK\$3,267,000 which is directly attributable to the Rights Issue to be incurred by the Company.
3. The unaudited consolidated net tangible assets attributable to owners of the Company per Share as at 30 June 2026 is calculated based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026 of approximately HK\$72,645,000 and 291,193,835 Shares.

4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share immediately after completion of the Rights Issue is calculated based on the pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Rights Issue of approximately HK\$145,088,000 and on 407,671,369 Shares in issue and issuable, comprising 291,193,835 Shares of the Company in issue as at 30 June 2026 and 116,477,534 Rights Shares to be issued.
5. No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2026.

B. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of the independent reporting accountants' assurance report received from HLB Hodgson Impey Cheng Limited, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this Prospectus.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**To the Directors of AI Energy Engineering Holdings Limited**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of AI Energy Engineering Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets as at 30 June 2026 and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages II-1 to II-2 of Appendix II to the prospectus issued by the Company dated 17 September 2026 (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Section A of Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue on the Group's financial position as at 30 June 2026 as if the proposed rights issue had taken place at 30 June 2026. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial information for the six months ended 30 June 2026, in respect of which an interim results announcement has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) 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.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited 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 Unaudited 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 accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 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 Unaudited 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 Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in an investment 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 30 June 2026 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited 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 Unaudited 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 Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

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

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

Opinion

In our opinion:

- (a) the Unaudited 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 Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Hong Kong, 17 September 2026

1. RESPONSIBILITY STATEMENT

This Prospectus, 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 Prospectus 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 Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately after completion of the Rights Issue (assuming no other change in the number of issued Shares and full acceptance of Rights Shares by all Qualifying Shareholders) are set out as follows:

(a) As at the Latest Practicable Date

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000</u>	Shares of HK\$0.05 each	<u>100,000,000</u>
<i>Issued and fully paid:</i>		
<u>291,193,835</u>	Shares of HK\$0.05 each	<u>14,559,691.75</u>

(b) Immediately upon completion of the Rights Issue (assuming no other change in the number of issued Shares and full subscription of the Rights Issue)

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000</u>	Shares of HK\$0.05 each	<u>100,000,000</u>
<i>Issued and fully paid:</i>		
<u>291,193,835</u>	Shares of HK\$0.05 each	<u>14,559,691.75</u>
<u>116,477,534</u>	Rights Shares to be allotted and issued under the Rights Issue	<u>5,823,876.7</u>
<u>407,671,369</u>	Shares in issue immediately upon completion of the Rights Issue	<u>20,383,568.45</u>

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

The Company has applied to the Listing Committee for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

As at the Latest Practicable Date:

- (i) the Company had no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into any Shares, as the case maybe;
- (ii) the Company did not have any other options, warrants or other convertible securities or rights affecting the Shares and no capital of any member of the Group is under option, or agreed conditionally or unconditionally to be put under option;
- (iii) there was no arrangement under which future dividends are waived or agreed to be waived;
- (iv) there was no treasury Share held by the Company or its subsidiaries or through any agent or nominee;
- (v) no new class of securities of the Company is proposed to be listed under the Rights Issue, and accordingly no arrangements are required to be made for the admission of any new class of securities into CCASS; and
- (vi) the Company had no treasury Shares or repurchased Shares pending cancellation.

3. DISCLOSURE OF INTERESTS

(a) Directors and chief executive's interests in the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which, pursuant to section 352 of the SFO, have been entered in the register referred to herein, or otherwise have been notified to the Company

and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules are as follows:

Long position

Name of Director	Capacity/Nature	Number of Shares	Approximate percentage of shareholding (Note 1)
Mr. Cao Yifan	Beneficial owner	33,900,000	11.64%

Note:

1. The shareholding percentage is based on the number of Shares in issue of 291,193,835 as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor chief executive had any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange under the Model Code.

