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**RISECOMM**

**瑞斯康**

**RISECOMM GROUP HOLDINGS LIMITED**

**瑞斯康集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1679)**

**(I) PROPOSED SHARE CONSOLIDATION;  
(II) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;  
AND  
(III) PROPOSED RIGHTS ISSUE ON THE BASIS OF  
FIVE (5) RIGHTS SHARES OF EVERY ONE (1) CONSOLIDATED SHARE  
HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS**

**Financial Adviser to the Company**



**DILIGENT  
CAPITAL**

**Diligent Capital Limited**

**Placing Agent to the Company**



**東方滙財證券有限公司  
ORIENT SECURITIES LIMITED**

**Orient Securities Limited**

The Board proposes to implement a capital reorganisation and fund-raising exercise, which involves (i) the Share Consolidation, (ii) the Increase in Authorised Share Capital, and (iii) the Rights Issue.

**PROPOSED SHARE CONSOLIDATION**

The Board proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Shares of par value of HK\$0.001 each be consolidated into one (1) Consolidated Share of HK\$0.005 each.

The Share Consolidation is conditional upon, among other things, (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation; and (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and (iii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

**Shareholders and potential investors should be aware of and take note that the Share Consolidation is conditional upon the satisfaction of the conditions set out in the paragraph headed “Conditions of the Share Consolidation.” Accordingly, the Share Consolidation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing with the Shares, and if they have any doubts about their position, they should consult their professional advisers.**

### **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

Subject to the Share Consolidation becoming effective, the Board proposes to increase the authorised share capital of the Company from HK\$1,000,000 divided into 200,000,000 Consolidated Shares to HK\$5,000,000 divided into 1,000,000,000 Consolidated Shares by the creation of an additional 800,000,000 new Consolidated Shares.

The Increase in Authorised Share Capital is conditional upon, among other things, (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Increase in Authorised Share Capital, and (ii) the Share Consolidation has become effective.

### **PROPOSED RIGHTS ISSUE**

Subject to the Share Consolidation and the Increase in Authorised Share Capital becoming effective, the Board proposes to raise gross proceeds of up to approximately HK\$127.86 million, net of expenses, through a Rights Issue of 255,728,860 Rights Shares at the Subscription Price of HK\$0.5 per Rights Share based on five (5) Rights Shares for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be available to Non-Qualifying Shareholders.

Assuming that there will be no change to the total issued share capital of the Company on or before the Record Date and full acceptance of the Rights Issues, the maximum net proceeds from the Rights Issues (after deducting the estimated expenses) are estimated to be approximately HK\$125.73 million, and the net price per Rights Share (after deducting the estimated expenses) are estimated to be approximately HK\$0.49.

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

## **WARNING OF THE RISK OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM**

The Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed “Conditions of the Rights Issue” in this announcement.

Shareholders and potential investors of the Company should note that if the conditions of the Rights Issue are not satisfied, the Rights Issue will not proceed. Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Subject to the fulfilment of conditions, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of 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 shareholding 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 Rights Shares. Any Shareholders or other persons contemplating any dealings in the Shares and/or Rights Shares in nil-paid form are recommended to consult their professional advisers.

## **LISTING RULES IMPLICATIONS**

As the Rights Issue will increase the total issued share capital of the Company by more than 50% within the 12 months immediately preceding the date of this announcement, the Rights Issue is conditional on minority Shareholders’ approval at the EGM under the requirements of Rule 7.19A of the Listing Rules.

Pursuant to Rule 7.27A(1) of the Listing Rules, where Shareholders’ approval is required for a rights issue under rule 7.19A, the Rights Issue must be made conditional on approval by the Shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the Rights Issue.

As of the date of this announcement, the Company does not have any controlling shareholder as defined under the Listing Rules. However, each of Mr. Tsang Wah Tak, Brian (executive Director), Mr. Yu Lu, and Mr. Ding Zhigang (both non-executive Directors) holds a beneficial interest in 1,315,000 Shares, 17,252,250 Shares, and 19,670,092 Shares, respectively. As part of the intended use of the Net Proceeds, a portion of the Net Proceeds will be used to partially settle the Group's outstanding borrowings. Mr. Ning Jun, a public Shareholder who does not fall within any of the categories under Rule 8.24 of the Listing Rules, has been identified as one of the Group's creditors whose debt is to be repaid by the Company. To avoid any conflict of interest, Mr. Ning Jun, together with Mr. Tsang Wah Tak, Brian, Mr. Yu Lu, and Mr. Ding Zhi Gang, will be required to abstain from voting in favour of the proposed resolutions to approve the Rights Issue and the transaction contemplated thereunder at the EGM. Save as the above disclosure, no Shareholders and Directors are required to abstain from voting in favour of the proposed resolution approving the Rights Issue and the transaction contemplated thereunder at the EGM.

## **GENERAL**

An Independent Board Committee, comprising all independent non-executive Directors, will be established to advise the Independent Shareholders as to whether the terms of the Rights Issue are (i) in the ordinary and usual course of business of the Company; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote, taking into account the recommendations of the Independent Financial Adviser.

An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue are (i) in the ordinary and usual course of business of the Company, (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote.

The EGM will be convened and held for the Independent Shareholders to consider, and, if thought fit, approve, among other things, (i) the Share Consolidation; (ii) the Increase in Authorised Share Capital; and (iii) the Rights Issue and transactions contemplated thereunder.

A circular including, among other things, (i) further information on the Share Consolidation, the Increase in Authorised Share Capital and the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue; and (iv) a notice convening the EGM will be despatched to the Shareholders on or before Thursday, 10 July 2025, as additional time is required by the Company for the preparation of certain information for inclusion in the circular.

Subject to the fulfilment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents to the Qualifying Shareholders, which contain, among other things, details of the Rights Issue.

The Company will despatch the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send the PAL to the Non-Qualifying Shareholders.

The Board proposes to implement a capital reorganisation and fund-raising exercise, which involves (i) the Share Consolidation, (ii) the Increase in Authorised Share Capital, and (iii) the Rights Issue.

## **1. PROPOSED SHARE CONSOLIDATION**

The Board proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Shares of par value of HK\$0.001 each be consolidated into one (1) Consolidated Share of HK\$0.005 each.

### **Effects of the Share Consolidation**

As of the date of this announcement, the authorised share capital of the Company is HK\$1,000,000 divided into 1,000,000,000 Shares with par value of HK\$0.001 each, of which 255,728,860 Shares have been issued and are fully paid or credited as fully paid.

Assuming that no further Shares will be issued or repurchased from the date hereof until the date of the EGM, immediately upon the Share Consolidation becoming effective, the authorised share capital of the Company will become HK\$1,000,000 divided into 200,000,000 Consolidated Shares with par value of HK\$0.005 each, of which 51,145,772 Consolidated Shares will be in issue and fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other, and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

As of the date of this announcement, the Company has outstanding Share Options entitling the holders thereof to subscribe for a total of 170,496 Shares under the Share Option Scheme. Save for the Share Options, the Company does not have any other derivatives, options, warrants, other securities, conversion rights, or similar rights that are convertible or exchangeable into Shares or Consolidated Shares.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares will not be allocated to the Shareholders who may otherwise be entitled.

