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(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01680)

(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE ON A FULLY UNDERWRITTEN BASIS; AND (2) CLOSURE OF REGISTER OF MEMBERS

Co-Underwriters of the Rights Issue





Financial Adviser to the Company



PLATINUM Securities

^{*} For identification purposes only

PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of up to approximately HK\$93.0 million by way of the issue of 310,059,356 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date), at the Subscription Price of HK\$0.3 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

The net proceeds from the Rights Issue after deducting the expenses are estimated to be approximately HK\$86.9 million (assuming no change in the number of Shares in issue on or before the Record Date).

The Company intends to apply the net proceeds from the Rights Issue for general working capital.

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as a member of the Company on the Record Date, all transfer documents for the Shares (together with the relevant share certificate(s)) must be lodged for registration with the Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Wednesday, 22 October 2025.

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

IRREVOCABLE UNDERTAKINGS OF THE UNDERTAKING COVENANTORS

As at the date of this announcement, Mr. Li and Elite Success held 10,944,642 and 160,171,252 Shares, respectively, representing approximately 1.76% and 25.83% of the total number of issued Shares, respectively.

Pursuant to the Irrevocable Undertakings, Mr. Li and Elite Success have provided several, irrevocable and unconditional undertakings to the Company and the Co-Underwriters, pursuant to which each of Mr. Li and Elite Success have irrevocably undertaken and warranted to the Company and the Co-Underwriters, among other things:

(i) to subscribe for 5,472,321 and 80,085,626 Rights Shares which comprises full acceptance of their provisional entitlement in respect of the 10,944,642 Shares and 160,171,252 Shares beneficially held by Mr. Li and Elite Success, respectively;

- (ii) not to sell, dispose of or transfer, or agree to sell, dispose of or transfer any of the 10,944,642 and 160,171,252 Shares respectively comprising the current shareholding in the Company owned by each of them, and such Shares will remain beneficially owned by Mr. Li and Elite Success respectively from the date of the Irrevocable Undertakings up to and including the date of completion of the Rights Issue; and
- (iii) will lodge or procure the acceptance of the 5,472,321 Rights Shares and 80,085,626 Rights Shares respectively, which will be the number of Rights Shares provisionally allotted to them nil-paid under the Rights Issue, with the Registrar, with payment in full therefor, by no later than the Latest Time for Acceptance or otherwise in accordance with the instructions set out in the Prospectus Documents.

ARRANGEMENTS FOR THE NQS RIGHTS SHARES

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 the last day for dealing in the nil-paid Rights Shares, if a premium (net of expenses) can be obtained. Any net proceeds of sale thereof, after deduction of expenses, will be paid in Hong Kong dollars to the Non-Qualifying Shareholders pro rata to their respective entitlements as at the close of business on the Record Date, provided that if any of such persons would be entitled to a sum not exceeding HK\$100, such sum will be retained by the Company for its own benefit. Any such unsold nil-paid Rights Shares to which such Non-Qualifying Shareholders would otherwise have been entitled will be made available for excess application by the Qualifying Shareholders (other than PRC Southbound Trading Investors) under the EAF(s).

THE UNDERWRITING AGREEMENT

On 3 October 2025 (after trading hours), the Company and the Co-Underwriters entered into the Underwriting Agreement, pursuant to which the Co-Underwriters have conditionally agreed to fully underwrite the Unsubscribed Rights Shares, subject to the terms and conditions set out in the Underwriting Agreement, in particular the fulfilment or waiver (as applicable) of the conditions contained therein. Details of the major terms and conditions of the Underwriting Agreement are set out in the section headed "The Underwriting Agreement" in this announcement.

The Company shall make an application to the Listing Committee for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be allotted and issued pursuant to the Rights Issue.

As the proposed Rights Issue is subject to conditions, it may or may not proceed. Investors are advised to exercise caution when dealing in the Shares.

LISTING RULES IMPLICATIONS

As the Rights Issue will not increase either the total number of issued Shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of minority Shareholders in general meeting pursuant to Rule 7.19A of the Listing Rules.

The Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

The register of members of the Company will be closed from Thursday, 23 October 2025 to Thursday, 30 October 2025 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

GENERAL

The Prospectus Documents containing information on the Rights Issue are expected to be despatched to the Qualifying Shareholders on or around Friday, 31 October 2025. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations, and where reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL to them.

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

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Co-Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the sections headed "The Underwriting Agreement – Conditions of the Rights Issue and the Underwriting Agreement" and "The Underwriting Agreement – Termination of the Underwriting Agreement" in this announcement). Accordingly, the Rights Issue may or may not proceed.

