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



Jiu Rong Holdings Limited
久融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2358)

**MAJOR TRANSACTION
IN RELATION TO
THE DISPOSAL OF SALE SHARES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

Financial Adviser to the Company



華升資本
CHINA SUNRISE CAPITAL

Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed "Definitions" in this circular. A Letter from the Board is set out on pages 4 to 24 of this circular.

A notice convening the EGM to be held at Flat 8, 49/F., Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong on Friday, 13 June 2025 at 11:05 a.m. is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use by the Shareholders at the EGM or any adjournment thereof (as the case may be) is enclosed with this circular.

Whether or not you are able to attend the EGM, you are advised to read the notice and complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours (i.e. Wednesday, 11 June 2025 at 11:05 a.m.) before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

26 May 2025

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
APPENDIX I - FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II - GENERAL INFORMATION	II-1
NOTICE OF EGM	EGM-1

DEFINITIONS

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

“Announcement”	the announcement issued by the Company dated 28 February 2025 in relation to the Disposal and the Equity Transfer Agreement
“Board”	the board of Directors
“Business Day(s)”	a day, other than a Saturday, Sunday, bank holidays and other general public holidays, which are normal banking day(s) in the PRC
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Company”	Jiu Rong Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2358)
“Completion”	completion of the Disposal in accordance with the Equity Transfer Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the proposed disposal of the Sale Shares by the Vendor to the Purchaser pursuant to the Equity Transfer Agreement
“EGM”	the extraordinary general meeting of the Company to be convened and held at Flat 8, 49/F., Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong for the purpose of considering and, if thought fit, approving the Equity Transfer Agreement and the transactions contemplated thereunder
“Equity Transfer Agreement”	the conditional agreement dated 28 February 2025 entered into between the Vendor and the Purchaser relating to the Disposal
“Group”	the Company and its subsidiaries

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third parties independent of the Company and its connected persons (as defined under the Listing Rules)
“Latest Practicable Date”	19 May 2025, being the latest practicable date prior to printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NEEQ”	National Equities Exchange and Quotations (全國中小企業股份轉讓系統)
“PRC” or “China”	the People’s Republic of China which, for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Hangzhou Yihe Network Co., Ltd.* (杭州易和網路有限公司), which is wholly-owned by SOYEA Technology
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Sale Shares”	4,400,000 ordinary shares in the Target Company held by the Vendor, representing approximately 5.22% of the Target Company’s total number of issued shares
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“SOYEA Technology”	SOYEA Technology Co., Limited* (數源科技股份有限公司) which is currently listed on the Shenzhen Stock Exchange (stock code: 000909) who currently owned 9.99% of the issued share capital of the Company

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Target Company”	Hangzhou East Software Park Co., Ltd.* (杭州東部軟件園股份有限公司) which is currently listed on NEEQ (stock code: 832968)
“Target Group”	the Target Company and its subsidiaries
“Vendor”	Jiu Rong New Energy Science and Technology Limited* (久融新能源科技有限公司), a company established in the PRC with limited liability, an indirect wholly-owned subsidiary of the Company
“%”	per cent.

For the purpose of this circular, unless otherwise stated, the conversion of RMB into HK\$ is based on the exchange rate of HK\$1.00 to RMB0.93. The exchange rate has been used, where applicable, for the purposes of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates at all.

* *In this circular, the English names of the PRC entities marked in asterisks are direct translations of their respective Chinese names and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.*



Jiu Rong Holdings Limited
久融控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2358)

Executive Directors:

Mr. Chen Yunxiang
Ms. Liu Bingjie
Mr. Yan Zhendong

Independent non-executive Directors:

Mr. Chen Zheng
Mr. Wong Chi Kin
Mr. Hua Nengdong

Registered office:

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Cayman Islands

Principal place of business in Hong Kong:

Flat 8, 49/F.
Office Tower
Convention Plaza
1 Harbour Road
Wanchai
Hong Kong

26 May 2025

To the Shareholders

Dear Sir or Madam

**MAJOR TRANSACTION
IN RELATION TO
THE DISPOSAL OF SALE SHARES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

THE DISPOSAL

Reference is made to the Announcement in relation to, among other matters, the Disposal.

On 28 February 2025 (after trading hours), the Purchaser and the Vendor, being an indirect wholly-owned subsidiary of the Company entered into the Equity Transfer Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Sale Shares, representing approximately 5.22% of the total issued share capital in the Target Company, for a total consideration of RMB36,487,800 (equivalent to approximately HK\$39,234,194).

LETTER FROM THE BOARD

The Company acquired 4,400,000 Sale Shares, representing approximately 5.22% of the issued capital of the Target Company, for an initial cost of RMB24.9 million in September 2017. The acquisition was part of the Company's long-term investment strategy aimed at achieving capital appreciation. As all the percentage ratios (as defined in the Listing Rules) based on the then financials in respect of the acquisition of the Sale Shares was below 5%, the Company was not required to make any announcement under the Listing Rules. The Company classified the investment in the Target Company as an equity instrument at fair value through other comprehensive income.

The purpose of this circular is to provide you with, among other things, (i) further information on the Equity Transfer Agreement and the transactions contemplated thereunder; (ii) other information as required under the Listing Rules; and (iii) a notice of EGM.

THE EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are set out as follows:

Date : 28 February 2025

Parties : (1) the Vendor as vendor; and

(2) the Purchaser as purchaser

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Purchaser is an Independent Third Party.

Interest to be disposed of

Pursuant to the terms and conditions of the Equity Transfer Agreement, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Sale Shares, representing approximately 5.22% of total issued share capital in the Target Company.

As at the Latest Practicable Date, the total issued share capital in the Target Company is held as to approximately 5.22% by the Vendor. Further details of the financial effects of the Disposal are set out in the section headed "FINANCIAL EFFECTS OF THE DISPOSAL" in this circular.

Upon Completion of the Disposal, the Company will cease to hold any shares in the Target Company.

LETTER FROM THE BOARD

The consideration and payment terms

The consideration for the Disposal is RMB36,487,800 (equivalent to approximately HK\$39,234,194), which shall be payable in full to set off the trade payables owing by the Company to the Purchaser on a dollar to dollar basis, no net proceeds will be received by the Company at the Completion of the Disposal. As at the date of Equity Transfer Agreement, the trade payables owing by the Group to the Purchaser is approximately RMB46,402,800 (equivalent to approximately HK\$49,895,484). The nature of the trade payables primarily represents deposits and trade payables for construction services provided by the Purchaser as the main contractor, including construction materials and labour costs related to three construction projects (the “**Construction Projects**”) in connection with the new energy vehicles business. The total contract amount of the Construction Projects is approximately RMB68.6 million which took place from 2020 to 2022. As at the Latest Practicable Date, the remaining balance of the unsettled amount is approximately RMB46.4 million, with due date ranging from March 2021 to January 2024. The trade payables to be set off by the net proceeds raised from the Disposal will be mainly allocated towards the repayment of deposits and trade payables for construction services provided by the Purchaser as the main contractor for the Construction Projects. Both the Vendor and the Purchaser agree that the above offsetting arrangement will not affect the fulfillment of other rights and obligations as stipulated for both parties under the Equity Transfer Agreement, nor will it constitute any form of waiver of the Purchaser’s claims regarding the remaining amounts owed by the Vendor to the Purchaser.