### **Conditions of the Share Consolidation**

The Share Consolidation is conditional upon the following conditions:

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

- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and
- (iii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on 4 August 2025.

As of the date of this announcement, none of the conditions above have been fulfilled.

### **Application for listing of the Consolidated Shares**

The Company will make an application to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures, which are in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS, which was established and operated by HKSCC.

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

### **Fractional entitlement to the Consolidated Shares**

Fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be allocated to the Shareholders but will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of share certificates held by such holder.



## **Odd lots arrangement and matching services**

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Share Consolidation, the Company will appoint a securities firm as an agent to provide matching services, on a best-effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who have any doubt about the odd lots matching arrangement are advised to consult their own professional advisers.

Details of the arrangement of odd lots will be set out in the Circular.

**Shareholders or potential investors should note that (i) odd lots will be created after the Share Consolidation; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price in the market.**

## **Exchange of share certificates**

Subject to the Share Consolidation becoming effective, Shareholders may during the period from Monday, 4 August 2025 to Tuesday, 9 September 2025 (both days inclusive), submit share certificates for the Shares (in beige colour) to the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in exchange, at the expense of the Company for new share certificates for the Consolidated Shares (in purple colour). Thereafter, share certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may be allowed by the Stock Exchange from time to time) for each share certificate for the Shares cancelled or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher.

The existing share certificates will only be valid for delivery, trading, and settlement purposes for the period up to 4:10 p.m. on Friday, 5 September 2025, and thereafter will not be accepted for delivery, trading, and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Consolidated Shares on the basis of five (5) Shares for one (1) Consolidated Share. The new share certificates for the Consolidated Shares will be issued in purple colour to distinguish them from the share certificates for the Shares, which are in beige colour.

## **Reasons for the Share Consolidation**

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or proceed with a consolidation or splitting of securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated in September 2024 has further stated that (i) market price of the Shares at a level less than HK\$0.10 each

will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

Since 17 February 2025, the share price of the Company has been trading below HK\$0.15, and the closing price of the Shares as at the date of this announcement was HK\$0.129 per Share. The value of each existing board lot has been less than HK\$2,000. Based on the closing price of HK\$0.129 per Share as at the date of this announcement and the existing board lot size of 5,000 Shares, the Board resolved to propose the Share Consolidation, resulting in HK\$0.645 per Consolidated Share and HK\$3,225 per board lot of 5,000 Consolidated Shares with the view to complying with the trading requirements under the Listing Rules.

The Board considers that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange. Further, the Share Consolidation would reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction cost for each securities trade.

As at the date of this announcement, save as disclosed in this announcement, the Company currently (i) does not have any agreement, arrangement, understanding, intention, or negotiation (either concluded or in process) on any potential fundraising activities which will involve issue of equity securities of the Company; and (ii) has no other plan or intention to carry out any future corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Share Consolidation. However, in the event there is any change to the business environment and/or financial position of the Company due to unforeseeable circumstances, and the Company is required to conduct further fund raising exercises when suitable opportunities arise to support future development of the Group, the Company will publish further announcement(s) in compliance with the Listing Rules, as and when appropriate.

Given the above reasons, the Board considers that the Share Consolidation is justifiable, notwithstanding the potential costs and impact arising from creating odd lots to Shareholders. Accordingly, the Board believes that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

The Board believes that the Share Consolidation will not have any material adverse effect on the Group's financial position or result in a change in the relative rights of the Shareholders.

**Shareholders and potential investors should be aware of and take note that the Share Consolidation is conditional upon satisfaction of the conditions set out in the paragraph headed "Conditions of the Share Consolidation". Accordingly, the Share Consolidation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**



## **2. PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

As of the date of this announcement, the authorised share capital of the Company is HK\$1,000,000 divided into 1,000,000,000 Shares with par value of HK\$0.001 each, of which 255,728,860 Shares have been issued and are fully paid or credited as fully paid.

Immediately upon the Share Consolidation becoming effective and assuming there will be no change to the total issued share capital of the Company between the date of this announcement and the effective date of the Share Consolidation, the authorised share capital of the Company will become HK\$1,000,000 divided into 200,000,000 Consolidated Shares with par value of HK\$0.005 each, of which 51,145,772 Consolidated Shares have been issued and are fully paid or credited as fully paid.

To facilitate the Rights Issue and enable the future expansion and growth of the Group while also providing the Company with increased flexibility to raise funds, the Board proposes to increase the authorised share capital of the Company from HK\$1,000,000 divided into 200,000,000 Consolidated Shares to HK\$5,000,000 divided into 1,000,000,000 Consolidated Shares by the creation of an additional 800,000,000 new Consolidated Shares.

The Board believes the Increase in Authorised Share Capital will give the Company more flexibility for future fundraising. Therefore, the Board considers this decision to be in the interests of the Company and the Shareholders.

The Increase in Authorised Share Capital is conditional upon, among other things, (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Increase in Authorised Share Capital; and (ii) the Share Consolidation has become effective.

## **3. PROPOSED RIGHTS ISSUE**

Subject to the Share Consolidation and the Increase in Authorised Share Capital becoming effective, the Board proposes to raise gross proceeds of up to approximately HK\$127.86 million, net of expenses, through a Rights Issue of 255,728,860 Rights Shares at the Subscription Price of HK\$0.5 per Rights Share based on five (5) Rights Shares for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be available to Non-Qualifying Shareholders.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

Further details of the Rights Issue are set out below:

#### **Issue statistics**

<b>Basis of the Rights Issue:</b>	five (5) Rights Shares for every one (1) Consolidated Share held by the Qualifying Shareholders at the close of business on the Record Date
<b>Subscription Price:</b>	HK\$0.5 per Rights Share
<b>Net Subscription Price (after expenses):</b>	HK\$0.49 per Rights Shares
<b>Number of Shares in issue as of the date this announcement:</b>	255,728,860 Shares
<b>Number of Consolidated Shares upon the Share Consolidation becoming effective:</b>	51,145,772 Consolidated Shares (assuming that there is no further issue or repurchase of new Shares between the date of this announcement and the effective date of the Share Consolidation)
<b>Number of Rights Shares:</b>	Up to 255,728,860 Rights Shares (assuming there is no further issue or repurchase of new Shares between the date of this announcement and the Record Date)
<b>Gross proceeds from the Rights Issue:</b>	Up to approximately HK\$127.86 million before expenses (assuming there is no further issue or repurchase of new Shares between the date of this announcement and the Record Date and all Rights Shares are taken up by the Qualifying Shareholders or the Unsubscribed Rights Shares are successfully placed by the Placing Agent under the Placing)

Assuming there is no change to the total issued capital of the Company on or before the Record Date, 255,728,860 Rights Shares to be issued pursuant to the terms of the Rights Issue represents (i) 500% of the theoretical total issued share capital of the Company (after taking into account the effect of the Share Consolidation) as at the date of this announcement; and (ii) 83.33% of the theoretical total issued share capital of the Company (after taking into account the effect of the Share Consolidation) as enlarged by the allotment and issuance of the Rights Shares immediately upon Completion.