Any Shareholder or other person dealing in the existing Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue are fulfilled or waived (as applicable) (and the date on which the Co-Underwriters' right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

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

PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of up to approximately HK\$93.0 million by way of the issue of 310,059,356 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date), at the Subscription Price of HK\$0.3 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

Further details of the Rights Issue are set out below:

Issue statistics

Basis of the Rights Issue : One (1) Rights Share for every two (2) existing Shares held by

the Qualifying Shareholders on the Record Date

Subscription Price : HK\$0.3 per Rights Share

Number of Shares in issue as at the date of this announcement

620,118,712 Shares

Number of Rights Shares to be issued under the Rights Issue

310,059,356 Rights Shares (assuming no change in the number of

Shares in issue on or before the Record Date)

Number of issued Shares upon completion of the Rights Issue (assuming the Rights Issue is fully subscribed) 930,178,068 Shares (assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)

Co-Underwriters : Plat

: Platinum Broking and East Asia Securities

Number of Rights Shares underwritten by the Co-Underwriters The Rights Issue is fully underwritten by the Co-Underwriters

Amount to be raised before

expenses

: Approximately HK\$93.0 million

Rights of excess application

: Qualifying Shareholders (other than the PRC Southbound Trading Investor(s)) may apply for Rights Shares in excess of their

provisional allotment

As at the date of this announcement, the Company has no outstanding derivatives, options, warrants, conversion rights or other similar rights which are convertible or exchangeable into or confer any right to subscribe for Shares. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

Based on the existing issued share capital of the Company as at the date of this announcement and assuming no change in the number of Shares in issue on or before the Record Date and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue, the 310,059,356 Rights Shares proposed to be issued pursuant to the Rights Issue represent (i) 50% of the existing issued share capital of the Company; and (ii) approximately 33.33% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

Qualifying Shareholders and Non-Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations, and where reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL to them.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder. Shareholders having an address in Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will qualify for the Rights Issue. The rights of the PRC Southbound Trading Investors have been set out in the section headed "Rights of PRC Southbound Trading Investors" below.

Shareholders having an address outside Hong Kong as shown on the register of members of the Company at the close of business on the Record Date will not qualify for the Rights Issue if the Board, after making relevant enquiries, 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.

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

In order to be registered as a member of the Company by the Record Date, all transfer documents for the Shares (with the relevant share certificates) must be lodged for registration with the Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Wednesday, 22 October 2025. The last day for dealing in the Shares on a cum-rights basis is Monday, 20 October 2025.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a cheque or banker's cashier order for the Rights Shares being applied for with the Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before the Latest Time for Acceptance.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

Rights of PRC Southbound Trading Investors

According to the "Stock Connect Southbound Shareholding Search" available on the Stock Exchange's website, based on the latest available information as at 2 October 2025, China Clear held 8,262,900 Shares, representing approximately 1.33% of the total number of the issued Shares.

The PRC Southbound Trading Investors who hold Shares on or before the Record Date may participate in the Rights Issue through China Clear. China Clear will provide nominee services for the PRC Southbound Trading Investors who hold Shares on or before the Record Date to (i) sell (in full or in part) their nil-paid Rights Shares through Shenzhen-Hong Kong Stock Connect and/or Shanghai-Hong Kong Stock Connect if such nil-paid Rights Shares are listed on the Stock Exchange; and/or (ii) subscribe (in full or in part) for their pro rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations.

However, China Clear will not support applications by such PRC Southbound Trading Investors for Excess Rights Shares under the Rights Issue through Shenzhen-Hong Kong Stock Connect and/ or Shanghai-Hong Kong Stock Connect. In addition, the PRC Southbound Trading Investors (or the relevant China Clear participants, as the case may be) whose stock accounts in China Clear are credited with nil-paid Rights Shares can only sell those nil-paid Rights Shares through Shenzhen-Hong Kong Stock Connect and/or Shanghai-Hong Kong Stock Connect if such nil-paid Rights Shares are listed on the Stock Exchange but cannot purchase any nil-paid Rights Shares nor transfer such nil-paid Rights Shares to other PRC Southbound Trading Investors until after the Company completes its filing with the CSRC in accordance with the CSRC Notice.

The PRC Southbound Trading Investors should consult their intermediary (including brokers, custodians, nominees or China Clear participants) and/or other professional advisers for details of the logistical arrangements as required by China Clear, and provide instructions to such intermediary in relation to the acceptance and/or sale of the nil-paid Rights Shares. Such instructions should be given in advance of the relevant dates stated in the section headed "Expected Timetable" of this announcement and otherwise in accordance with the requirements of the intermediary of the PRC Southbound Trading Investors and/or China Clear in order to allow sufficient time to ensure that such instructions are given effect.

The Board was advised that, as the Prospectus Documents will not be and are not intended to be filed with or approved by the CSRC other than in accordance with the CSRC Notice, the Rights Shares in nilpaid or fully-paid forms issued to the PRC Southbound Trading Investors shall not be offered and may not be offered or sold directly or indirectly in the PRC to any person or entity, unless through Shenzhen-Hong Kong Stock Connect and/or Shanghai-Hong Kong Stock Connect, or such person or entity has otherwise been exempt by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC laws and regulations.