(b) Substantial Shareholders’ interests in Shares and underlying Shares

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, the following parties (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares or debentures of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

Long position

Name of Shareholder	Capacity/Nature	Number of Shares	Approximate percentage of shareholding (Note 1)
Applewood Developments Limited (“ Applewood ”)	Beneficial owner (Note 2)	37,800,000	12.98%

Name of Shareholder	Capacity/Nature	Number of Shares	Approximate percentage of shareholding (Note 1)
Mr. Kwok Shun Tim ("Mr. Kwok")	Interest in controlled corporation – corporate interest (Note 2)	37,800,000	12.98%
Ms. Yip Nga Wan ("Ms. Yip")	Interest of spouse (Note 3)	37,800,000	12.98%
CITIC Securities Company Limited	Interest in controlled corporation – corporate interest (Note 4)	24,190,000	8.31%
景逸投資有限公司	Beneficial owner (Note 5)	24,000,000	8.24%
Mr. He Guangping ("Mr. He")	Interest in controlled corporation – corporate interest	24,000,000	8.24%

Short position

Name of Shareholder	Capacity/Nature	Number of Shares	Approximate percentage of shareholding (Note 1)
CITIC Securities Company Limited	Interest in controlled corporation – corporate interest (Note 4)	24,190,000	8.31%

Notes:

1. The shareholding percentage is based on the number of Shares in issue of 291,193,835 as at the Latest Practicable Date.
2. Mr. Kwok holds more than one-third of the voting power at general meetings of Applewood, which in turn holds 37,800,000 ordinary Shares. By virtue of the SFO, Mr. Kwok is deemed to be interested in the same number of the Shares held by Applewood.

3. Ms. Yip, being spouse of Mr. Kwok, is deemed to be interested in the 37,800,000 Shares held by Mr. Kwok under the SFO.
4. CITIC Securities Company Limited holds 100% interest in CITIC Securities International Company Limited. CITIC Securities International Company Limited holds 100% interest in CSI Global Markets Holdings Limited. CSI Global Markets Holdings Limited holds 100% interest in CITIC Securities International Capital Management Limited, which in turn holds a long position of 24,190,000 Shares and a short position of 24,190,000 Shares. By virtue of the SFO, CITIC Securities Company Limited is deemed to be interested in the same number of the Shares held by CITIC Securities International Capital Management Limited.
5. Mr. He holds 100% interest in 景逸投資有限公司 which in turn holds 24,000,000 ordinary shares of the Company. By virtue of the SFO, Mr. He is deemed to be interested in the same number of Shares held by 景逸投資有限公司.

Save as disclosed above and as at the Latest Practicable Date, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the Shares or underlying Shares or debentures of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under Section 336 of the SFO.

4. DIRECTORS' INTERESTS IN CONTRACT AND ASSET

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

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

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or controlling Shareholders or their respective associates had any business or interest which competes or may compete with the business of the Group, or have or may have any other conflicts of interest with the Group.

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

Save as disclosed below, there had been no material contract, not being a contract entered into in the ordinary course of business carried on or intended to be carried on by members of the Group, entered into by members of the Group within the two years immediately preceding and including the Latest Practicable Date:

- (a) the tenancy agreement dated 24 April 2025 entered into between Kingland (Sino) Company Limited, an indirect wholly owned subsidiary of the Company, as tenant, and King Well Construction Machinery Limited, as landlord, in respect of the premises located at DD126 Lot 114, 115 RP, 203, Yuen Long for a term of three years commencing from 16 May 2025 to 15 May 2028 (both dates inclusive) at the monthly rent of HK\$100,000;
- (b) the tenancy agreement dated 18 September 2025 entered into between Kingland (Sino) Company Limited, an indirect wholly owned subsidiary of the Company, as tenant, and Easy Stand Limited, as landlord, in respect of the premises located at Flat B, G/F, Fu Hop Factory Building, Nos 209 & 211 Wai Yip Street, Kwun Tong, Kowloon for a term of five years commencing from 16 January 2026 to 15 January 2031 (both dates inclusive) at the monthly rent of HK\$110,000;
- (c) the placing agreement dated 12 December 2025 entered into between the Company and the Placing Agent as placing agent in relation to the placing of up to 48,384,000 placing shares by the Placing Agent to not less than six independent places at the placing price of HK\$1.481 per placing share, pursuant to which the Placing Agent received from the Company a placing commission of 1.0% of the aggregate amount equal to the placing price multiplied by the actual number of placing shares successfully placed by the Placing Agent. For further details, please refer to the announcement of the Company dated 12 December 2025;
- (d) the placing agreement dated 6 March 2026 entered into between the Company and the Placing Agent as placing agent in relation to the Previous Rights Issue;
- (e) the supplemental placing agreement dated 23 March 2026 entered into between the Company and the Placing Agent as placing agent in relation to the Previous Rights Issue;
- (f) the Placing Agreement; and

(g) the Supplemental Placing Agreement.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this Prospectus or has given opinion, letters or advice contained in this Prospectus:

Name	Qualification
HLB Hodgson Impey Cheng Limited	Certified Public Accountants

As at the Latest Practicable Date, the above expert has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letters and the reference to its name in the form and context in which it appears.

As at the Latest Practicable Date, the above expert did not have 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, the above expert did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, being the date to which the latest published audited accounts of the Company were made up.

10. EXPENSES

The expenses in connection with the Rights Issue, including placing commission (assuming the Rights Issue is not fully-subscribed, and any Unsubscribed Rights Shares and NQS Unsold Rights Shares are placed by the Placing Agent), printing, registration, translation, legal and accountancy charges are estimated to be up to approximately HK\$3.3 million, which are payable by the Company.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors

Executive Directors

Mr. Cao Yifan (*Chairman*)

Ms. Pang Xiaoli

Mr. Su Jia

Independent Non-Executive Directors

Mr. Zhang Yongkui

Mr. Ng Ho Man

Mr. Liu Wengang

Nomination committee	Mr. Ng Ho Man (<i>Chairman</i>) Ms. Pang Xiaoli Mr. Liu Wengang
Remuneration committee	Mr. Zhang Yongkui (<i>Chairman</i>) Mr. Cao Yifan Mr. Ng Ho Man
Audit committee	Mr. Ng Ho Man (<i>Chairman</i>) Mr. Zhang Yongkui Mr. Liu Wengang
Registered office	Ocorian Trust (Cayman) Limited Windward 3 Regatta Office Park PO Box 1350 Grand Cayman KY1-1108 Cayman Islands
Headquarter and principal place of business in Hong Kong	Unit 1901, 19/F. 21 Ashley 21 Ashley Road Tsim Sha Tsui, Kowloon Hong Kong
Authorised representatives	Mr. Cao Yifan Ms. Pang Xiaoli
Business address of all Directors and authorised representatives	Unit 1901, 19/F. 21 Ashley 21 Ashley Road Tsim Sha Tsui, Kowloon Hong Kong
Company secretary	Mr. Chen Yeung Tak <i>Certified Public Accountants</i>
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road, Admiralty Hong Kong

Principal bankers	Bank of China 1 Garden Road, Central Hong Kong OCBC Wing Hang Bank Limited 161 Queen's Road, Central Hong Kong
Auditors	HLB Hodgson Impey Cheng Limited <i>Certified Public Accountants</i> 31/F, Gloucester Tower The Landmark 11 Pedder Street, Central Hong Kong
Legal adviser to the Company as to Hong Kong laws	David Fong & Co. Unit A, 12th Floor China Overseas Building 139 Hennessy Road Wanchai, Hong Kong
Placing Agent	Astrum Capital Management Limited Room 2704, 27/F, Tower 1, Admiralty Centre 18 Harcourt Road, Admiralty Hong Kong

12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. CAO Yifan (曹義凡) (“Mr. Cao”), aged 42, is an executive Director and the chairman of the Board. He joined the Group in October 2025. Mr. Cao has over 15 years of experience in engineering management and corporate management. Mr. Cao obtained a bachelor degree in engineering in building environment and equipment engineering and bachelor degree in business administration from Zhengzhou University in 2007. He currently holds a title of senior engineer in mechanical and electrical engineering.