As mentioned under the section headed “REASONS FOR AND BENEFITS OF THE DISPOSAL” below, one of the principal businesses of the Group is the construction, application and management of new energy vehicles and charging facilities. However, at the time of the commencement for the Construction Projects (as defined above) in 2020, the Company only possessed the relevant credentials and resources to construct smaller-scale new energy charging station as compared to the Construction Projects. For sizeable new energy charging stations such as the Construction Projects, the Company needed to engage a main contractor with the necessary qualifications and resources to meet the requirements of this scale. Thus, the Group engaged the Purchaser as the main contractor for the Construction Projects. When choosing the Purchaser as the main contractor, the Group has not undergone tendering process. However, the Group having considered the price, the payment terms, the background, financials and track record of the Purchaser, as compared to other contractors in Hangzhou, where the Construction Projects are located, chose the Purchaser as the main contractor of the Construction Projects. The contract amount of the Construction Projects was determined by the parties after arm’s length negotiation between the Vendor and the contractor has considered, in

LETTER FROM THE BOARD

particular (i) the design and construction proposal submitted by the contractor; (ii) the track record of the contractor in performing on similar projects; (iii) the size of operation, land survey fee, the required materials, equipment, manpower, construction cost and other related cost of the Construction Projects; (iv) the expected power capacity (measured in kilovolt (“KV”) or kilovolt-ampere (“KVA”)) of the energy charging station; and (v) the prevailing market price of the provision of energy charging station projects of similar nature. The purpose of the Construction Projects is to build new energy charging station at the public transport station, which will primarily be used by public transportation vehicle for energy charging purpose, the scales and locations of each of the Construction Projects are set out in the nature column of the table below. As one of the principal businesses of the Group is the construction, application and management of new energy vehicles and related products, charging facilities and intelligent management systems, the then Board is of the view that the engagement of the Purchaser as the main contractor for the Construction Projects is consistent with the Group’s ordinary and usual course of business and is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

When the construction costs of the Construction Projects are incurred, the relevant portion of the construction costs will be capitalised to construction-in-progress in the consolidated statement of financial position of the Group. Upon completion and acceptance of the relevant works of the Construction Projects, the same amount under “construction in progress” will then be transferred to “plant and equipment” in the consolidated statement of financial position of the Group. Details of the principal terms of the Construction Projects are set forth below:

Parties of the Project agreements	Nature	Scale and description of the assets constructed	Types of assets constructed	Date of agreement	Contract Sum (Approx. RMB’ million)	Trade payables as at the Latest	Due Date
						Practicable Date (Approx. RMB’ million)	
A (i) the Vendor (i.e. Jiu Rong New Energy Science and Technology Limited) as the principal; and	Renovation of new energy charging station at the public transport station in Sandun Town, Xihu District, Hangzhou (Note 1)	The contractor is responsible to organise and implement the relevant work including civil engineering and power construction and installation engineering, partial land survey (if necessary), other project related work, engineering implementation, trial operation and control of the overall progress and other full-process construction management work	Installation of new energy charging facilities for the public transportation area parking lot and responsible for the overall project management and implementation	4 November 2020	16.2	40.6	January 2024

LETTER FROM THE BOARD

Parties of the Project agreements	Nature	Scale and description of the assets constructed	Types of assets constructed	Date of agreement	Contract Sum (Approx. RMB' million)	Trade payables as at the Latest Practicable Date		Due Date
						Trade Payable:	Deposits:	
(ii) the Purchaser (i.e. Hangzhou Yihe Network Co., Ltd.) as the contractor	Renovation of the new energy charging station (external works) at the public transport station in Sandun Town, Xihu District, Hangzhou (Note 2)	This project is divided into two high-voltage incoming lines, namely two 35 KV incoming lines, each 15,000 KVA. Other related supporting facilities include: (a) underground pipeline route exploration; (b) design, power pipeline construction; (c) greening removal and restoration along the way; and (d) cable laying and other construction management	Management of the external works for the new energy charging station at the public transportation area parking lot	22 December 2020	35.1			January 2024
B (i) the Vendor as the principal; and (ii) the Purchaser as the contractor	Construction of new energy charging stations at four public transport stations in Gongkang, Genshan Road, Wensan Road and Yuhang at Hangzhou respectively (Note 1)	The contractor is responsible to organise and implement the relevant work including civil engineering and power construction and installation engineering, partial land survey (if necessary), other project related work, engineering implementation, trail operation and control of the overall progress and other full-process construction management work.	Overall equipment installation and construction management for the new energy charging stations	20 July 2020	12.1	Trade Payable:	1.0	March 2023 March 2021
						Deposits:	1.2	
C (i) the Vendor as the principal; and (ii) the Purchaser as the contractor	Phase II expansion project of Ruanjiaqiao new energy charging station at the public transport station in Ruanjiaqiao, Yuhangtang Road at Hangzhou (Note 1)	The contractor is responsible to organise and implement the relevant work including civil engineering and power construction and installation engineering, partial land survey (if necessary), other project related work, engineering implementation, trail operation and control of the overall progress and other full-process construction management work	Overall equipment installation and construction management for the new energy charging stations	18 August 2020	5.2	Trade Payable:	3.1	March 2024 March 2022
						Deposits:	0.5	

LETTER FROM THE BOARD

Notes:

1. The payment terms for the project: (i) 10% of the contract amount as a performance guarantee deposit payable from main contractor to the Company within 10 working days upon signing of the contract, the performance guarantee deposit will be refundable by way of wire transfer within seven working days upon the acceptance of the construction works; (ii) 10% of the contract amount will be prepaid (“**Prepayment 1**”) by the Company by way of wire transfer to main contractor within 3 working days after the settlement of the performance guarantee deposit; (iii) 85% of the contract amount (after netting-off of the Prepayment 1) will be paid by the Company by way of wire transfer or banker’s acceptance within 7 working days to main contractor after 2 years from the issuance of acceptance report, which means the main contractor is required to bear such amount of construction cost in advance; (iv) 5% of the contract amount will be paid by the Company by way of wire transfer to main contractor within 7 working days after warranty period; and (v) the performance guarantee deposit will be refunded by way of wire transfer within 7 working days after the project acceptance.

The payment terms for the project: (i) 5% of the contract amount as a performance guarantee deposit payable from main contractor to the Company within 10 working days upon signing of the contract, the performance guarantee deposit will be refundable by way of wire transfer within seven working days upon the acceptance of the construction works; (ii) approximately RMB2.5 million will be prepaid (“**Prepayment 2**”) by the Company to main contractor by way of wire transfer within 3 working days after the settlement of the performance guarantee deposit; (iii) 95% of the contract amount (after netting-off of the Prepayment 2) will be paid by the Company within 7 working days to main contractor by way of wire transfer or banker’s acceptance after 2 years from the issuance of acceptance report, which means the main contractor is required to bear such amount of construction cost in advance; (iv) 5% of the contract amount will be paid by the Company by way of wire transfer to main contractor within 7 working days after warranty period; and (v) the performance guarantee deposit will be refunded by way of wire transfer within 7 working days after the project acceptance.