Rights of the Overseas Shareholders

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

The Board notes the requirements specified in Rule 13.36(2)(a) of the Listing Rules and is in the process of making enquiries regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange as to the feasibility of extending the Rights Issue to the Overseas Shareholders. If, after making such enquiries, the Board is of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, not to offer the Rights Shares to the relevant Overseas Shareholders and, where appropriate, to holders of other equity securities of the Company entitled to be offered them, pro rata (apart from fractional entitlements) to their existing holdings, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, such Overseas Shareholders will become Non-Qualifying Shareholders and the Rights Issue will not be extended to them. The Company will, to the extent permitted under the relevant laws and regulations, and where reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL to them.

Arrangements for the NQS Rights Shares

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 the last day for dealing in the nil-paid Rights Shares, if a premium (net of expenses) can be obtained. Any net proceeds of sale thereof, after deduction of expenses, will be paid in Hong Kong dollars to the Non-Qualifying Shareholders pro rata to their respective entitlements as at the close of business on the Record Date, provided that if any of such persons would be entitled to a sum not exceeding HK\$100, such sum will be retained by the Company for its own benefit. Any such unsold nil-paid Rights Shares to which such Non-Qualifying Shareholders would otherwise have been entitled will be made available for excess application by the Qualifying Shareholders (other than PRC Southbound Trading Investors) under the EAF(s).

Applications for Excess Rights Shares may be made by completing an EAF and lodging the same with a separate remittance for the full amount payable for the excess Rights Shares being applied for. Pursuant to Rule 7.21(3)(a) of the Listing Rules, the Directors will allocate any Excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

- (i) any excess Rights Shares will be allocated to Qualifying Shareholders (other than PRC Southbound Trading Investors) who apply for them as far as practicable on a pro-rata basis by reference to the number of the excess Rights Shares applied for under each application;
- (ii) no preferences will be made to the Rights Shares subscribed through applications by PALs or the existing number of Shares held by Qualifying Shareholders; and
- (iii) no preferences will be given to applications for topping up odd-lot holdings to whole lot holdings.

Investors whose Shares are held by a nominee company (including HKSCC Nominees Limited) should note that for the purpose of the Rights Issue, the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, investors should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to beneficial owners individually. Investors whose Shares are held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, the Overseas Shareholders should exercise caution when dealing in the Shares.

Closure of register of members of the Company

The register of members of the Company will be closed from Thursday, 23 October 2025 to Thursday 30 October 2025 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every two (2) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents. Acceptance of all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company. If a Qualifying Shareholder does not take up his/her/its entitlement under the Rights Issue in full, his/her/its shareholding in the Company will be diluted.

Subscription Price

The Subscription Price is HK\$0.3 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares or, where applicable, on application for Excess Rights Shares or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 45.45% to the closing price of HK\$0.55 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 44.44% to the average closing price of approximately HK\$0.54 per Share for the last five trading days as quoted on the Stock Exchange up to and including the Last Trading Day;
- (iii) a discount of approximately 46.43% to the average closing price of approximately HK\$0.56 per Share for the last ten trading days as quoted on the Stock Exchange up to and including the Last Trading Day;
- (iv) a discount of approximately 36.17% to the theoretical ex-rights price of approximately HK\$0.47 per Share, based on the closing price of HK\$0.55 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a discount of approximately 88.46% to the latest published consolidated net asset value per Share as at 30 June 2025 of approximately HK\$2.6 (as shown in the interim report of the Company for the six months ended 30 June 2025 published on 29 September 2025); and
- (vi) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 15.79%, represented by the theoretical diluted price of approximately HK\$0.48 per Share to the benchmarked price (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.55 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date on which the issue price is fixed of approximately HK\$0.57 per Share) of approximately HK\$0.57 per Share.

The net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue) upon full acceptance of the provisional allotment of Rights Shares will be approximately HK\$0.28 (assuming no change in the number of Shares in issue on or before the Record Date). The aggregate nominal value of the Rights Shares will be HK\$310.0 million (assuming no change in the number of Shares in issue on or before the Record Date).

The Subscription Price was determined after arm's length negotiation between the Company and the Co-Underwriters with reference to, among others, (i) the recent closing prices and trading performance of the Shares which include the daily closing price and daily trading volume of the Shares during the six months prior to the Last Trading Day; (ii) prevailing market conditions and financial position of the Group; (iii) the Directors' view that it is reasonable to set the Subscription Price at a discount to the closing price per Share on the Last Trading Day and the consolidated net asset value per Share attributable to the Shareholders as described above in order to enhance the attractiveness of the Rights Issue and encourage the Qualifying Shareholders and investors to participate, given the unfavourable price trend and lack of liquidity of the Shares; (iv) the relatively large fundraising size when compared with the market capitalization of the Company as at the Last Trading Day; (v) the amount of funds the Company intends to raise under the Rights Issue; and (vi) the reasons as discussed in the section headed "Reasons for the Rights Issue and Use of Proceeds of the Rights Issue" below in this announcement.