Mr. Cao served at a Henan branch company of China Construction Fifth Engineering Division* (中建五局河南分公司) and China Construction Fifth Engineering Division Yangtianhu Investment Company* (中建五局仰天湖投資公司), responsible for tasks including engineering construction and investment in projects, from 2007 to 2013. From November 2013 to September 2022, Mr. Cao was employed by Guangdong Giant Leap Construction Co., Ltd. (廣東騰越建築工程股份有限公司), a group member of Country

Garden Holdings Company Limited (碧桂園控股有限公司) (stock code: 2007), with his last position as deputy general manager (副總經理).

For Mr. Cao's interest in the Shares within the meaning of Part XV of the SFO, please refer to the section headed “**3. DISCLOSURE OF INTERESTS**” above in this appendix.

Ms. PANG Xiaoli (龐曉莉) (“Ms. Pang”), aged 47, was appointed as an executive Director in December 2025. Ms. Pang has over 20 years of professional experience in corporate management and financial investment. She had served as an executive director, compliance officer and authorised representative of Century Plaza Hotel Group (formerly known as Greatwalle Inc.), the issued shares of which are listed on GEM of Stock Exchange (stock code: 8315), from July 2018 to August 2020. Concurrently, she was the chairman of the board of directors from July 2018 to August 2019 and the chief executive officer from August 2019 to August 2020. She has been serving as an executive director of Shenzhen Luchi Nanjiang Private Equity Fund Management Co.* (深圳鹿馳南疆私募股權投資基金管理有限公司) since November 2022 and an independent non-executive director of StarGlory Holdings Company Limited (榮暉控股有限公司), the issued shares of which are listed on GEM of the Stock Exchange (stock code: 8213), since December 2023.

Ms. Pang obtained a bachelor of economics degree from Dongbei University of Finance and Economics (東北財經大學) in July 2002 and an executive master of business administration degree (EMBA) from Cheung Kong Graduate School of Business (長江商學院) in September 2018. In 2025, she completed the HKU Global CEO Programme (Cohort 1).

Mr. SU Jia (蘇嘉) (“Mr. Su”), aged 52, was appointed as an executive Director in May 2026. Mr. Su has extensive experience in international logistics, commodities trading, supply chain management, and corporate management. He completed the Canadian Securities Course in March 2009 and the Portfolio Management Techniques Course in March 2010 at the Canadian Securities Institute. He graduated from Shanghai Institute of Foreign Trade (上海對外貿易學院) (currently known as Shanghai University of International Business and Economics (上海對外經貿大學)) with a bachelor of arts degree in Business English (International Trade) in July 1995.

Mr. Su has served as the chief executive officer of KLE Freight Forwarding Inc. since 2021, where he oversees corporate management, commodities trading, international logistics solutions and end-to-end supply chain operations.

Independent non-executive Directors

Mr. NG Ho Man (吳浩民) (“Mr. Ng”), aged 63, was appointed as an independent non-executive Director in May 2026. Mr. Ng has extensive experience in finance, accounting, environmental services management and project development, with over 30 years of accounting and financial expertise covering both Hong Kong/international standards and the PRC accounting standards. He obtained a bachelor of arts degree in

accounting (Hong Kong) from Edinburgh Napier University in November 2000, a master in business administration degree from Southern Illinois University at Carbondale in May 2002, a master of finance degree from The Hong Kong Polytechnic University in December 2007, and a doctoral degree in business administration from The Hong Kong Polytechnic University in September 2020. Mr. Ng has been a member of the Hong Kong Institute of Certified Public Accountants from April 2005 and a fellow of the Association of Chartered Certified Accountants from June 2010.