#### **Undertakings**

The Company has not received any information or irrevocable undertaking from any Substantial Shareholder of the Company of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue as at the date of this announcement.

## **Qualifying Shareholders**

The Rights Issue is only available to the Qualifying Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Overseas Letter together with the Prospectus, for information only, to the Non-Qualifying Shareholders.

To qualify for the Rights Issue, the Shareholders must at the close of business on the Record Date: (i) be registered on the registers of members of the Company; and (ii) not be the Non-Qualifying Shareholders.

In order to be registered as members of the Company on the Record Date, the Shareholders must lodge any transfer of the Shares (with the relevant share certificates) for registration with the Registrar by 4:30 p.m. on Wednesday, 6 August 2025.

## **Closure of register of members**

The register of members of the Company will be closed from Monday, 28 July 2025 to Thursday, 31 July 2025 (both days inclusive) to determine whether the Shareholders are eligible to attend and vote at the EGM, the period during which no transfer of shares will be registered.

The register of members will be closed from Thursday, 7 August 2025 to Wednesday, 13 August 2025 (both days inclusive) to determine the entitlements to the Rights Issue, the period during which no transfer of Shares will be registered.

## **Subscription Price**

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

The Subscription Price represents:

- (i) a discount of approximately 22.48% to the theoretical closing price of HK\$0.645 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 21.63% to the average theoretical closing price of approximately HK\$0.638 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 22.12% to the average theoretical closing price of approximately HK\$0.642 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange for the late ten (10) consecutive trading days up to and including the Last Trading Day;

- (iv) a discount of approximately 4.62% to the theoretical ex-rights price of approximately HK\$0.5242 per Consolidated Share as adjusted for the effect of the Rights Issue, based on the theoretical closing price of HK\$0.645 per Consolidated Share (after taking into account the effect of the Share Consolidation) as quoted on the Stock Exchange on the Last Trading Day;
- (v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 18.73%, which is calculated based on the theoretical diluted price of approximately HK\$0.5242 per Consolidated Share to the benchmarked price of approximately HK\$0.645 per Consolidated Share (as defined under Rule 7.27B of the Listing Rules, taking account the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day and (ii) the average of the theoretical closing prices of the Consolidated Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of this announcement); and
- (vi) a premium of approximately HK\$2.82 over the audited net liability value per Consolidated Share of approximately HK\$2.32 based on the latest audited consolidated net liabilities of the Group of approximately RMB111.35 million (equivalent to approximately HK\$118.51 million) as at 31 December 2024 and the theoretical number of Consolidated Shares (after taking into account the effect of the Share Consolidation) in issue as at the date of this announcement (i.e.  $255,728,860 \text{ Shares} / 5 = 51,145,772 \text{ Consolidated Shares}$ ).

The Subscription Price was arrived at after an arm's length negotiation, based on, among other things, the prevailing market price of the Shares and the Group's financial conditions.

As the Rights Shares are offered to all Qualifying Shareholders, the Directors would like to set the Subscription Price at a level that would attract the Qualifying Shareholders to participate in the Rights Issue. Each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its existing shareholding in the Company. The Directors (excluding the independent non-executive Directors) consider the Subscription Price to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Status of the Rights Shares**

The Rights Shares (when allotted, issued, and fully paid) will rank *pari passu* in all respects with the Consolidated Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the Rights Shares will be entitled to receive all future dividends and distributions, which may be declared, made, or paid on or after the date of allotment and issue of the fully paid Rights Shares.

### **Basis of provisional allotments**

The basis of the provisional allotment shall be five (5) Rights Shares (in nil-paid form) for every one (1) Consolidated Share held by the Qualifying Shareholders as at the close of business on the Record Date.

Qualifying Shareholders may apply for all or any part of their respective provisional allotment by lodging a duly completed PAL(s) 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.

### **Rights of the Overseas Shareholders**

The Prospectus Documents are not intended to be, have not been, and will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholder(s) may not be eligible to participate in the Rights Issue.

According to the register of members of the Company as of the date of this announcement, the Company had a total of 3 Overseas Shareholders holding an aggregate of 61,004,896 Shares, representing approximately 23.86% of the total number of the issued Shares, all of which have his/her addresses registered in the PRC, Republic of Seychelles, and Canada.

Pursuant to Rule 13.36(2)(a) of the Listing Rules, the Directors have conducted inquiries into the feasibility of extending the Rights Issue to Overseas Shareholders with registered addresses in the listed jurisdictions. Shareholders having an address outside Hong Kong as shown on the register of members of the Company on the Record Date will not qualify for the Rights Issue if the Board, after making relevant enquiries with the legal advisers in the relevant jurisdictions, considers that the exclusion of such Overseas Shareholders from the Rights Issue would be necessary or expedient on account either of legal restrictions under the laws of the relevant place or any requirements of the relevant regulatory body or stock exchange in that place.

It is the responsibility of the Shareholders, including the Overseas Shareholders, wishing to make an application for the Rights Shares, to satisfy himself/herself/itself before taking up his/her/its provisional allotments under the Rights Issue, as to the observance of the laws and regulations of all relevant jurisdictions, including the obtaining of any governmental or other consents and to pay any taxes and duties required to be paid in such jurisdiction in connection with the taking up and onward sale of the Rights Shares.

The Company reserves the right to treat as invalid any acceptance of or application for the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction.

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and before dealings in the nil-paid Rights Shares end, if a premium (net of expenses) can be obtained. The proceeds from such sale, less expenses, of more than HK\$100 will be paid pro rata to the relevant Non-Qualifying Shareholders. Given administrative costs, the Company will retain individual amounts of HK\$100 or less for its benefit.

Any unsold entitlement of Non-Qualifying Shareholders to the Rights Shares and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders will, if possible, be placed by the Placing Agent under the Unsubscribed Arrangements to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties.

**Overseas Shareholders should note that they may or may not be entitled to the Rights Issue. Accordingly, Overseas Shareholders should exercise caution when dealing with the Company's securities.**

#### **No fractional entitlement**

Based on the entitlement to subscribe five (5) Rights Shares for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise from the Rights Issue.

#### **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully paid forms to be issued and allotted pursuant to the Rights Issue. 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.

Dealing in the Rights Shares in their nil-paid and fully paid forms will be in the board lots of 5,000 Rights Shares.

#### **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 respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.



Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

### **Stamp duty and other applicable fees**

Dealings in the Rights Shares in both their nil-paid and fully paid forms will be subject to the payment of (i) stamp duty, (ii) the Stock Exchange trading fee, (iii) SFC transaction levy, and (iv) any other applicable fees and charges in Hong Kong.

### **Share certificates and refund cheques for Rights Issue**

Subject to the fulfilment of the conditions of the Rights Issue as set out below, share certificates for all fully paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Thursday, 2 October 2025.

If the Rights Issue does not become unconditional, refund cheques are expected to be despatched by ordinary post on or before Thursday, 2 October 2025 at the respective Shareholders' own risk.

### **Non-underwritten basis**

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.