2. To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, at the material time when entering into the agreements for the Construction Projects, both the Purchaser (as the contractor) and its ultimate beneficial owners are Independent Third Parties. Details of the background information and principal business of the Purchaser are set out under the section headed “INFORMATION OF THE PURCHASER” below.

In accordance with the Equity Transfer Agreement, following the offsetting of trade payables, the Vendor is obligated to pay the Purchaser an outstanding trade payables of approximately RMB9.9 million within three year, which is interest-free, representing the remaining balance of a construction project for the new energy vehicles business. The Company intends to settle the outstanding amount with internal resources over the next three years. In the event that the internal resources of the Group were not sufficient to settle the outstanding amount of the trade payables, the Company will consider to settle the outstanding trade payables in the same manner as fulfilling the Repayment Obligations (as defined below).

LETTER FROM THE BOARD

The Directors have considered other alternative options for settling the trade payables, including cash payment, bank financing and renegotiation of payment terms with the Purchaser. However, having considered, in particular: (i) the current macroeconomic environment is expected to present challenges for the Group similar to the previous year of 2023. As stated in the annual report of the Group for the year ended 31 December 2023, the aftermath of the COVID-19 pandemic combined with geopolitical tensions and military conflicts have exacerbated global inflation risks, weakened the global economy and slowed the pace of economic recovery in the PRC; (ii) the financial performance of the Group as the Company had cash and bank balance of approximately HK\$4.0 million and recorded net current liabilities of approximately HK\$935.2 million as at 31 December 2024; and (iii) bank financing would be subject to lengthy due diligence and negotiations with banks and its interest rate would inevitably incur additional finance costs to the Group, which may have adverse impacts on the financial performance of the Group, thus the settlement of the trade payables due to the Purchaser with cash was considered impractical. Following the further negotiations between the Purchaser and the Company, it is agreed to set off with the Disposal of the Sale Shares. The Directors are of the view that the Disposal would reduce its level of liabilities and in turn enable the Company to continue focusing towards the renewable energy sector, thereby enhancing long-term sustainability and growth potential.

Basis for the determination of the consideration

To the best of the Directors' knowledge, the Purchaser has conducted its own internal assessment and evaluation in connection with the assets, financial position, business, prospects, growth potential, and results of operations of the Target Company and the industry when determining the valuation of the Sale Shares. The consideration for the Disposal was determined after arm's length negotiations and commercial decision made between the Vendor and the Purchaser after taking into account:

- (i) the historical financial performance and position of the business of the Target Group and its subsidiaries. The Target Group recorded revenue of approximately RMB132.7 million for the year ended 31 December 2023, represented an increase of approximately 24.86% from approximately RMB106.3 million for the year ended 31 December 2022. The increase in revenue was attributable to the recovery from the COVID-19 pandemic, which had led to temporary rent reductions in 2022. In addition, the Target Group recorded a net profit attributable to the owners of the Target Company of approximately RMB39.3 million for the year ended 31 December 2023, represented a growth rate of approximately 124.91% as compared to

LETTER FROM THE BOARD

approximately RMB17.5 million for the year ended 31 December 2022. Such increase in net profit is primarily driven by the substantial revenue growth. The Target Group's total assets were approximately RMB602.8 million as at 31 December 2023, represented a drop of approximately 5.01% from approximately RMB634.5 million as at 31 December 2022. The total liabilities decreased to approximately RMB206.2 million as at 31 December 2023 from approximately RMB258.9 million as at 31 December 2022, recorded a significant reduction of approximately 20.34%;

- (ii) the prospect of the business of the Target Group. The Target Group is primarily engaged in the construction, development, and management of science and technology parks, offers office leasing and comprehensive support services mainly to small and medium-sized enterprises and startups. Given the competitive pressures in the technology park sector, timely adjustments in strategic planning, operational approaches, and infrastructure improvements are essential. These needs are further supported by historical development opportunities linked to the national focus on high-quality growth and the integration of real and digital economies. However, the current economic landscape presents challenges, including insufficient domestic demand and a complicated external environment. The Target Group faces significant challenges ahead due to its dependence on the overall economy and the conditions within the science and technology park;
- (iii) the net asset value attributable to the owners of the Target Group of approximately RMB4.72 per share of the Target Group as at 30 June 2024, of which the consideration for each of the Sale Shares represents a premium of approximately 75.64% over the net asset value of each share of the Target Group;

LETTER FROM THE BOARD

- (iv) the low trading liquidity of the shares of the Target Company trading on NEEQ, which recorded (a) nil trading volume as recorded over the past 30 trading days immediately prior to the Latest Practicable Date; (b) the average trading volume (calculated by dividing the total trading volume for the period by the number of trading days in the respective period) of approximately nil and 50.0 shares, represented approximately nil% and nil% of the total issued shares of the Target Company (i.e. 84,340,000 shares), over the past 30 and 90 consecutive trading days immediately prior to the Latest Practicable Date respectively; and
- (v) other factors as set out in the section headed “REASONS FOR AND BENEFITS OF THE DISPOSAL”.

Having considered the above, in particular (i) the growth in both revenue and profit of the Target Company have demonstrated its solid recovery from the COVID-19 pandemic; (ii) the highly competitive and challenging environment in the science and technology park sector; and (iii) the low trading volumes of the Target Company during the review period above indicated that market perceptions might not fully capture the intrinsic value of the Target Company, the Directors are of the view that the consideration for the Disposal is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

The consideration per Sale Share is equivalent to approximately RMB8.29, representing:

- (a) a premium of approximately 137.5% over the closing price of RMB3.49 per Sale Share on the Latest Practicable Date;
- (b) a premium of approximately 137.5% over the closing price of RMB3.49 per Sale Share immediately prior to the date of the Announcement (i.e. 27 February 2025);
- (c) a premium of approximately 137.5% over the average closing price of RMB3.49 per Sale Share for its five consecutive trading days immediately prior to the date of the Announcement;
- (d) a premium of approximately 145.3% over the average closing price of RMB3.38 per Sale Share for its 30 consecutive trading days immediately prior to the date of the Announcement; and
- (e) a premium of approximately 71.28% over the net asset value attributable to the owners of the Target Company of approximately RMB4.84 per share based on the audited net asset value attributable to the owners of the Target Company and the total of 84,340,000 shares in issue as at 31 December 2024.

LETTER FROM THE BOARD

Transfer of Sale Shares

- (i) Both the Vendor and Purchaser shall complete the transfer procedures for the Sale Shares at China Securities Depository and Clearing Corporation Limited (Beijing Branch) within the timeframe specified in the confirmation document issued by NEEQ in connection with the transfer of Sale Shares; and
- (ii) Upon the transfer of Sale Shares completed, the Purchaser shall become the sole owner of the Sale Shares, possessing complete rights to dispose of and benefit from the Sale Shares. The Vendor or any other third party shall not hold any rights to dispose of, benefit from, or possess any other rights related to the Sale Shares.