Mr. Ng was with the Veolia Environment Group from October 1991 to June 2024, where he held a series of senior finance and operations leadership positions. He served as general manager of Veolia China Holding Limited. He also served at Veolia Environmental Services Asia Ltd. in capacities including finance director of the Solid Waste and Hazardous Waste business line, general manager of Guangdong, and general manager of the Likeng Waste-to-Energy Plant. In addition, he served as financial controller of Veolia Environmental Services (Hong Kong) Limited and as deputy controller of Enviropace Limited and Green Valley Landfill Co., Ltd.

Mr. ZHANG Yongkui (章永奎) (“Mr. Zhang”), aged 53, was appointed as an independent non-executive Director in May 2026. Mr. Zhang has extensive experience in financial accounting and academic teaching. He obtained a bachelor’s degree from Hefei University of Technology (合肥工業大學) in July 1993, a master’s degree in accounting from Xiamen University (廈門大學) in June 2000 and a doctoral degree in accounting from Xiamen University in September 2004. Mr. Zhang joined Xiamen University in August 2000 and has served as a Lecturer and then an Assistant Professor, and is currently an Associate Professor in Accounting at the School of Management.

Mr. Zhang has served as an independent director of Fujian Mindong Lijiexun Pharmaceutical Co., Ltd.* (福建省閩東力捷迅藥業股份有限公司) since October 2020, and an independent director of Ocean’s King Lighting Science & Technology Co., Ltd. (海洋王照明科技股份有限公司) (a company whose shares are listed on the Shenzhen Stock Exchange, stock code: 002724) since June 2023. He previously served as an independent director of Fujian South Highway Machinery Co., Ltd. (福建南方路面機械股份有限公司) (a company whose shares are listed on the Shanghai Stock Exchange, stock code: 603280) from March 2020 to April 2026.

Mr. LIU Wengang (劉文剛) (“Mr. Liu”), aged 45, was appointed as an independent non-executive Director in May 2026. Mr. Liu has extensive experience in financial services, asset management, investment, audit and corporate management. He obtained a bachelor’s degree from Tianjin College of Finance and Economics* (天津財經學院) (currently known as Tianjin University of Finance and Economics (天津財經大學)) in July 2003 and a master’s degree from Capital University of Economics and Business (首都經濟貿易大學) in July 2006.

Mr. Liu has been the chief executive officer of Sino Financial Asset Management Limited (信和資產管理有限公司) since June 2025. From March 2023 to March 2025, he

served as a vice president of Greentech Technology International Limited (綠科科技國際有限公司) (a company whose shares are listed on the Main Board of the Stock Exchange, stock code: 0195). From August 2022 to March 2023, he served as chief executive officer and a director of Open Securities Limited (開盤證券有限公司). From August 2020 to August 2022, he served as chief executive officer and an executive director of Ta Yang Group Holdings Limited (大洋集團控股有限公司) (a company whose shares are listed on the Main Board of the Stock Exchange, stock code: 1991). From September 2019 to August 2020, he served as an executive director and chief investment officer of China Carbon Neutral Development Group Limited (中國碳中和發展集團有限公司) (a company whose shares are listed on the Main Board of the Stock Exchange, stock code: 1372). From January 2017 to August 2019, he served as chairman assistant and chief financial officer of China Tian Yuan Finance Group (Holdings) Limited (中國天元金融集團(控股)有限公司). From April 2011 to December 2016, he served as managing director of the Innovation Business Department of HuaRong International Trust Co., Ltd. From July 2006 to March 2011, he served as a senior accountant of Ernst & Young in Beijing.

Senior management

Mr. MAK Banna (麥賓雅) (“Mr. Mak”), aged 62, is the chief technical officer of the Group principally responsible for the overall operation of the concrete demolition business including tendering and work processing, quality control and work safety supervision. Mr. Mak first joined the Group in July 1996 as a project manager and was subsequently promoted to the current position in December 2012. Mr. Mak is also a director of Kingland (Sino) Company Limited and Kingland Concrete Drilling Company Limited.