In determining the Subscription Price, which represents a discount of approximately 45.45% to the closing price of on the Last Trading Day, the Directors have considered, among other things as mentioned above, the historical market price of the Shares traded on the Stock Exchange. Given that the Company has recorded a net loss of approximately HK\$622.6 million and HK\$1,420.8 million for the year ended 31 December 2024 and the six months ended 30 June 2025 respectively and all Qualifying Shareholders are provided with an equal opportunity to subscribe for their assured entitlements under the Rights Issue at a relatively low price as compared to the historical market price of the Shares and discount to the recent closing prices of the Shares. The Directors consider that the discount of the Subscription Price would enhance the attractiveness of the Rights Issue, and in turn encourage the Shareholders to participate in the Rights Issue, and accordingly allow them to maintain their shareholdings in the Company and participate in the future growth and development of the Group. After taking into consideration the reasons for the Rights Issue as stated in the section headed "Reasons for the Rights Issue and Use of Proceeds of the Rights Issue" below, the Directors consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of Rights Shares

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

Stamp duty and other applicable fees and charges

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

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment or waiver (as applicable) of the conditions of the Rights Issue as set out in the section headed "The Underwriting Agreement – Conditions of the Rights Issue and the Underwriting Agreement" in this announcement, share certificates for all fully-paid Rights Shares are expected to be posted on or about Monday, 1 December 2025 by ordinary post to the allottees, at their own risk, to their registered addresses.

If the Underwriting Agreement is terminated or does not become unconditional, and the Rights Issue does not proceed, the monies received in respect of the relevant provisional allotments and excess applications (if applicable) will be refunded to the Qualifying Shareholders or such other person to whom the nil-paid rights have been validly renounced or transferred or, in the case of joint acceptances, to the first-named person, without interest and by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other person to their registered addresses by the Registrar on or around Monday, 1 December 2025. No receipt will be given for such remittance.

Fractions of Rights Shares

The Company will not provisionally allot fractions of Rights Shares in nil-paid form to the Qualifying Shareholders. All fractions of Rights Shares will be aggregated (and rounded down to the nearest whole number of a Share) and all nil-paid Rights Shares arising from such aggregation will be sold in the market for the benefit of the Company if a premium (net of expenses) can be achieved. Any unsold fractions of Rights Shares will be made available for excess application by the Qualifying Shareholders (other than PRC Southbound Trading Investors) under the EAFs.

Irrevocable Undertakings by the Undertaking Covenantors

As at the date of this announcement, Mr. Li and Elite Success held 10,944,642 and 160,171,252 Shares, respectively, representing approximately 1.76% and 25.83% of the total number of issued Shares, respectively.

Pursuant to the Irrevocable Undertakings, Mr. Li and Elite Success have provided several, irrevocable and unconditional undertakings to the Company and the Co-Underwriters, pursuant to which each of Mr. Li and Elite Success have irrevocably undertaken and warranted to the Company and the Co-Underwriters, among other things:

- (i) to subscribe for 5,472,321 and 80,085,626 Rights Shares which comprises full acceptance of their provisional entitlement in respect of the 10,944,642 Shares and 160,171,252 Shares beneficially held by Mr. Li and Elite Success, respectively;
- (ii) not to sell, dispose of or transfer, or agree to sell, dispose of or transfer any of the 10,944,642 and 160,171,252 Shares respectively comprising the current shareholding in the Company owned by each of them, and such Shares will remain beneficially owned by Mr. Li and Elite Success respectively from the date of the Irrevocable Undertakings up to and including the date of completion of the Rights Issue; and

(iii) will lodge or procure the acceptance of the 5,472,321 Rights Shares and 80,085,626 Rights Shares respectively, which will be the number of Rights Shares provisionally allotted to them nil-paid under the Rights Issue, with the Registrar, with payment in full therefor, by no later than the Latest Time for Acceptance or otherwise in accordance with the instructions set out in the Prospectus Documents.

Taxation

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

Application for listing

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in board lots of 4,000 Rights Shares. No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought is listed or dealt in on any stock exchange other than the Stock Exchange.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nilpaid 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 HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Public float of the Company

As disclosed in the supplemental prospectus of the Company dated 26 June 2013, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the minimum public float requirement of 25% and accepted a lower percentage of 19.04% upon listing of the Shares. Upon completion of the Rights Issue, assuming all Qualifying Shareholders have taken up their respective entitlements of the Rights Shares in full, an aggregate of 212,867,000 Shares, representing approximately 22.88% of the total issued share capital of the Company, will be held by the public (within the meaning of the Listing Rules). Accordingly, as at the date of this announcement, the Company expects that the minimum prescribed Public Float Requirement applicable to the Company will be satisfied upon completion of the Rights Issue. In any case, the Co-Underwriters shall and shall cause their respective sub-underwriters to use its best endeavors to ensure and procure that the minimum prescribed Public Float Requirement under Rules 8.08(1)(a) and 13.32(1) of the Listing Rules be fulfilled by the Company upon completion of the Rights Issue.