Undertakings

- (i) the Equity Transfer Agreement and the transactions contemplated thereunder have been properly disclosed to the public in accordance with the requirements from the official authorities and the relevant laws, and both parties shall use their best endeavours to obtain all necessary approvals or consents for the Equity Transfer Agreement and the transactions contemplated thereunder from the relevant parties (including but not limited to any government authorities or any related third parties) (if necessary) and there are no laws or regulations prohibiting the Disposal as at a Completion date;
- (ii) the Vendor does not have any pending disputes, lawsuits, arbitrations, judicial proceedings or administrative procedures or government investigations against the Sale Shares that may result in restrictions on the rights of the Sale Shares, nor does it have any circumstances or risks of litigation, arbitration, judicial or administrative procedures or government investigations that may result in the freezing or seizure of the Sale Shares;
- (iii) the Sale Shares do not have any third-party rights or interests or any other rights restrictions such as pledges, seizures, freezing, or any other forms of priority arrangements. The Sale Shares are unrestricted tradable shares. After the transfer of the Sale Shares, the Purchaser will have full and complete ownership of the Sale Shares in accordance with the law; and
- (iv) Upon execution of the Equity Transfer Agreement, the Vendor shall not negotiate with any third party other than the Equity Transfer Agreement on the Disposal of the Sale Shares, and shall not enter into any agreement, contract or other documents on the Disposal with any other third party on such matters.

LETTER FROM THE BOARD

Completion

Completion of the Disposal and the transactions contemplated under the Equity Transfer Agreement shall take place subject to the Shareholders having approved the Equity Transfer Agreement and the transaction contemplated thereunder at the EGM in accordance with the Listing Rules.

If there are any disputes related to this Equity Transfer Agreement, both parties will first try to resolve the issue through discussion on a good faith basis. In the event that the dispute cannot be settled through discussion, either party can take the dispute to the Hangzhou Arbitration Commission. The arbitration will be subject to PRC law and the decision of which will be final and legally binding on both parties.

INFORMATION ON THE TARGET COMPANY

The Target Company was established in the PRC and its shares are listed on NEEQ (stock code: 832968). The Target Company is principally engaged in the provision of construction, management and operation of science and technology parks. As at the Latest Practicable Date, the Company, through the Vendor, holds approximately 5.22% of total issued share capital in the Target Company.

FINANCIAL SUMMARY OF THE TARGET COMPANY

Set out below is the financial information of the Target Company and its subsidiaries as extracted from its audited financial statements prepared in accordance with the PRC Generally Accepted Accounting Principles for the three years ended 31 December 2022, 2023 and 2024:

	For the year ended 31 December		
	2022	2023	2024
	<i>RMB'million</i>	<i>RMB'million</i>	<i>RMB'million</i>
Revenue	106.3	132.8	129.5
Profit before taxation	24.0	52.7	44.8
Profit after taxation	17.3	39.3	31.8

	As at 31 December		
	2022	2023	2024
	<i>RMB'million</i>	<i>RMB'million</i>	<i>RMB'million</i>
Net assets attributable to the owners of the Target Company	374.8	395.7	408.0

LETTER FROM THE BOARD

INFORMATION OF THE VENDOR

The Vendor is a company incorporated in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. The Vendor is principally engaged in new energy vehicles business.

INFORMATION OF THE PURCHASER

The Purchaser is a company incorporated in the PRC with limited liability. The Purchaser is principally engaged in intelligent system integration engineering design, various engineering construction activities (e.g. constructing electric vehicles charging stations) and software development. The Purchaser has been participating in the construction of new energy bus charging stations for the public transportation system in Hangzhou since 2013. In connection with the construction of electric vehicles charging station, the Purchaser possessed Class 1 Intelligent Building System Integration Qualification Certificate* (建築智能化壹級資質證書) and Class A Engineering Design Certificate* (工程設計甲級證書) issued by the PRC Ministry of Housing and Urban-Rural Development* (中華人民共和國住房和城鄉建設部) (formerly known as the PRC Ministry of Construction* (國家建設部)). As at the Latest Practicable Date, SOYEA Technology holds approximately 88.83% of the issued share capital in the Target Company. In addition, the Purchaser is a wholly-owned subsidiary of SOYEA Technology, who currently holds approximately 9.99% of the total issued share capital of the Company since 2022. The Purchaser acted as the main contractor of the Construction Projects for the new energy vehicles business of the Company during the period of 2020 to 2022. As at the Latest Practicable Date, the two parties have no outstanding construction projects on the new energy vehicles business. The Purchaser and its associates have collaborated with the Company in trade, real estate development and management, the construction of charging stations for new energy vehicles facilities.

LETTER FROM THE BOARD

In the past twelve months, Xihu Electron Group Company Ltd.* (西湖電子集團有限公司), who owned 30.57% equity interest in SOYEA Technology, has entered into two loan agreements on 12 January 2024 and 26 March 2024, providing approximately RMB148.6 million and RMB230 million to two wholly-owned subsidiaries of the Company, namely Soyega Jiu Rong Technology Co., Ltd.* (數源久融技術有限公司) and the Vendor respectively. Both loans carry an interest rate of 6% per annum and are due on 11 January 2025, and 25 March 2025, respectively. For details, please refer to the annual report of the Group for the year ended 31 December 2024. The purpose of the loans is intended to support the working capital and the repayment of bank and other borrowings for the Group. As at the Latest Practicable Date, the outstanding amounts including interest, amounted to approximately RMB154.6 million and RMB239.3 million respectively, which have not yet been settled. The Company proposed to fulfil the repayment obligations (“**Repayment Obligations**”) by (i) its internally generated funds; (ii) the available credit facilities available to the Group; (iii) the proceed to be generated from the proposed disposal of the 100% equity interest of the indirect wholly-owned subsidiary of the Company, namely Hangzhou Lu Yun Property Limited, details of which are set out in the announcements of the Company dated 28 June 2024 and 31 December 2024 respectively; (iv) the proceed to be generated upon the successful disposal of the shares of Sundry Service Group Co. Ltd held by the Group, details of which are disclosed in the announcement of the Company dated 6 March 2025; and (v) the Company may consider the disposal of its other assets (as the case maybe).