Mr. Mak has over 30 years of experience in the construction industry. Prior to joining the Group, he was employed, among others, by (i) Hsin Chong Construction Co., Ltd. from July 1985 to May 1988 with his last position as a contract coordinator; and (ii) Sun Fook Kong Construction Limited after he resigned from Hsin Chong Construction Co., Ltd. and up to February 1995 with his last position as a senior project manager.

Mr. Mak obtained a diploma in Building Studies from the Technical Education and Industrial Training Department Hong Kong in July 1982. He received a higher diploma in Building Technology and Management and an associateship in Building Technology and Management from the Hong Kong Polytechnic (currently known as The Hong Kong Polytechnic University) in November 1984 and November 1985 respectively. He completed a course on Construction Safety conducted by the Industrial Safety Training Centre of the Labour Department, Hong Kong in November 1985. He also obtained a diploma in Construction Management from the Construction Industry Training Authority in October 1991. He completed the Lead Assessor Examination organised by BSI Quality Assurance in October 1992 and a master degree in Construction Management from the City University of Hong Kong in November 2001. He was awarded the certificate of Metal Scaffold Erecting and Dismantling Supervision Training Course from the Construction Industry Training Authority (currently known as the Construction Industry Training Board) in May 2004, and

the certificate of an Introductory Course on Conservation of Built Heritage from the Construction Industry Council Training Academy in June 2008.

Mr. Mak has been a member of the Chartered Institute of Building since May 1995 and a member of the Hong Kong Institution of Engineers since June 1995. He was registered as a Registered Professional Engineer in September 1998.

Mr. CHEN Yeung Tak (陳仰德) (“Mr. Chen”), aged 41, has joined the Group as a financial controller and company secretary since March 2015. He was an executive Director from 20 May 2020 to 24 June 2022. He is also a director of Kingland (Sino) Company Limited.

Mr. Chen has over 15 years of experience in auditing, accounting and financial management, treasury, internal control, corporate governance and company secretarial matters. He graduated from The Hong Kong Polytechnic University with a Bachelor of Arts in Accountancy in December 2006. He has been a member and a fellow of the Hong Kong Institute of Certified Public Accountants (“CPA”). He is also a CPA (Practising) registered in the Accounting and Financial Reporting Council.

Mr. Chen has worked in international accounting firms and listed companies as managerial positions. From January 2018 to February 2025, he served as an independent non-executive director of Gain Plus Holdings limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 9900). He is also a company secretary of Hin Sang Group (International) Holdings Co. Limited, the shares of which are listed on the Stock Exchange (stock code: 6893).

Mr. Chen is an independent non-executive director of the following companies respectively: DT Capital Limited, the shares of which are listed on the Stock Exchange (stock code: 356); Prosperity Group International Limited (formerly known as Kingbo Strike Limited), the shares of which are listed on the Stock Exchange (stock code: 1421); and WEIli Holdings Limited, the shares of which are listed on the Stock Exchange (stock code: 2372). He also has an appointment of an independent director of Onion Global Limited, a company formerly listed on New York Stock Exchange (stock code: NYSE: OG) and currently listed on U.S. OTC Market (stock code: OGBLY: OG).

Mr. YIP Wai Man (葉偉文) (“Mr. Yip”), aged 56, has joined the Group as a sales manager since January 1995. Mr. Yip is principally responsible for the overall operation of our marketing and customer relationship activities, and procurement of plant and machinery.

Mr. Yip has over 30 years of experience in the construction industry. Prior to joining our Group, he was employed, among others, by (i) Chen Hsong Foundry Co., Ltd. From August 1990 to September 1990 as a summer engineer trainee; (ii) Coleman Engineering Co (Hong Kong) Ltd from October 1991 to July 1993 as a sales engineer; and (iii) Mason S. & E. Co. Ltd. from October 1994 to December 1995 as a sales executive.