THE UNDERWRITING AGREEMENT

On 3 October 2025 (after trading hours), the Company and the Co-Underwriters entered into the Underwriting Agreement in relation to the underwriting and respective arrangements in respect of the Rights Issue. Further details of the Underwriting Agreement are set out below:

Date: 3 October 2025 (after trading hours)

Issuer: The Company

Co-Underwriters: East Asia Securities, a licensed corporation carrying out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO and its ordinary course of business includes

underwriting of securities.

Platinum Broking, a licensed corporation carrying out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO and its ordinary course of business includes underwriting of

securities.

As at the date of this announcement, the Co-Underwriters do not hold any Shares. The Co-Underwriters and their respective ultimate beneficial owners are, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Independent Third Parties. The Co-Underwriters confirmed that they have complied with Rule 7.19(1)(a) of the Listing Rules.

Number of Rights Shares underwritten by the Co-Underwriter: 224,501,409 Rights Shares, being the maximum number of the Rights Shares less the Undertaken Shares, assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date, excluding the Undertaken Shares to be taken up by the Undertaking Covenantors, to be underwritten by the Co-Underwriters pursuant to the terms and conditions under the Underwriting Agreement.

Underwriting commission:

3% of the aggregate Subscription Price in respect of the number of Underwritten Shares committed to be underwritten, subscribed for or procured to be subscribed for by the Co-Underwriters in accordance with the Underwriting Agreement.

Each of the Co-Underwriters is a company incorporated in Hong Kong with limited liability and a licensed corporation to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO, whose ordinary course of business includes underwriting of securities. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Co-Underwriters and their respective ultimate beneficial owners are independent of the Company and its connected persons. As at the date of the Underwriting Agreement, the Co-Underwriters are not interested in any Shares. The Co-Underwriters confirmed that it has complied with Rule 7.19(1) of the Listing Rules.

Pursuant to the Underwriting Agreement, each of the Co-Underwriters shall use its best endeavours to ensure that (i) each of the sub-underwriters, subscribers and purchasers of the Unsubscribed Rights Shares procured by it shall be an Independent Third Party, not acting in concert with, not financed by, and not connected with the Company, any of the Directors or chief executive or substantial shareholders of the Company or their respective associates (as defined under the Listing Rules); (ii) none of the sub-underwriters, subscribers and purchasers of the Unsubscribed Rights Shares shall own 10% or more of the total number of Shares in issue immediately upon completion of the Rights Issue and otherwise becoming a core connected person of the Company; (iii) none of the sub-underwriters, subscribers and purchasers, together with any party(ies) acting in concert with it/them, will hold 30% (or such percentage which will trigger any GO Obligation under the Takeovers Code) or more of the voting rights of the Company upon completion of the Rights Issue; and (iv) the Company will continue to comply with the Public Float Requirement upon completion of the Rights Issue.

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Co-Underwriters with reference to, among others, the existing financial condition of the Group, the size of the Rights Issue and the current and expected market condition. The Directors consider that the terms of the Underwriting Agreement, including the commission rate, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors has a material interest in the transaction contemplated under the Underwriting Agreement.

The Co-Underwriters may enter into sub-underwriting arrangement with sub-underwriter(s) or appoint any person to be sub-agent(s) on its behalf for the purpose of arranging for the subscription of the Underwritten Shares with selected subscribers with such authority and rights as the Co-Underwriters has pursuant to its appointment under the Underwriting Agreement.

Subject to the fulfilment or waiver (as applicable) of all the conditions contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Co-Underwriters shall subscribe for or procure the subscription for, pursuant to the terms of Underwriting Agreement and the Prospectus Documents (insofar as the same are applicable), the Unsubscribed Rights Shares.

Conditions of the Rights Issue and the Underwriting Agreement

The completion of the Rights Issue and the obligations of the Co-Underwriters under the Underwriting Agreement are conditional upon, among other things:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) or otherwise in compliance with the Listing Rules and the Companies (WUMP) Ordinance not later than the Posting Date;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date;
- (iii) the Listing Committee granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms and the satisfaction or waiver of conditions of such grant (if any and where relevant) by no later than the Posting Date, and such listing and permission to deal not having been withdrawn or revoked;
- (iv) the Underwriting Agreement is not terminated in accordance with its terms;
- (v) compliance with and performance of all undertakings and obligations in all material respects, and representations and warranties of the Company under the Underwriting Agreement and the Irrevocable Undertakings remaining in full force and effect in all material respects and not having been breached in any material respects;
- (vi) compliance by Mr. Li and Elite Success with their respective obligations under the Irrevocable Undertakings in all material respects by the times specified;
- (vii) each of the Company and the Co-Underwriters having obtained all necessary consent and/or approval for entering into the Underwriting Agreement or the transactions contemplated therein; and
- (viii)each condition to enable the Rights Shares in their nil-paid or fully-paid forms to be admitted as eligible securities for deposit, clearance and settlement in CCASS having been satisfied on or before the Business Day prior to the commencement of trading of the Rights Shares (in their nil paid and fully-paid forms, respectively) and no notification having been received by the Company from the HKSCC by such time that such admission or facility for holding and settlement has been or is to be refused.