The Directors confirm that to the best of their knowledge and belief, save as disclosed above, it has disclosed all material loan arrangement between (a) the Purchaser, its directors, legal representatives and any ultimate beneficial owners of the Purchaser who can exert influence on the transaction; and (b) the Company, any connected person at the Company’s level, and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in the transaction) in the past twelve months. Furthermore, except for those disclosed in this circular, the Directors confirm that the Purchaser and its associates have no other business, financial, or other relationships with the Company and/or its connected persons.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Purchaser is an Independent Third Party.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in (1) manufacturing and sales of smart television and digital television (“TV”), high definition liquid crystal display TV and set-top box as well as provision of application of solutions regarding integration of telecommunication, TV and internet in the digital video industry (“**Digital Video Business**”); (2) the construction, application and management of new energy vehicles and related products, charging facilities and intelligent management systems and processing services in relation to new energy vehicles spare parts (“**New Energy Vehicles Business**”); (3) the application and management of cloud ecological big data industry (“**Cloud Ecological Big Data Business**”); (4) properties development of big data industrial park commercial and residential properties (“**Properties Development**”); (5) properties investment for rental income from the big data industrial park (“**Properties Investments**”); and (6) general trading of commodities and goods (“**General Trading**”). Given the Group has been making a loss since 2022, the Directors have been actively reviewing and intends to make adjustments to the existing businesses of the Group, so as to streamline the operations and improve the financials of the Group in the future. The Disposal allows the Company to devote more resources and efforts to focus on other core business segments for future development as the Disposal allows the Company to offset a portion of approximately RMB46.4 million in long outstanding trading payables. It can immediately improve the Group’s financials, and to settle the overdue trade payable. While the proceeds from the Disposal will be used to offset the trade payables rather than for business development, it will allow the management of the Group to allocate financial and managerial resources more effectively and spent less time on monitoring the investment in the Target Company. By reducing the Group’s immediate liabilities, the management of the Group can also concentrate more on core business areas with greater growth potential. In addition, the Directors have noted that, despite the financials of the Target Company improved significantly for the year ended 31 December 2023 as compared to the year ended 31 December 2022, nevertheless, the share price and trading volume of the Target Company did not improve in the same manner. Since the publication of the annual report for the year ended 31 December 2023 by the Target Company on 19 April 2024 and up to the date of the Announcement (i.e. 28 February 2025), the closing price of the Target Company’s share were relatively stable, ranged from between RMB2.84 per share to RMB3.69 per share. The lowest closing price of RMB2.84 during this period was maintained for a total of 114 consecutive trading days. Throughout this period, the closing share price of the Target Company registered no movement at all for 195 trading days out of 208 trading days. The average closing price over this period was approximately RMB3.09 per share. In addition, the trading volume of the Target Company’s share also remained low, with nil trading volume recorded for 195 trading days out of 208 trading days. The most significant daily trading volumes occurred on 5 December 2024 and 22 November 2024, represented approximately 24,900 shares and 4,400 shares, representing approximately 0.03% and 0.01% of the total issued share capital of the Target Company, respectively.

LETTER FROM THE BOARD

The Directors have further noted that the closing share price of the Target Company ranged from RMB2.84 and RMB3.69 per share during the past six months (up to the Latest Practicable Date), and maintained at a low average trading volumes over the past 30 days and 90 days. Such low trading liquidity indicates limited market activity in the Target Company's shares and would raise potential concerns and limited opportunities for the Vendor to dispose the Sale Shares in open market at the prevailing market price. When the Sale Shares are being sold at a significant premium as compared to the prevailing market price and net asset value per share of the Target Company, this exit opportunity would enable the Vendor to lock in the profit from its investment which is in the interest of the Company and its Shareholders, especially in light of the need for financial efficiency to settle a portion of its trade payable, which has long been overdue. After considering the above, the Directors believe that the Disposal is fair and reasonable.

The Group has adopted internal procedures when making investments in or disposal of securities. In particular, all decisions to invest in or dispose of listed securities are subject to internal review and approval, including discussions among senior management, including Mr. Chen Yunxiang and Ms. Liu Bingjie (being executive Directors), Koon Wai Hung (chief financial officer) and the financial controller, and, according to the internal control measures, for any acquisition or disposal of equity assets in a company (including listed securities) resulting in a discloseable transaction or higher classification under Chapter 14 of the Listing Rules, the executive Directors and company secretary were required to present the transaction to the Board for approval. For smaller-scale acquisitions or disposals, the executive Directors were responsible for approving the transaction. Ms. Liu Bingjie was appointed as executive Director on 6 March 2025. She possesses experience in investment, and she joined SOYEA Technology in the General Office and Securities Investment Department in 2018. From July 2023 to May 2024, she served as an Investment Specialist in the Securities Investment Department of SOYEA Technology. In June 2024, she joined Jiu Rong New Energy Technology Co., Ltd., a wholly-owned subsidiary of the Company as the director of Asset Management Department, and was responsible for overseeing the Group's investment. For details, please refer to announcement of the Company dated 6 March 2025. The financial controller joined the Company in May 2024. Prior to joining the Company, she worked as financial controller in Jilin Yatai (Group) Co., Ltd.* (吉林亞泰(集團)股份有限公司) (stock code: 600881.SH) from 2010 to 2021 and as chief financial officer in YanGuFang International Group Co., Ltd.* (內蒙古燕穀坊生態農業科技(集團)股份有限公司) (stock code: YGF.US) from 2022 to 2024 and in other companies, mainly responsible for financing, and mergers and acquisitions. Senior management of the Company also monitors and periodically reviews the performance of securities investments to ensure alignment with the Group's overall strategy and risk management framework.

LETTER FROM THE BOARD

The Group only has experience in undertaking a small number of proprietary investments involving equity interests in companies listed or quoted in Hong Kong and PRC capital markets for capital appreciation and/or potential cooperation. These investments were conducted using internal resources and were not part of the Group's principal business. The Group has not engaged in any securities trading or asset management activities regulated by the Securities and Futures Commission on behalf of third parties, nor has it raised or managed funds from external investors. It was the intention of the Group to hold the securities for capital appreciation and/or potential cooperation between the Group and the invested companies. These investments were made as long-only equity positions, with no involvement in short selling or investment in debt securities. The intended investment horizon was mid- to long-term, which is subject to the performance of the investee companies and/or the status of the potential cooperation. The Group's strategy was focused on long-term value creation rather than short-term trading gains or dividend income.

Upon completion of the Disposal and the proposed disposal of the 2.4% of the total issued share capital of Sundry Service Group Co. Ltd. shares under the Disposal Mandate (as defined in the announcement of the Company dated 6 March 2025), the Group will no longer hold any listed securities. As at the Latest Practicable Date, the Group has no intention to acquire additional listed securities or engage in any securities trading activities, and the Group will continue to focus on development of its principal businesses. In view of the Group's current financial conditions, the Company will continue to review its assets portfolio, including securities and other assets owned by the Group, to determine whether such assets are aligned with the Group's future strategy and the contribution to the Group's future business and financials. The Group may consider disposing of certain assets, to improve the financial position of the Group as and when necessary.

In view of the above, save as Mr. Yan Zhendong and Ms. Chen Shan (who resigned as executive Director of the Company on 6 March 2025) who abstain from voting, all the other Directors (including all the independent non-executive Directors) consider that although the Disposal is not in the ordinary and usual course of business of the Group, the terms and conditions for the Disposal are on normal commercial terms, fair and reasonable, and is in the interest of the Company and its Shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL

As at 30 June 2024, the Group recognised an accumulated unrealised loss on fair value change of such equity investment of approximately HK\$11.8 million in equity investment revaluation reserve ("FVOCI reserve").