Mr. Yip obtained a higher diploma in Mechanical Engineering from the Hong Kong Polytechnic (currently known as The Hong Kong Polytechnic University) in November 1991. He was awarded the certificate of completion of Metal Scaffold Erecting and Dismantling Supervision Training Course by the Construction Industry Training Authority in May 2004. He has also obtained the Construction Industry Safety Training Certificate from the Construction Industry Council in May 2013 and the Certificate of Certified Worker from the Hong Kong Human Resources Ltd. in January 2014.

Ms. TSU Fung Ling (徐鳳玲) (“Ms. Tsu”), aged 59, first joined the Group as an administrative manager in April 1994 and left in January 2005. She has re-joined the Group as consultant from September 2014 to November 2014 and became the administrative manager of the Group since December 2014. Ms. Tsu is principally responsible for the overall administration of the Group’s business operations.

Prior to joining the Group, Ms. Tsu was employed, among others, by (i) Argos Engineering & Heavy Industries Co., Ltd. from April 1988 to March 1993 as a senior accounts clerk; and (ii) the Dynasty Club Limited from April 1993 to April 1994 as a supervisor.

Ms. Tsu obtained the certificates of Higher Accounting and Third Level Cost Accounting from the London Chamber of Commerce and Industry Examinations Board in 1986 and 1990 respectively.

Mr. TAI Cheuk Fung (戴卓峯) (“Mr. Tai”), aged 43, joined the Group as a foreman since February 2012. He is mainly responsible for overall site operation.

Prior to joining the Group, Mr. Tai was employed, among others, by Chong Shing Construction & Engineering Co., Ltd. as site foreman from August 2008 to February 2012. Mr. Tai obtained a diploma in Civil Engineering and a higher diploma in Civil Engineering from the Vocational Training Council in July 2003 and July 2010 respectively. He also completed a Construction Safety Supervisor Course held by the Construction Industry Training Authority (currently known as the Construction Industry Training Board) in July 2006.

13. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee of the Board (the “**Audit Committee**”) comprised all of the independent non-executive Directors, namely Mr. Ng Ho Man (the chairman of the Audit Committee), Mr. Zhang Yongkui and Mr. Liu Wengang. The background, directorship and past directorship (if any) of each of the members of the Audit Committee are set out in the section headed “12. Particulars of the Directors and senior management” above in this appendix. The primary duties of the Audit Committee include, among other things, reviewing and supervising the financial reporting process and internal control systems, as well as the overall risk management of the Group, reviewing the consolidated financial statements and the interim and annual reports of the Group, reviewing the

terms of engagement and scope of audit work of the external auditor, and performing the corporate governance function.

14. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all provisions (other than the penal provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance, so far as applicable.

15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed “9. Expert and Consent” in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (WUMP) Ordinance.

16. 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.aienergy.com.hk) during the period of 14 days from the date of this Prospectus:

- (a) the material contracts referred to in the paragraph headed “8. Material contracts” in this appendix;
- (b) the accountant’s report on the unaudited pro forma financial information of the Group issued by HLB Hodgson Impey Cheng Limited, the text of which is set out in Appendix II to this Prospectus;
- (c) the written consent referred to in paragraph headed “9. Expert and consent” in this appendix;
- (d) the Prospectus Documents.

17. 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 Group's monetary assets, liabilities and transactions were principally denominated in Hong Kong dollars, Macau Patacas (“**MOP**”) and Renminbi. As MOP is pegged to the Hong Kong dollar, the Directors consider the Group's exposure to MOP to be insignificant. The Group did not have in place any foreign currency hedging arrangement as at the Latest Practicable Date. Further details of the Group's foreign exchange exposure are set out in the section headed “F. Principal risks and uncertainties” in Appendix I to this Prospectus.
- (c) In the event of any inconsistency, the English texts of this Prospectus and the accompanying PAL shall prevail over their respective Chinese texts.