In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent placees under the Compensatory Arrangements. Any Unsubscribed Rights Shares that remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, Shareholder(s) who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code and/or potentially result in the Company's non-compliance of the Public Float Requirement of the Listing Rules. Accordingly, the Rights Issue will be made on terms that the Company will provide for 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 by the Company to a level which (i) does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 7.19(5)(b) of the Listing Rules; and/or (ii) does not result in the non-compliance of the Public Float Requirement. Any subscription monies not utilised due to the scaled-down application of entitled Rights Shares will be refunded to the affected applicants.

### **Procedures in respect of the Unsubscribed Rights Shares and the Compensatory Arrangements**

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

On 17 June 2025 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of the Unsubscribed Rights Shares to independent placees on a best-effort basis. According to the Placing Agreement, the Company has appointed the Placing Agent to place the Unsubscribed Rights Shares during the Placing Period to independent placees on a best-effort basis, and any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders and Non-Qualifying Shareholders on a pro-rata basis. The Placing Agent will, on a best-effort basis, procure, by not later than 4:00 p.m. on Friday, 19 September 2025, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares. Any Unsubscribed Rights Shares that are not placed will not be issued by the Company, and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders and Non-Qualifying Shareholders as set out below on a 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 Consolidated 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 or Non-Qualifying 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) and Non-Qualifying Shareholders in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its benefit.

### **The Placing Agreement**

The principal terms of the Placing Agreement are summarised below.

Date	:	17 June 2025 (after trading hours)
Issuer	:	The Company
Placing Agent	:	Orient Securities Limited
		As at the date of this announcement, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.
Placing Period	:	The period from 5 September 2025 up to 4:00 p.m. on 19 September 2025, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Unsubscribed Arrangements.
Placing Price	:	The placing price of the Unsubscribed Rights Shares shall be at least equal to the Subscription Price and the final price determination will depend on the demand for and the market conditions of the Unsubscribed Rights Shares during the placement process.
Placing commission	:	Subject to the completion of the Placing, the Company shall pay the Placing Agent a placing commission, being 0.5% of the amount which is equal to the Placing Price multiplied by the total number of the Unsubscribed Rights Shares which are successfully placed by the Placing Agent.
Placees	:	The placees shall be professional, institutional and other investors. The Placing Agent shall ensure that the placees, and whose ultimate beneficial owner(s) (where applicable), shall be third party(ies) independent of the Directors, chief executive of the Company or Substantial Shareholders or any of its subsidiaries or any of their respective associates.

The Placing Agent shall also ensure that (i) none of the placees, and whose ultimate beneficial owner(s) (if applicable), shall own 10% or more of the total number of Shares in issue immediately upon Completion; (ii) the public float requirement under Rule 8.08 of the Listing Rules remains to be fulfilled by the Company upon Completion; and (iii) the placees, and whose ultimate beneficial owner(s), (together with parties acting in concert with the respective subscribers or any of the connected persons or associates of the respective subscribers) shall not hold in aggregate 30% or more of the voting rights of the Company immediately after Completion.

Ranking of the Unsubscribed Rights Shares : The placed Unsubscribed Rights Shares (when allotted, issued and fully paid, if any) shall rank *pari passu* in all respects among themselves and with the Shares in issue as at the date of completion of the Placing.

Conditions of the Placing Agreement : The obligations of the Placing Agent under the Placing Agreement are conditional upon the following conditions being fulfilled:

- (i) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares;
- (ii) the Rights Issue having been approved by the Shareholders at the EGM by an ordinary resolution;
- (iii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and
- (iv) the Placing Agreement not having been terminated in accordance with the provisions thereof, including provisions regarding the force majeure events.

None of the above conditions precedent are capable of being waived by the parties to the Placing Agreement. For the avoidance of doubt, if all the Rights Shares are fully subscribed under the Rights Issue, the Placing will not proceed.

The Company shall use its best endeavour to procure the fulfilment of the conditions to the Placing and undertakes to inform the Placing Agent promptly of any matter or circumstance which comes to its attention and indicates that any of such conditions are unable to be fulfilled. If any of such conditions have not been fulfilled by the Placing Long Stop Date (as defined below) or become incapable of being fulfilled (unless extended by mutual consent of the Company and the Placing Agent), then all respective rights, obligations and liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine, save in respect of any accrued rights or obligations under the Placing Agreement and none of the parties thereto shall have any claim against any other in respect of the Placing.

- Termination :
- If any of the following events occur at any time prior to the Placing Long Stop Date, the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the date of completion of the Placing provided that such notice is received by the Company prior to 6:00 p.m. on the Placing Long Stop Date, terminate the Placing Agreement without liability to the other parties and, subject to clauses in the Placing Agreement which survives termination, the Placing Agreement shall thereupon cease to have effect and none of the parties to the Placing Agreement shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the Placing Agreement prior to such termination:
- (a) in the 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 by the Company comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the date of completion of the Placing which if it had occurred or arisen before the date of the Placing Agreement 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 the Placing Agreement; or
- (d) any moratorium, suspension or restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances; or
- (e) there 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.

The Unsubscribed Arrangements are in compliance with the requirements under Rule 7.21(1)(b) 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) given that the Unsubscribed Rights Shares will be first offered to Independent Third Parties and any premium over the Subscription Price will be paid to the No Action Shareholders. The commission payable to the Placing Agent and the related fees and expenses in relation to such placing will be borne by the Company.

The Placing Agent confirms that it is an Independent Third Party. The terms of the Placing Agreement, including the placing commission, were determined after an arm's length negotiation between the Placing Agent and the Company with reference to the prevailing market rate and the Company considers the terms to be normal commercial terms.

The Company considers that the Unsubscribed Arrangements will provide a compensatory mechanism for the No Action Shareholders, protect the interests of the Independent Shareholders, and be fair and reasonable, in the interests of the Company and the Shareholders as a whole.

Given that the Company has put in place the Unsubscribed Arrangements as required by Rule 7.21(1)(b) of the Listing Rules, there will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 7.21(1)(a) of the Listing Rules.



## Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions:

- (1) the Share Consolidation and the Increase in Authorised Share Capital becoming effective;
- (2) the delivery to the Stock Exchange and filing and registration with the Registrar of Companies in Hong Kong, the Prospectus Documents in compliance with the Listing Rules and the Companies (Winding-Up and Miscellaneous Provisions) Ordinance not later than the Posting Date;
- (3) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders (and where applicable, the posting of the Prospectus to the Non-Qualifying Shareholders, if any, for information purposes only) and the publication of the Prospectus Documents on the website of the Stock Exchange on or before the Posting Date;
- (4) the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms) by no later than the first day of their dealings;
- (5) the Placing Agreement not being terminated pursuant to the terms thereof and remain in full force and effect; and
- (6) all other necessary waivers, consents, and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transactions contemplated thereunder having been obtained and fulfilled.

None of the above conditions precedent can be waived. If any of the conditions referred to above are not fulfilled at or before 5:00 p.m. on Wednesday, 24 September 2025 (or such later date as the Company may determine), the Rights Issue will not proceed.

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.