LETTER FROM THE BOARD

Upon Completion, the Company will not hold any interest in the Target Company and the FVOCI reserve will be transferred to retained earnings and will not be reclassified to consolidated income statement. Based on (i) the carrying value of the Sale Shares in the Company's unaudited consolidated financial statements as at 31 December 2024 of approximately HK\$15.8 million; (ii) the consideration under the Equity Transfer Agreement; and (iii) the estimated transaction costs, it is expected that the Group will record an estimated profit of approximately HK\$23.5 million in respect of the Disposal, which is subject to audit.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal exceed 25% but all of them are less than 75%, the Disposal constitute major transaction for the Company pursuant to Rule 14.06(3) of the Listing Rules and is therefore subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Mr. Chen Yunxiang has resigned as general manager of the Smart Community Division of SOYEA Technology on May 2023 and Ms. Chen Shan has tendered her resignation as executive Director of the Company with effective from 6 March 2025. Save as Mr. Yan Zhendong (an executive Director of the Company) who is a senior management of the Purchaser and the Target Company, and Ms. Chen Shan (who resigned as executive Director of the Company on 6 March 2025) who is the supervisor of the Purchaser and the Target Company, both of whom abstain from voting on the Disposal, none of the Directors are representatives of the Purchaser, and none of the Directors (including the independent non-executive Directors) and any representative of the Purchaser has a material interest in the Equity Transfer Agreement, and none of the Directors shall abstain from voting on the relevant Board resolutions.

BREACH OF THE LISTING RULES

In November 2020, the Group engaged the Purchaser as the main contractor for Project A (as defined above) ("**Contractor Engagement**"). To the best knowledge and belief of the current Board of Directors of the Company, at the time of entering into the Contractor Engagement, the then executive Directors of the Company at the time of entering into the Contractor Engagement ("**Participating Directors**") – all of whom have been resigned from the Board except for Mr. Chen Zheng, who is the independent non-executive Directors – formed the view that the Contractor Engagement was in the ordinary and usual course of business of the Group and thus exempted from the requirements under Chapter 14 of the Listing Rules pursuant to Rule 14.04(1)(g).

LETTER FROM THE BOARD

Such view was based on the understanding that, due to the fact that one of the principal business segments of the Group is the construction, application, and management of new energy vehicles and related products, as well as charging facilities, intelligent management systems, and processing services related to spare parts for new energy vehicles, the Contractor Engagement was thus part of the Group's ordinary and usual course of business. However, the Participating Directors did not fully aware that the exemption under Rule 14.04(1)(g) applies only to transactions of a revenue nature, and not to those of a capital nature.

Subsequently, during its internal review, the Company noted that the Contractor Engagement was of a capital nature and therefore the exemption under Rule 14.04(1)(g) was not applicable. Based on the applicable financial figures as at the time of entering into the Contractor Engagement, one or more of the relevant percentage ratios under Rule 14.07 exceeded 5% but all were below 25%. Accordingly, the Contractor Engagement should have been classified as a discloseable transaction and subject to the announcement requirement under Chapter 14 of the Listing Rules. The Company hereby sincerely acknowledges that it had inadvertently and unintentionally breached such requirement.

REMEDIAL ACTIONS

The Company expresses its sincere regrets for the non-compliance and it would like to stress that the non-compliance was inadvertent and unintentional.

In order to prevent the recurrence of similar incidents in the future and to ensure compliance with the Listing Rules on an on-going basis, the Company has adopted and implemented the following remedial measures:

- (i) **Public Disclosure and Regulatory Communication:** The Company has proactively disclosed the circumstances and details of the Contractor Engagement in this circular to ensure transparency and provide shareholders with full information;
- (ii) **Strengthening of Internal Approval and Compliance Procedures:** The Company has enhanced its internal transaction approval procedures, which include the manager of the finance and legal department to review the terms and check whether in compliance with relevant Listing Rules. All material or potential notifiable transactions are now subject to a more robust assessment process, which includes internal escalation, legal and financial review, and compliance clearance by the Company Secretary (as defined below) before execution. Following the review of the manager of the finance and legal department, the relevant transaction must be reported to the Company Secretary (as defined below) to ensure that the necessary compliance procedures of the Company have been completed before the transaction is executed. Additionally, if the contract amount of a construction project (involving the engagement of main contractor) meets or exceeds the 5% threshold of the applicable ratios under Chapter 14 of the Listing Rules or such contract amount exceeds HK\$10 million, it will be escalated to the Board for review and approval in a timely manner;

LETTER FROM THE BOARD

- (iii) Enhanced Role of Company Secretary and Professional Advisers: Mr. Koon Wai Hung, the company secretary of the Company (the “**Company Secretary**”) who is a practising certified public accountant of the Hong Kong Institute of Certified Public Accountants and the Certified Practising Accountant of CPA Australia and joined the Company in mid-2023 which was after the Contractor Engagement. The Company Secretary has reviewed the internal control manual and has rectified the identified deficiencies in connection with investments and acquisition or disposal of securities and assets. In addition, the Company Secretary has also sample checked other acquisition or disposal of investments or assets, and no non-compliance was found. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, save as the non-compliance incident in connection with the Contractor Engagement as set out in the section headed “BREACH OF THE LISTING RULES” above, the Directors are not aware of any non-compliance incidents of similar nature to the Contractor Engagement. Going forward, the Company Secretary will assist by double checking and seeking professional advice as appropriate in respect of Listing Rules requirements for any potential transactions to be entered into by the Company or its subsidiaries;

In addition, going forward, the Company shall seek advice from the legal adviser or financial advisor of the Company in respect of Listing Rules requirements as and when appropriate before entering into any potential transactions by the Company or its subsidiaries; and

- (iv) Director Training and Ongoing Compliance Education: the Company has engaged the external legal advisers to provide trainings for the Directors on the compliance requirements and practical application of, among others, the Listing Rules, corporate governance, regular updates on changes and development to the Group’s business and to legislative and regulatory environments in which the Group operates. In addition, the Company will arrange for Directors and senior management to participate in training programmes offered by professional bodies or those made available through the website of the Stock Exchange, with a view to strengthening their awareness and understanding of regulatory compliance and corporate governance requirements on a continuing basis. Such director training and ongoing compliance education are expected to be no less than 15 hours in total and are scheduled to be conducted within three months, starting from June 2025.

LETTER FROM THE BOARD

EGM

The EGM will be convened and held at Flat 8, 49/F., Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong on Friday, 13 June 2025 at 11:05 a.m. for the Shareholders to consider and, if thought fit, to approve the Equity Transfer Agreement and the transactions contemplated thereunder. A notice convening the EGM is set out on pages EGM-1 to EGM-2 of this circular.

For the purpose of ascertaining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 10 June 2025 to Friday, 13 June, 2025, both dates inclusive, during which period no transfer of Shares(s) will be registered. In order to be eligible to attend and vote at the EGM, all transfer document(s), accompanied by the relevant share certificate(s), must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 9 June 2025.

Pursuant to Rule 13.39(4) of the Listing Rules, the votes of the Shareholders at the EGM will be taken by way of poll.