Other than condition (v) which can be waived in whole or in part by Platinum Broking (for itself and on behalf of the Co-Underwriters) by notice in writing to the Company prior to the Latest Time for Termination, all other conditions precedent above cannot be waived. In the event that the above conditions precedent (save and except those having been waived in accordance with the Underwriting Agreement) have not been satisfied in whole or in part by Latest Time for Termination or such other date as the Company and the Co-Underwriters may agree in writing, the Underwriting Agreement shall terminate and no party shall have any claim against the other party save for any antecedent breach of the Underwriting Agreement.

Termination of the Underwriting Agreement

Platinum Broking (for itself and on behalf of the Co-Underwriters) shall have the right to terminate the Underwriting Agreement by notice in writing served to the Company on or prior to the Latest Time for Termination (provided that if the date of the Latest Time for Termination shall be a Business Day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9.00 a.m. and 4.00 p.m. on that day, the date of the Latest Time for Termination shall be the next Business Day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day), if:

- (i) in the reasonable opinion of Platinum Broking (for itself and on behalf of the Co-Underwriters), the success of the Rights Issue would be materially or adversely affected by:
 - (a) 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 nature whatsoever (excluding any matter, event, or circumstance that has been publicly announced or published by the Company, disclosed to or otherwise made available to or obtained by the Co-Underwriters, has already occurred prior to the execution of the Underwriting Agreement, or is reasonably foreseeable based on information already available to the Co-Underwriters prior to such execution) which may in the reasonable opinion of Platinum Broking (for itself and on behalf of the Co-Underwriters) materially or adversely affect the business or the financial or trading position or prospects of the Company as a whole or is materially adverse in the context of the Rights Issue; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets (excluding any matter, event, or circumstance that has been publicly announced or published by the Company, disclosed to or otherwise made available to or obtained by the Co-Underwriters, has already occurred prior to the execution of the Underwriting Agreement, or is reasonably foreseeable based on information already available to the Co-Underwriters prior to such execution) which may, in the reasonable opinion of Platinum Broking (for itself and on behalf of the Co-Underwriters) materially and adversely affect the business or the financial or trading position or prospects of the Company as a whole or materially or adversely prejudice the success of the

Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or

- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) occurs (excluding any matter, event, or circumstance that has been publicly announced or published by the Company, disclosed to or otherwise made available to or obtained by the Co-Underwriters, has already occurred prior to the execution of the Underwriting Agreement, or is reasonably foreseeable based on information already available to the Co-Underwriters prior to such execution) which in the reasonable opinion of Platinum Broking (for itself and on behalf of the Co-Underwriters) is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iii) there is any change in the circumstances of the Company or any member of the Group (excluding any matter, event, or circumstance that has been publicly announced or published by the Company, disclosed to or otherwise made available to or obtained by the Co-Underwriters, has already occurred prior to the execution of the Underwriting Agreement, or is reasonably foreseeable based on information already available to the Co-Underwriters prior to such execution) which in the reasonable opinion of Platinum Broking (for itself and on behalf of the Co-Underwriters) will materially or adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material asset of the Group; or
- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion or unrest, fire, flood, explosion, epidemic, pandemic, terrorism, strike or lock-out which would, in the reasonable opinion of Platinum Broking (for itself and on behalf of the Co-Underwriters) materially or adversely affect the business or the financial or trading prospects of the Group as a whole; or
- (v) in the reasonable opinion of Platinum Broking (for itself and on behalf of the Co-Underwriters), there occurs any other material adverse change (excluding any matter, event, or circumstance that has been publicly announced or published by the Company, disclosed to or otherwise made available to or obtained by the Co-Underwriters, has already occurred prior to the execution of the Underwriting Agreement, or is reasonably foreseeable based on information already available to the Co-Underwriters prior to such execution) in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (vi) any matter which, had it arisen or been discovered immediately before the date of the Prospectus Documents and not having been disclosed in the Prospectus Documents, would have constituted, in the reasonable opinion of Platinum Broking (for itself and on behalf of the Co-Underwriters), a material omission in the context of the Rights Issue; or

- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than 20 consecutive Business Days otherwise than due to or in connection with or in relation to the Underwriting Agreement and/or the Rights Issue and excluding any suspension in connection with the clearance of this announcement or other matters in connection with the Underwriting Agreement and/or the Rights Issue; or
- (viii)the Prospectus when published contains information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which has not, prior to the date of the Underwriting Agreement, been publicly announced or published by the Company, or disclosed to or otherwise made available to or obtained by the Co-Underwriters, or which relates to any event that has already occurred or is the occurrence of which is reasonably foreseeable based on available information prior to the signing of the Underwriting Agreement, and which may in the reasonable opinion of Platinum Broking (for itself and on behalf of the Co-Underwriters) be material to the Group as a whole upon completion of the Rights Issue and is likely to affect materially and adversely the success of the Rights Issue.