## Reasons for the Rights Issue and the intended use of proceeds

Assuming that the Rights Issue is fully accepted and no new shares will be allotted or issued on or before the Record Date, the net proceeds of the Rights Issue (the “**Net Proceeds**”) to be received by the Company, after deducting all estimated expenses payable for the Rights Issue, are estimated to be up to approximately HK\$125.73 million. The Directors plan to use such proceeds as to (i) approximately HK\$100.58 million, which represents approximately 80% of the Net Proceeds, for repayment of the Group’s current liabilities, specifically those debts, liabilities, or other payables that are expected to be due and payable within twelve months upon Completion, and (ii) approximately HK\$25.15 million, which represents approximately 20% of the Net Proceeds, for the Group’s general corporate and administration working capital purposes, which primarily includes (a) staff salaries expenses of approximately 22.90 million; (b) rental expenses of approximately 0.56 million; and (c) business development expenses of approximately 0.43 million, all supporting the Group’s ongoing business activities.

As disclosed in the Company’s annual report for the year ended 31 December 2024, the Group experienced a net loss of approximately RMB73.54 million during the year ended 31 December 2024. As of the same date, the Group reported net current and total liabilities amounting to approximately RMB181.00 million and RMB111.35 million, respectively. These circumstances indicate a material uncertainty that may seriously affect the Group’s ability to continue as a going concern.

Specifically, according to the Group’s unaudited financial position as at 31 May 2025, the Group’s total outstanding bank and other borrowings, including both principal and interest, amount to approximately RMB207.09 million, which are due for repayment within the next twelve (12) months from the date of this announcement.

The composition of these outstanding borrowings includes (i) approximately RMB10.68 million in bank loans; and (ii) approximately RMB196.41 million in other borrowings. The key components of the outstanding other borrowings are presented below:

	<b>Lender</b>	<b>Identity</b>	<b>Total outstanding borrowings</b> <i>Approximately</i>	<b>Interest rate</b>	<b>Maturity date</b>
i)	Ms. Guo Lei	Non-executive Director	RMB53.10 million	2.5% to 3.5% per annum	November 2025 to March 2026
ii)	Mr. Ding Zhigang	Non-executive Director	RMB987,000	2.5% per annum	December 2025
iii)	Mr. Ning Jun	Shareholder	RMB12.06 million	3.5% per annum	March 2026

	<b>Lender</b>	<b>Identity</b>	<b>Total outstanding borrowings</b> <i>Approximately</i>	<b>Interest rate</b>	<b>Maturity date</b>
iv)	Zhongjia Xinda Investment Co., Ltd.* (中嘉信達投資有限公司), a corporation that is ultimately and beneficially owned by more than 50% by Mr. Ding Zhigang (Note)	Associate of the Company's connected person	RMB3.15 million	2.5% per annum	December 2025
v)	An independent third-party corporation (Note)	Independent third party	RMB115.73 million	3.5% per annum	August 2025
vi)	An independent third-party corporation (Note)	Independent third party	RMB11.38 million	12% per annum	March 2026
		<b>Total</b>	<b>RMB196.41 million</b>		

*Note:* As of the date of this announcement, Zhongjia Xinda Investment Co., Ltd.\* (中嘉信達投資有限公司) and the independent third-party corporations do not hold any Share.

The Group plans to use the Net Proceeds to repay the above outstanding loans by their maturity dates, unless the involved parties mutually agree to an extension.

To strengthen the Group's financial position, the Board plans to allocate 80% of the net proceeds to partially reduce outstanding borrowings, thereby improving the overall debt balance. The Group is committed to systematically repaying its remaining borrowings through operating cash flow primarily generated from its core business activities. These activities include but are not limited to the sale of power line communication products, energy-saving and environmental protection solutions, as well as the provision of essential maintenance services for the deployment and upgrades of automated meter reading systems utilized by power grid companies in the PRC.

Further, the Group must maintain sufficient cash reserves for essential expenditures to support ongoing operations and meet compliance obligations. These expenditures include, but are not limited to, legal and professional fees, Directors' remuneration, and staff costs, which amount to a total of not less than HK\$6 million. However, according to the latest financial information available to the Board, the Group possesses idle cash reserves of approximately RMB1.4 million. Consequently, the Group must seek to raise additional capital to address its immediate financial commitments and working capital needs.

The Directors believe that the Rights Issue will raise the Group's corporate profile and enhance its capital base, enabling it to expand the scale and scope of its operations further.

Apart from the Rights Issue, the Directors have considered other debt/equity fund raising alternatives such as bank borrowings, placing, or an open offer. The Directors noted that bank borrowings will carry interest costs and may require the provision of security and creditors will rank before the Shareholders, and placings will dilute the interests of Shareholders without allowing them to take part in the exercise. As opposed to 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.

Considering the abovementioned alternatives, the Directors consider raising funds through a Rights Issue more attractive in the current market conditions. 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.

As at the date of this announcement, save as disclosed in this announcement, the Company currently (i) does not have any agreement, arrangement, understanding, intention, or negotiation (either concluded or in process) on any potential fundraising activities which will involve issue of equity securities of the Company; and (ii) has no other plan or intention to carry out any future corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Rights Issue.

Furthermore, as at the date of this announcement, the Company has no intention, understanding, negotiation, or arrangement to downsize, discontinue, or divest any part of its existing business.

Based on the above, the Board considers that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole. In addition, having considered the capital needs of the Group, the terms of the Rights Issue and the Subscription Price, the Board also considers that it is in the interests of the Company to proceed with the Rights Issue on a non-underwritten basis. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholder(s), if any, should note that their shareholdings will be diluted.

## **Conclusion**

If the proceeds raised by the Rights Issue is less than the aforesaid estimated net proceeds of approximately HK\$125.73 million, the Company will allocate the use of proceeds proportionately and will further evaluate options including, amongst others, reducing the proposed investment amount or exploring other financing, and/or fund-raising alternatives. The Group is focused on improving its profitability.

#### 4. FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fundraising activities in the past twelve months immediately prior to the date of this announcement.

#### 5. EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the possible changes in the Company's shareholding structure arising from the Rights Issue, which are for illustrative purposes only. Below is the illustration of the Company's shareholding structure, including

- (i) as of the date of this announcement;
- (ii) immediately upon completion of the Share Consolidation, assuming there is no change to the total issued share capital of the Company on or before the EGM ("**Scenario 1**");
- (iii) immediately after Completion, assuming (a) all Qualifying Shareholders will take up their respective entitlements of the Rights Issue in full; and (b) there is no change to the total issued share capital of the Company on or before the Record Date ("**Scenario 2**");
- (iv) immediately after Completion, assuming (a) except for Ms. Liu Beibei, Ms. Fu Xiaoqin, Mr. Ding Zhigang, Mr. Yu Lu, and Mr. Tsang Wah Tak Brian, no Qualifying Shareholders takes up any of his/her/its entitlements under the Rights Issue; (b) none of the Unsubscribed Rights Shares are taken up by independent placee(s) under the Compensatory Arrangements; (c) there is no change to the total issued share capital of the Company on or before the Record Date; and (d) the application of Mr. Ding Zhigang, Mr. Yu Lu, and Mr. Tsang Wah Tak Brian for their assured entitlement under the Rights Issue has been scaled down to a level that does not result in the non-compliance of the Public Float Requirement ("**Scenario 3**"); and
- (v) immediately after Completion, assuming (a) none of the Qualifying Shareholders will take up their respective entitlements of the Rights Shares; (b) the Placing Agent will successfully place all the Unsubscribed Rights Shares under the Placing, and (c) there is no change to the total issued share capital of the Company on or before the Record Date ("**Scenario 4**").