As at the Latest Practicable Date, SOYEA Technology, who holds approximately 9.99% of the total issued share capital of the Company. SOYEA Technology and its close associates shall abstain from voting on the relevant resolutions at the EGM. Save as disclosed above, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, none of the other Shareholders has a material interest in the relevant resolutions and is required to abstain from voting on the relevant resolutions at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

LETTER FROM THE BOARD

RECOMMENDATION

The Board (save as Mr. Yan Zhendong and Ms. Chen Shan (who resigned as executive Director of the Company on 6 March 2025) who abstain from voting) considers that the terms of the Equity Transfer Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to consider and, if thought fit, approve the Equity Transfer Agreement and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

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

Completion of the Disposal is subject to fulfilment of various conditions precedents, among others, the approval of the Disposal by the Shareholders at the EGM and applicable PRC authorities. Accordingly, the Disposal may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the securities of the Company.

Yours faithfully,
For and on behalf of
Jiu Rong Holdings Limited
Chen Yunxiang
Executive Director

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for each of the three years ended 31 December 2021, 2022 and 2023 and the unaudited condensed consolidated financial statement of the Group for the six months ended 30 June 2024 and twelve months ended 31 December 2024 are disclosed in the following documents which have been published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Group (<http://www.jiurongkg.com/>).

- The annual report of the Group for the year ended 31 December 2021 dated 31 March 2022 (pages 41 to 115);
<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042802678.pdf>
- The annual report of the Group for the year ended 31 December 2022 dated 31 March 2023 (pages 41 to 117);
<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0428/2023042800737.pdf>
- The annual report of the Group for the year ended 31 December 2023 dated 14 June 2024 (pages 47 to 127);
<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0627/2024062700606.pdf>
- The interim report of the Group for the six months ended 30 June 2024 dated 30 August 2024 (pages 3 to 23); and
<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0925/2024092500544.pdf>
- The second interim results announcement of the Group for the twelve months ended 31 December 2024 dated 28 February 2025 (pages 1 to 25).
<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0228/2025022801735.pdf>

2. INDEBTEDNESS

At the close of business on 31 March 2025, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had total borrowings of approximately HK\$918 million, comprising of: (i) bank borrowings of approximately HK\$428 million of which approximately HK\$42 million were secured and unguaranteed; approximately HK\$155 million were secured and guaranteed; and approximately HK\$231 million were unsecured and guaranteed; (ii) other borrowings of approximately HK\$478 million of which approximately HK\$428 million were secured and unguaranteed; and approximately HK\$50 million were unsecured and unguaranteed; and (iii) lease liabilities of approximately HK\$12 million of which were unsecured and unguaranteed.

As at 31 March 2025, the Group had no contingent liability.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have, at the close of business on 31 March 2025, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or contingent liabilities.

Foreign currency amounts have been translated into HK\$ at the rates of exchange prevailing at the close of business on 31 March 2025. The Directors are not aware of any material changes in the Group's indebtedness and contingent liabilities since the close of business on 31 March 2025.

3. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, after taking into account the financial resources available to the Group, including (i) the internally generated funds, (ii) available credit facilities of the Group, (iii) the Disposal, (iv) the completion of the proposed disposal as disclosed in the announcement of the Company dated 28 June 2024 (as supplemented on 31 December 2024), (v) the completion of the disposal of 92,430,000 shares of Sundry Service Group Co. Ltd as disclosed in the announcement of the Company dated 6 March 2025; and (vi) the extension of the loans of RMB150 million and RMB230 million from the holding company of the Purchaser which were due in January 2025 and March 2025 respectively, the Group will have sufficient working capital to satisfy its requirements for at least the next 12 months from the date of the circular in the absence of unforeseen circumstances.

The Company has obtained the relevant confirmations as required under Rule 14.66(12) of the Listing Rules.

4. FINANCIAL AND TRADING PROSPECTS

The Group is principally engaged in (1) manufacturing and sales of digital television ("TV"), high definition liquid crystal display TV and set-top box as well as provision of application of solutions regarding integration of telecommunication, TV and internet in the digital video industry ("**Digital Video Business**"); (2) the construction, application and management of new energy vehicles and related products, charging facilities and intelligent management systems ("**New Energy Vehicles Business**"); (3) the application and management of cloud ecological big data industry ("**Cloud Ecological Big Data Business**"); (4) properties development of big data industrial park commercial and residential properties ("**Property(ies) Development**"); and (5) properties investment for rental income from the big data industrial park ("**Properties Investments**").

In the twelve months ended 31 December 2024, the Group is undertaking capacity adjustments and improvements in Digital Video Business, as well as strengthening the Group's overall working capital management, to prepare for and embrace new opportunities arising from the further comprehensive deepening of reforms and the promotion of Chinese-style modernisation expected at the Third Plenary Session of the Twentieth Central Committee of the Communist Party of China, the Group has recorded turnover from: (1) the Digital Video Business of approximately HK\$495,106,000 for the twelve months ended 31 December 2024 (twelve months ended 31 December 2023: approximately HK\$229,223,000), representing an increase of approximately 116% as compared with last year's corresponding period; (2) the New Energy Vehicles Business of approximately HK\$269,194,000 for the twelve months ended 31 December 2024 (twelve months ended 31 December 2023: approximately HK\$211,277,000), representing an increase of approximately 27% as compared with last year's corresponding period; (3) the Cloud Ecological Big Data Business of approximately HK\$3,879,000 for the twelve months ended 31 December 2024 (twelve months ended 31 December 2023: approximately HK\$2,799,000), representing an increase of approximately 39% as compared with last year's corresponding period; (4) the Property Development of HK\$Nil for the twelve months ended 31 December 2024 (twelve months ended 31 December 2023: HK\$1,294,000); (5) the Properties Investments of approximately HK\$18,762,000 for the twelve months ended 31 December 2024 (twelve months ended 31 December 2023: approximately HK\$23,328,000), representing a decrease of approximately 20% as compared with last year's corresponding period; and (6) general trading of approximately HK\$Nil for the twelve months ended 31 December 2024 (twelve months ended 31 December 2023: HK\$3,858,000).

As at 31 December 2024, the Group was operating: (1) 102 electric vehicles charging stations in Hangzhou with 375 alternating current chargers of 7KW/H, 1,582 alternating current chargers of 80KW/H, 340 alternating current chargers of 100KW/H and 220 alternating current chargers of 120KW/H (totally 2,517 alternating current chargers); 306 direct current chargers of 60KW/H, 770 direct current chargers of 80KW/H, 419 direct current chargers of 100KW/H and 1,312 direct current chargers of 120KW/H (totally 2,807 direct current chargers) in operation; (2) 13 electric vehicles charging stations in Nanjing with 32 alternating current chargers of 7KW/H, 22 direct current chargers of 60KW/H and 148 direct current chargers of 120KW/H in operation; and (3) 1 electric vehicles charging station in Suzhou with 7 direct current chargers of 60KW/H. The Board is of the view that the PRC Government has emphasized on the use of new energy vehicles to reduce carbon emissions and the increase in support to the establishment of the new energy vehicles charging piles and its related operations and hence the New Energy Vehicles Business has substantial growth potential. The Group will continue to invest in the New Energy Vehicles Business and further establish electric vehicles charging stations in Hangzhou and other provinces in the PRC to capture the electric vehicles charging market shares with the aim to be one of the largest new energy vehicles charging facilities operators in the PRC.