	As of the date of this announcement		Scenario 1		Scenario 2		Scenario 3 (Note 4)		Scenario 4 (Notes 3, 4)	
	Approximate Number of Shares	Approximate Shareholding percentage	Approximate Number of Shares	Approximate Shareholding percentage	Approximate Number of Shares	Approximate Shareholding percentage	Approximate Number of Shares	Approximate Shareholding percentage	Approximate Number of Shares	Approximate Shareholding percentage
<b>Substantial Shareholders</b>										
Liu Beibei	33,772,112	13.21%	6,754,423	13.21%	40,526,538	13.21%	29,083,742	24.12%	6,754,423	2.20%
Fu Xiaoqin	33,000,000	12.90%	6,600,000	12.90%	39,600,000	12.90%	28,418,816	23.57%	6,600,000	2.15%
<b>Directors</b>										
Ding Zhigang (Note 2)	19,670,092	7.69%	3,934,018	7.69%	23,604,108	7.69%	16,939,413	14.05%	3,934,018	1.28%
Yu Lu (Note 2)	17,252,250	6.75%	3,450,450	6.75%	20,702,700	6.75%	14,857,227	12.32%	3,450,450	1.12%
Tsang Wah Tak Brian (Note 1)	1,315,000	0.51%	263,000	0.51%	1,578,000	0.51%	1,132,447	0.94%	263,000	0.09%
<b>Public Shareholders</b>										
Ning Jun (Note 6)	20,280,000	7.93%	4,056,000	7.93%	24,336,000	7.93%	4,056,000	3.36%	4,056,000	1.32%
The Placees (Note 5)	—	—	—	—	—	—	—	—	255,728,860	83.33%
Other public Shareholders	<u>130,439,406</u>	<u>51.01%</u>	<u>26,087,881</u>	<u>51.01%</u>	<u>156,527,286</u>	<u>51.01%</u>	<u>26,087,881</u>	<u>21.64%</u>	<u>26,087,881</u>	<u>8.50%</u>
	<u>255,728,860</u>	<u>100.00%</u>	<u>51,145,772</u>	<u>100.00%</u>	<u>306,874,632</u>	<u>100.00%</u>	<u>120,575,526</u>	<u>100.00%</u>	<u>306,874,632</u>	<u>100.00%</u>

**Notes:**

1. Mr. Tsang Wah Tak Brian is an executive Director.
2. Both Mr. Ding Zhigang and Mr. Yu Lu are non-executive Directors.
3. This scenario is for illustrative purposes only. The Company has entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure Placee(s), on a best-effort basis, to subscribe for the Unsubscribed Rights Shares.
4. Assuming (a) except for Ms. Liu Beibei, Ms. Fu Xiaoqin, Mr. Ding Zhigang, Mr. Yu Lu, and Mr. Tsang Wah Tak Brian, no Qualifying Shareholders takes up any of his/her/its entitlements under the Rights Issue; (b) none of the Unsubscribed Rights Shares are taken up by independent placee(s) under the Compensatory Arrangements; and (c) there is no change to the total issued share capital of the Company on or before the Record Date; upon Completion, there will be 30,143,881 Shares held by public Shareholders, representing approximately 19.30% of the total issued Shares as enlarged by the allotment of the Rights Shares, which will be below the Public Float Requirement. In that case, the application of Mr. Ding Zhigang, Mr. Yu Lu, and Mr. Tsang Wah Tak Brian for their assured entitlement under the Rights Issue will be adjusted and scaled down to a level that does not result in the non-compliance of the Public Float Requirement.

As a result, the total number of shares held by Ms. Liu Beibei, Ms. Fu Xiaoqin, Mr. Ding Zhigang, Mr. Yu Lu, and Mr. Tsang Wah Tak Brian will be reduced to the number of shares as presented in Scenario 3 above. The Company is committed to maintaining compliance with the Public Float Requirement at all times.



5. Pursuant to the Placing Agreement, the Placing Agent shall also ensure that (i) none of the placees, and whose ultimate beneficial owner(s), shall own 10% or more of the total number of Shares in issue immediately upon Completion; (ii) the public float requirement under Rule 8.08 of the Listing Rules remains to be fulfilled by the Company upon Completion; and (iii) the placees, and whose ultimate beneficial owner(s), (together with parties acting in concert with the respective subscribers or any of the connected persons or associates of the respective subscribers) shall not hold in aggregate 30% or more of the voting rights of the Company immediately after Completion.
6. Mr. Ning Jun holds 20,280,000 Shares, representing 7.93% of the issued Shares of the Company as at the date of this announcement, thus is not a Substantial Shareholder and not a core connected person of the Company. In addition, Ning Jun does not fall within any of the categories specified under Rule 8.24 of the Listing Rules and is therefore regarded as a public Shareholder.

## 6. EXPECTED TIMETABLE OF THE SHARE CONSOLIDATION AND THE RIGHTS ISSUE

The expected timetable for the Share Consolidation and the Rights Issue set out below is for indicative purposes only and has been prepared assuming that all the conditions of the Rights Issue will be fulfilled.

Event(s)	Time and Date
Expected despatch date of circular together with notice and proxy forms in relation to the EGM.....	Thursday, 10 July 2025
Latest time for lodging transfers of the Shares to qualify for attendance and voting at the EGM.....	4:30 p.m. on Friday, 25 July 2025
Closure of the register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM .....	Monday, 28 July 2025 to Thursday, 31 July 2025 (both days inclusive)
Latest time for lodging proxy forms for the EGM.....	10:00 a.m. on Tuesday, 29 July 2025
Record date for attendance and voting at the EGM.....	Thursday, 31 July 2025
Expected date and time of the EGM.....	10:00 a.m. on Thursday, 31 July 2025
Announcement of poll results of the EGM .....	Thursday, 31 July 2025
Register of members of the Company re-opens.....	Friday, 1 August 2025

**The following events are conditional on the fulfilment of the conditions relating to the implementation of the Share Consolidation and the Rights Issue:**

<b>Event(s)</b>	<b>Date and Time</b>
Effective date of the Share Consolidation .....	Monday, 4 August 2025
First day for free exchange of existing share certificates for new share certificates of the Consolidated Shares .....	Monday, 4 August 2025
Dealings in the Consolidated Shares commence.....	9:00 a.m. on Monday, 4 August 2025
Original counter for trading in Shares in board lots of 5,000 Shares (in the form of existing share certificates) temporarily closes .....	9:00 a.m. on Monday, 4 August 2025
Temporary counter for trading in Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) opens .....	9:00 a.m. on Monday, 4 August 2025
Last day of dealings in the Consolidated Shares on a cum-rights basis .....	Monday, 4 August 2025
First day of dealings in the Consolidated Shares on an ex-rights basis relating to the Rights Issue .....	Tuesday, 5 August 2025
Latest time for lodging transfers of Consolidated Shares in order to qualify for the Rights Issue .....	4:30 p.m. on Wednesday, 6 August 2025
Closure of register of members of the Company for determination of entitlements to the Rights Issue.....	Thursday, 7 August 2025 to Wednesday, 13 August 2025 (both dates inclusive)
Record Date for the Rights Issue .....	Wednesday, 13 August 2025
Register of members of the Company re-opens.....	Thursday, 14 August 2025
Expected despatch date of the Prospectus Documents (including the PAL and the Prospectus), and in case of the Non-Qualifying Shareholders, the Prospectus only .....	Thursday, 14 August 2025

First day of dealings in nil-paid Rights Shares ..... Monday, 18 August 2025

Original counter for trading in Consolidated Shares  
in board lots of 5,000 Consolidated Shares  
(in the form of new share certificates  
for Consolidated Shares) re-opens ..... 9:00 a.m. on  
Monday, 18 August 2025

Parallel trading in the Consolidated Shares (in the  
form of new share certificates for the  
Consolidated Shares and existing share  
certificates) commences ..... 9:00 a.m. on  
Monday, 18 August 2025

Designated broker starts to stand in the market to  
provide matching services for the sale and  
purchase of odd lots of the Consolidated Shares ..... 9:00 a.m. on  
Monday, 18 August 2025

Latest time for splitting of PAL ..... 4:30 p.m. on  
Wednesday, 20 August 2025

Last day of dealings in nil-paid Rights Shares..... Monday, 25 August 2025

Latest time for acceptance and payment for the  
Rights Shares ..... 4:00 p.m. on  
Thursday, 28 August 2025

Latest time for lodging transfer documents of  
nil-paid Rights Shares in order to qualify  
for the payment of Net Gain..... 4:00 p.m. on  
Thursday, 28 August 2025

Announcement of the number of  
Unsubscribed Rights Shares subject to the  
Compensatory Arrangements ..... Thursday, 4 September 2025

Designated broker ceases to stand in the market  
to provide matching services for the sale and  
purchase of odd lots of the Consolidated Shares ..... 4:00 p.m. on  
Friday, 5 September 2025

Temporary counter for trading in  
Consolidated Shares in board lots of  
1,000 Consolidated Shares (in the form of  
existing share certificates) closes ..... 4:10 p.m. on  
Friday, 5 September 2025

Parallel trading in the Consolidated Shares  
(in form of new share certificate(s) and  
existing share certificate(s)) ends..... 4:10 p.m. on  
Friday, 5 September 2025

Commencement of the placing of  
Unsubscribed Rights Shares by the Placing Agent..... Friday, 5 September 2025

Last date and time for free exchange of  
share Certificates for the new share certificates  
of the Consolidated Shares ..... 4:30 p.m. on  
Tuesday, 9 September 2025

Latest time for Placing of Unsubscribed  
Rights Shares by the Placing Agent ..... Tuesday, 23 September 2025

Placing of the Placing Shares to  
become unconditional..... Tuesday, 23 September 2025

Announcement of the allotment results of the  
Rights Issue to be published on the websites of  
the Stock Exchange and the Company..... Tuesday, 30 September 2025

Despatch of share certificates for fully-paid  
Rights Shares and completion of Placing  
to take place ..... Thursday, 2 October 2025

Despatch of refund cheques, if any,  
if the Rights Issue is terminated..... Thursday, 2 October 2025

Commencement of dealings in fully-paid Rights Shares..... 9:00 a.m. on  
Friday, 3 October 2025

Payment of Net Gain to relevant No Action  
Shareholders (if any) or Non-Qualifying  
Shareholders (if any) ..... Friday, 10 October 2025

All times and dates in this announcement refer to local times and dates in Hong Kong. Dates or deadlines specified in the expected timetable above or other parts of this announcement are indicative only and may be extended or varied. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate in accordance with the Listing Rules.

### **Effect of bad weather and/or extreme conditions on the Latest Time for Acceptance and payment for the Rights Shares**

The Latest Time for Acceptance will not take place if a tropical cyclone warning signal no.8 or above, or “extreme conditions” caused by super typhoons as announced by the Government of the Hong Kong Special Administrative Region or a “black” rainstorm warning:

- (i) is/are 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) is/are in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day, which does not have 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 the section headed “Expected timetable of the Rights Issue” above may be affected. The Company will notify the Shareholders through announcements on any change to the expected timetable as soon as practicable.

### **WARNING OF THE RISK OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM**

**The Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed “Conditions of the Rights Issue” in this announcement.**

**Shareholders and potential investors of the Company should note that if the conditions of the Rights Issue are not satisfied, the Rights Issue will not proceed. Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.**

**Subject to the fulfilment of conditions, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of 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 shareholding 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 Rights Shares. Any Shareholders or other persons contemplating any dealings in the Shares and/or Rights Shares in nil-paid form are recommended to consult their professional advisers.**

## **7. LISTING RULES IMPLICATIONS**

As the Rights Issue will increase the total issued share capital of the Company by more than 50% within the 12 months immediately preceding the date of this announcement, the Rights Issue is conditional on minority Shareholders' approval at the EGM under the requirements of Rule 7.19A of the Listing Rules.

Pursuant to Rule 7.27A(1) of the Listing Rules, where Shareholders' approval is required for a rights issue under rule 7.19A, the Rights Issue must be made conditional on approval by the Shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall from voting in favour of the Rights Issue.

As of the date of this announcement, the Company does not have any controlling shareholder as defined under the Listing Rules. However, each of Mr. Tsang Wah Tak, Brian (executive Director), Mr. Yu Lu, and Mr. Ding Zhigang (both non-executive Directors) holds a beneficial interest in 1,315,000 Shares, 17,252,250 Shares, and 19,670,092 Shares, respectively. As part of the intended use of the Net Proceeds, a portion of the Net Proceeds will be used to partially settle the Group's outstanding borrowings. Mr. Ning Jun, a public Shareholder who does not fall within any of the categories under Rule 8.24 of the Listing Rules, has been identified as one of the Group's creditors whose debt is to be repaid by the Company. To avoid any conflict of interest, Mr. Ning Jun, together with Mr. Tsang Wah Tak, Brian, Mr. Yu Lu, and Mr. Ding Zhi Gang, will be required to abstain from voting in favour of the proposed resolutions to approve the Rights Issue and the transaction contemplated thereunder at the EGM. Save as the above disclosure, no Shareholders and Directors are required to abstain from voting in favour of the proposed resolution approving the Rights Issue and the transaction contemplated thereunder at the EGM.

## **8. GENERAL**

An Independent Board Committee, comprising all independent non-executive Directors, will be established to advise the Independent Shareholders as to whether the terms of the Rights Issue are (i) in the ordinary and usual course of business of the Company; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote, taking into account the recommendations of the Independent Financial Adviser.



An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue are (i) in the ordinary and usual course of business of the Company, (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders on how to vote.

The EGM will be convened and held for the Independent Shareholders to consider, if thought fit, approve, among other things, (i) the Share Consolidation; (ii) the Increase in Authorised Share Capital; and (iii) the Rights Issue and transactions contemplated thereunder.

A circular including, among other things, (i) further information on the Share Consolidation, the Increase in Authorised Share Capital and the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue; and (iv) a notice convening the EGM will be despatched to the Shareholders on or before Thursday, 10 July 2025, as additional time is required by the Company for the preparation of certain information for inclusion in the circular.