The Group entered into a letter of intent for an equity transfer on 28 June 2024, to dispose of 100% equity interest in its wholly-owned subsidiary, Hangzhou Lu Yun Property Limited. Given the Group's losses over the past few years, it has been reviewing its existing businesses and its financial resources to seize any promising business opportunities that may arise in the foreseeable future, while also reducing its gearing. As of the Latest Practicable Date, save as disclosed above, no binding agreement, arrangement, or commitment regarding the potential disposals has been entered into by the Company.

The Directors will continue to (1) closely evaluate the performance of the above mentioned businesses; (2) invest in the New Energy Vehicles Business, the Cloud Ecological Big Data Business and the Properties Development of big data industrial park; (3) actively explore new businesses or investments; (4) consider fund raising opportunities which can strengthen the financial position; and (5) focus on product quality and cost control and strictly control capital expenditure in order to continuously maintain the Group's competitiveness in order to enhance the value of the Group which will be in the interests of the Company and its Shareholders as a whole.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS**(a) Interests of Directors**

As at the Latest Practicable Date, none of the Directors and their respective associates had interests or short positions in the shares, underlying shares and/or debentures (as the case may be) of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO), or were required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers in Appendix C3 of the Listing Rules.

(b) Interests of Substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors and the chief executive of the Company in accordance with disclosure by the Substantial Shareholders under Part XV of the SFO, the following Substantial Shareholders of the Company (within the meaning of the Listing Rules) of the Company and other persons (in each case other than the Directors and the chief executive of the Company) had an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Substantial Shareholders

Name of Shareholder	Capacity	Number of Shares held <i>(Note 1)</i>	Approximate percentage <i>(Note 2)</i>
Alpha Century Assets Limited <i>(Note 3)</i>	Beneficial owner	600,000,000 (L)	10.96%
Ms. Wong Sin Fung <i>(Note 3)</i>	Interest of controlled corporation	600,000,000 (L)	10.96%
SOYEA Technology Co., Limited	Beneficial owner	546,466,000 (L)	9.99%

Notes:

- (L) denotes a long position.
- Shareholding percentage is based on 5,472,000,000 issued Shares as at the Latest Practicable Date.
- The interest in 600,000,000 shares is deemed corporate interest through Alpha Century Assets Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any person (in each case other than a Director or the chief executive of the Company) who had, as at the Latest Practicable Date, an interest or a short position in the Shares or underlying Shares which was required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, to the best of knowledge of the Directors, none of the Directors and their respective close associates had any interests in a business which competes or may compete, either directly or indirectly, with the business of the Group or any other conflicts of interests with the Group.

4. DIRECTORS' SERVICE CONTRACTS

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

5. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors had: (a) any direct or indirect interests in any assets which have been since 31 December 2023 (being the date to which the latest published audited consolidated financial statements of the Group were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; and (b) any subsisting material interest in any contract or arrangement which is significant in relation to the business of the Group.

6. LITIGATION

Reference is made to the announcement of the Company dated 26 March 2024 and 26 June 2024 (collectively, the "**Announcements**") and unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements. As disclosed in the Announcements that the Mareva injunction against Mr. Siu will continue until trial of the High Court Actions commenced against him by the Company and Ace Earn or further order of the Court. As at the date of this circular, the High Court Actions have yet been set down for trial. The Company is of the opinion that the High Court Actions would not have any material adverse impact on the business and operation of the Group as a whole. Save as disclosed above, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration 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.

7. MATERIAL CONTRACTS

The following contract (not being contracts entered into in the ordinary course of business of the Group) have been entered into by the Group within two years immediately preceding the Latest Practicable Date and are or may be material:

- (a) the Equity Transfer Agreement.

8. MATERIAL ADVERSE CHANGE

Reference is made to the profit warning announcement of the Company dated 28 August 2024, which disclosed that the Company is expected to record a net loss of not less than HK\$21,000,000 for the six months ended 30 June 2024 as compared to a net loss of approximately HK\$7,000,000 for the six months ended 30 June 2023, which was primarily due to the share of profit from associates decreased by not less than HK\$11,000,000 during the six months ended 30 June 2024.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

9. MISCELLANEOUS

- (a) The registered office of the Company is located at Cricket Square, Hutchins Drive, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is located at Flat 8, 49/F, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong.
- (b) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited, located at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (c) The company secretary of the Company is Mr. Koon Wai Hung. He holds a practising certified public accountant of the Hong Kong Institute of Certified Public Accountants and the Certified Practising Accountant of CPA Australia.
- (d) If there is any inconsistency between this circular, the notice of the EGM and/or the accompanying proxy form and the respective Chinese translation thereof, the English text thereof shall prevail over the Chinese text.

10. DOCUMENTS ON DISPLAY

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

- (a) the memorandum of association and bye-laws of the Company;
- (b) the Equity transfer Agreement;
- (c) the annual reports of the Company for the two years ended 31 December 2022 and 2023, and the interim report of the Company for the six months ended 30 June 2024 and twelve months ended 31 December 2024;
- (d) the material contracts referred to in the paragraph headed “Material Contracts” in this Appendix; and
- (e) this circular.

NOTICE OF EGM



Jiu Rong Holdings Limited 久融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2358)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“EGM”) of Jiu Rong Holdings Limited (“Company”) will be held at Flat 8, 49/F., Office Tower, Convention Plaza, No. 1 Harbour Road, Wanchai, Hong Kong on Friday, 13 June 2025 at 11:05 a.m., for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

1. the Equity Transfer Agreement (the “Agreement”) dated 28 February 2025 entered into by Jiu Rong New Energy Science and Technology Limited* (久融新能源科技有限公司), an indirect wholly-owned subsidiary of the Company, as vendor and Hangzhou Yihe Network Co., Ltd.* (杭州易和網路有限公司), a company incorporated in the PRC with limited liability, as purchaser in relation to the disposal of approximately 5.22% of the total issued share capital in Hangzhou East Software Park Co., Ltd.* (杭州東部軟件園股份有限公司) at a consideration of RMB36,487,800 and the transactions contemplated thereunder be and are hereby confirmed, ratified and approved; and any one or more of the directors (the “Directors”) of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents for the purpose of, or in connection with, the implementation of and giving effect to the Agreement and the transactions ancillary thereto and of administrative nature which he/she/they consider necessary, desirable or expedient.”

By order of the Board
Jiu Rong Holdings Limited
Chen Yunxiang
Executive Director

Hong Kong, 26 May 2025

NOTICE OF EGM

Head office and principal of

Business in Hong Kong:

Flat 8, 49/F.

Office Tower

Convention Plaza

No. 1 Harbour Road

Wanchai

Hong Kong

Notes:

1. Any member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person duly authorised to sign the same.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, must be deposited with the branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Room 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the Meeting or any adjourned meeting thereof (as the case may be).
4. Completion and return of the form of proxy will not preclude members from attending and voting in person at the Meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
5. Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the Meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.