Subject to the fulfilment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents to the Qualifying Shareholders, which contain, among other things, details of the Rights Issue.

The Company will despatch the Prospectus to the Non-Qualifying Shareholders for their information only, but the Company will not send the PAL to the Non-Qualifying Shareholders.

## **9. DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the same meaning ascribed thereto under the Takeovers Code
“associate(s)”	has the meaning ascribed thereto under to the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS 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 from time to time
“Circular”	the circular of the Company to be despatched to the Shareholders containing, among other things, (i) further information on the Share Consolidation, the Increase in Authorised Share Capital and the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue; and (iv) a notice convening the EGM
“Company”	Risecomm Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange (stock code: 1679)
“Completion”	completion of the Share Consolidation, the Increase in Authorised Share Capital, the Rights Issue, and the Placing
“Compensatory Arrangements”	the arrangement involving the placing of the Unsubscribed Rights Shares, if any, by the Placing Agent on a best-effort basis pursuant to the Placing Agreement in accordance with Rule 7.21(1)(b) of the Listing Rules
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consolidated Share(s)”	ordinary share(s) of HK\$0.005 each in the share capital of the Company upon the Share Consolidation becoming effective
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Share Consolidation, the Increase in Authorised Share Capital, the Rights Issue and the transactions contemplated thereunder
“General Rules of CCASS”	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 CCASS Operational Procedures
“GO Obligation”	the obligation to make a general offer under Rule 26 of the Takeovers Code
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Increase in Authorised Share Capital”	the increase in the authorised share capital of the Company from HK\$1,000,000 divided into 200,000,000 Consolidated Shares to HK\$5,000,000 divided into 1,000,000,000 Consolidated Shares by the creation of an additional 800,000,000 new Consolidated Shares
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, to advise the Independent Shareholders in respect of the terms of the Rights Issue and the transactions contemplated thereunder
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Rights Issue and the transactions contemplated thereunder
“Independent Shareholder(s)”	any Shareholder(s) who are not required to abstain from voting at the EGM under the Listing Rules

“Independent Third Party(ies)”	third party(ies) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, are independent of and not acting in concert or connected with the Company and any of its connected persons or any of their respective associates
“Last Trading Day”	Tuesday, 17 June 2025, being the last trading day for the Shares on the Stock Exchange immediately prior to the date of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 28 August 2025 (or such other time or date as may be determined by the Company), being the latest time for acceptance of the offer of and payment for, the Rights Shares, as described in the Prospectus Documents
“Listing Committee”	has the meaning as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the placees after deducting the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares placed by the Placing Agent under the Placing Agreement) pursuant to the Unsubscribed Arrangements
“No Action Shareholders”	those Qualifying Shareholders who do not subscribe for the Right Shares (whether partially or fully) in their assured entitlements, or Non-Qualifying Shareholders (as the case may be)
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either restrictions under the laws of the relevant place or the requirements of a relevant regulatory body or stock exchange in that place
“Overseas Letter”	a letter from the Company to the Non-Qualifying Shareholders explaining the circumstances in which the Non-Qualifying Shareholders are not permitted to participate in the Rights Issue

“Overseas Shareholders”	the Shareholder(s) whose name(s) appear on the register of members of the Company on the Record Date and whose address(es) as shown on such register is/are in a place(s) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placing”	the offer by way of private placing of the Unsubscribed Rights Shares on a best effort basis by the Placing Agent to the independent placee(s) during the Placing Period on the terms and conditions set out in the Placing Agreement
“Placee(s)”	professional, institutional, corporate or other investor(s), procured by the Placing Agent to subscribe for any of the Unsubscribed Rights Shares pursuant to the Placing Agreement
“Placing Agent”	Orient Securities Limited, a licensed corporation carrying out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO, being the placing agent appointed by the Company pursuant to the Placing Agreement
“Placing Agreement”	the placing agreement dated 17 June 2025 (after trading hours of the Stock Exchange) entered into between the Company and the Placing Agent in respect of the Unsubscribed Arrangements, pursuant to which the Placing Agent has agreed to procure placees on a best effort basis to subscribe for the Unsubscribed Rights Shares
“Placing Long Stop Date”	23 September 2025, or such other date as may be agreed between the Company and the Placing Agent in writing as the latest date for the satisfaction of the conditions precedent under the Placing Agreement
“Placing Period”	the period from 5 September 2025 up to 19 September 2025, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Unsubscribed Arrangements

“Placing Price”	the placing price of the Unsubscribed Rights Shares shall be at least equal to the Subscription Price and the final price determination will depend on the demand for and the market conditions of the Unsubscribed Rights Shares during the placement process
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus to be despatched to the Shareholders by the Company containing details of the Rights Issue
“Prospectus Documents”	collectively, the Prospectus and the PAL
“Posting Date”	14 August 2025 or such other date as the Company may announce, being the date of despatch of the Prospectus Documents
“Public Float Requirement”	the public float requirement under Rules 8.08(1)(a) and 13.32(1) of the Listing Rules
“Qualifying Shareholders”	Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	13 August 2025, (or such other date as the Company may announce, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined
“Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Rights Issue”	the proposed issue of the Rights Shares on the basis of five (5) Rights Shares for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents
“Rights Share(s)”	Shares to be issued and allotted under the proposed Rights Issue based on five (5) Rights Shares for every one (1) Consolidated Share in issue on the Record Date, being 255,728,860 Consolidated Shares based on the Company’s issued share capital as at the date of this announcement

“RMB”	Renminbi, the lawful currency of the PRC
“Scaled-down PAL Shares”	such number of Rights Shares applied for under the PAL(s) which would, if allotted by the Company, result in either the triggering of a GO Obligation on the part of the applicant or the failure to comply with the Public Float Requirement on the part of the Company
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Share Consolidation”	the proposed consolidation of every five (5) issued and unissued Shares be consolidated into one (1) Consolidated Share
“Shareholder(s)”	holder(s) of the issued Share(s)
“Share Option(s)”	the option(s) for subscribing the Share(s) in the Company granted by the Company pursuant to the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 25 August 2016
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.5 per Rights Share
“Substantial Shareholder”	has the meaning as ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Unsubscribed Arrangements”	arrangements to place the Unsubscribed Rights Shares by the Placing Agent on a best effort basis to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties pursuant to Rule 7.21(1)(b) of the Listing Rules



“Unsubscribed Rights  
Shares”

those Rights Shares that are not subscribed by the Qualifying Shareholders and Rights Shares which would otherwise have been allotted to the Non-Qualifying Shareholders (as the case may be)

“%”

per cent.

By Order of the Board  
**Risecomm Group Holdings Limited**  
**Zhao Luyi**  
*Chairman and executive Director*

Hong Kong, 17 June 2025

*As at the date of this announcement, the executive Directors are Ms. Zhao Luyi, Mr. Tsang Wah Tak, Brian and Mr. Jiang Feng, the non-executive Directors are Mr. Yu Lu, Mr. Ding Zhigang, and Ms. Guo Lei, and the independent non-executive Directors are Mr. Victor Yang, Ms. Lo Wan Man and Mr. Zou Heqiang.*