If the Co-Underwriters terminate the Underwriting Agreement, the Rights Issue will not proceed. A further announcement will be made by the Company if the Underwriting Agreement is terminated by the Co-Underwriters.

EXPECTED TIMETABLE

Set out below is the expected timetable for the Rights Issue, which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled or otherwise waived:

Re-opening of the register of members of the Company Friday, 31 October

Despatch of the Prospectus Documents Friday, 31 October
First day for dealings in nil-paid Rights Shares
Latest time for splitting of PAL
Last day for dealing in nil-paid Rights Shares
Latest time for acceptance of and payment for the Rights Shares and the Excess Rights Shares 4:00 p.m., Friday, 14 November
Latest time for terminating the Underwriting Agreement and for the Rights Issue to become unconditional
Announcement of results of the Rights Issue to be published on the respective websites of the Stock Exchange and the Company
Despatch of certificates for fully-paid rights shares and refund cheques in relation to unsuccessful applications for wholly or partially unsuccessful excess applications or if the Rights Issue is terminated or rescinded Monday, 1 December
Expected first day of dealings in fully-paid Rights Shares
All times and dates in this announcement refer to Hong Kong local times and dates. The dates or deadlines specified in this announcement for events in the timetable for (or otherwise in relation to) the Rights Issue are indicative only and may be extended or varied by the Company in agreement with the Co-Underwriters in accordance with the Listing Rules. The Company will make an announcement to

notify the Shareholders and the Stock Exchange in the event of any changes to the expected timetable as and when appropriate.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The latest time for acceptance of and payment for Rights Shares will not take place at the time indicated above if there is a tropical cyclone warning signal number 8 or above, a "black" rainstorm warning or "extreme conditions" as announced by the Government of Hong Kong:

(i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Friday, 14 November 2025. Instead, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or

(ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Friday, 14 November 2025. Instead, the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares does not take place on Friday, 14 November 2025, the dates mentioned in the section headed "Expected Timetable for the Rights Issue" above may be affected. The Company will notify the Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

EFFECT OF THE RIGHTS ISSUE ON SHAREHOLDINGS IN THE COMPANY

For illustration purposes only, set out below is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after completion of the Rights Issue assuming all Qualifying Shareholders have taken up their respective entitlements of the Rights Shares in full ("Scenario I"); and (iii) immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders (other than the Undertaking Covenantors pursuant to the Irrevocable Undertakings) have taken up any entitlements of the Rights Shares and none of the Excess Right Shares were subscribed for ("Scenario II"), assuming there is no other change in the shareholding structure of the Company before the completion of the Rights Issue:

	As at the d	ate of this				
	announcement		Scenario I		Scenario II	
	Number of	Approximate	Number of	Approximate	Number of	Approximate
	issued shares	%	issued shares	%	issued shares	%
Non-public Shareholders						
Mr. Chan Weng Lin	666,100	0.11	999,150	0.11	666,100	0.07
Perfect Achiever Group Limited(1)	205,148,525	33.08	307,722,787	33.08	205,148,525	22.06
Mr. Li	10,944,642	1.76	16,416,963	1.76	16,416,963	1.76
Elite Success ⁽²⁾	160,171,252	25.83	240,256,878	25.83	240,256,878	25.83
Ms. Chan Un Chan	7,566,400	1.22	11,349,600	1.22	7,566,400	0.81
UNIR (HK) Management Limited(3)	283,500	0.05	425,250	0.05	283,500	0.03
Earth Group Ventures Ltd. (4)	93,426,960	15.07	140,140,440	15.07	93,426,960	10.04
Subtotal	478,207,379	77.12	717,311,068	77.12	563,765,326	60.60
Public Shareholders						
Co-Underwriters and/or sub-underwriters and subscribers procured by the Co-Underwriters	_	_	_	_	224,501,409	24.14
Other public shareholders	141,911,333	22.88	212,867,000	22.88	141,911,333	15.26
Subtotal	141,911,333	22.88	212,867,000	22.88 ⁽⁵⁾	366,412,742	39.40 ⁽⁵⁾
Total	620,118,712	100.00	930,178,068	100.00	930,178,068	100.00

Notes:

- 1. Perfect Achiever Group Limited, which is the registered holder of 205,148,525 shares of the Company, is wholly-owned by Mr. Chan Weng Lin. Accordingly, Mr. Chan Weng Lin is deemed to be interested in 205,148,525 shares of the Company directly held by Perfect Achiever Group Limited under the SFO.
- 2. Elite Success, which is the registered holder of 160,171,252 shares of the Company, is owned as to 51%, 39% and 10% by Mr. Li, his wife and his son, respectively. Accordingly, Mr. Li is deemed to be interested in 160,171,252 shares of the Company directly held by Elite Success under the SFO.
- 3. UNIR (HK) Management Limited, which is the registered holder of 283,500 shares of the Company, is wholly-owned by Ms. Chan Un Chan. Accordingly, Ms. Chan Un Chan is deemed to be interested in 283,500 shares of the Company directly held by UNIR (HK) Management Limited under the SFO.
- 4. Earth Group Ventures Ltd., which is the registered holder of 93,426,960 shares of the Company, is wholly-owned by Ms. Chan Un Chan. Accordingly, Ms. Chan Un Chan is deemed to be interested in 93,426,960 shares of the Company directly held by Earth Group Ventures Ltd. under the SFO.
- 5. As disclosed in the supplemental prospectus of the Company dated 26 June 2013, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the minimum public float requirement of 25% and accepted a lower percentage of 19.04% upon listing of the Shares. Upon completion of the Rights Issue, pursuant to both Scenario I and Scenario II, an aggregate of 212,867,000 Shares and 366,412,742 Shares, respectively, representing approximately 22.88% and 39.40% of the total issued share capital of the Company, will be held by the public (within the meaning of the Listing Rules). Accordingly, as at the date of this announcement, the Company expects that the minimum prescribed Public Float Requirement applicable to the Company will be satisfied upon completion of the Rights Issue.

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

The Group is one of the leading operators of entertainment and casino gaming services in Macau. The Group's businesses include (i) the provision of gaming services to SJM for the operation of Legend Palace Casino; and (ii) the operation of hotels, entertainment and leisure facilities within its properties, and through MFW Investment, it also owns and operates Macau Fisherman's Wharf, a waterfront integrated gaming, hotel, convention and entertainment complex located on the Macau Peninsula.

As disclosed in the Company's 2025 Interim Report, the Company is currently experiencing financial difficulties, including tightened cash flow and increased operational pressure. In light of these challenges and the capital-intensive nature of its operations, the Company intends to undertake a rights issue as a means to strengthen its liquidity position, ensure the continuity of its core business operations, and provide financial flexibility to support future strategic initiatives.

The net proceeds from the Rights Issue after deducting the expenses are estimated to be approximately HK\$86.9 million (assuming no change in the number of Shares in issue on or before the Record Date).

The Company intends to apply the net proceeds from the Rights Issue for general working capital, including (i) approximately HK\$30 million for the payment of existing trade and other payables; (ii) approximately HK\$17 million for the payment of existing property tax payable; and (iii) the remaining portion for interest payments and general operating expenses.

The Company had considered other fund-raising alternatives available to the Group, including debt financing and other equity financing such as placing or subscription of new Shares. The Board considers that to finance the funding needs of the Group in the form of equity is a better alternative than debt as it would not result in additional interest burden and will improve the gearing of the Group. Amongst the equity financing methods, placing or subscription of new Shares would dilute the shareholding of the existing Shareholders without giving the chance to the existing Shareholders to participate. On the contrary, the Rights Issue is pre-emptive in nature, as it allows Qualifying Shareholders to maintain their proportional shareholdings in the Company through participation in the Rights Issue. The Rights Issue also allows the Qualifying Shareholders to (a) increase their respective shareholding interests in the Company by acquiring additional rights entitlement in the open market (subject to the availability) or through excess applications; or (b) reduce their respective shareholding interests in the Company by disposing of their rights entitlements in the open market (subject to the market demand). As an open offer does not allow the trading of rights entitlements, a rights issue is preferred. Accordingly, the Board considers that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS

The Company did not raise any funds by issue of equity securities during the 12 months immediately preceding the date of this announcement.

LISTING RULES IMPLICATIONS

As the Rights Issue will not increase either the total number of issued Shares or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of minority Shareholders in general meeting pursuant to Rule 7.19A of the Listing Rules.

The Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

GENERAL

The Prospectus Documents containing information on the Rights Issue are expected to be despatched to the Qualifying Shareholders on or around Friday, 31 October 2025. The Company will not extend the Rights Issue to the Non-Qualifying Shareholders. The Company will, to the extent permitted under the relevant laws and regulations, and where reasonably practicable, send the Prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL to them.

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

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Co-Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the sections headed "The Underwriting Agreement – Conditions of the Rights Issue and the Underwriting Agreement" and "The Underwriting Agreement – Termination of the Underwriting Agreement" in this announcement). Accordingly, the Rights Issue may or may not proceed.

Any Shareholder or other person dealing in the existing Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue are fulfilled or waived (as applicable) (and the date on which the Co-Underwriters' right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

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

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

"acting in concert"	has the meaning ascribed thereto under the Takeovers Code;
"associate(s)"	has the meaning ascribed thereto under the Listing Rules;
"Board"	the board of Directors;
"Business Day"	a day (other than a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal no. 8 or above, or "extreme conditions" as announced by the Government of Hong Kong or a "black" rainstorm warning signal is hoisted or in effect between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which commercial banks in Hong Kong are open for general business;
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC;
"China Clear"	China Securities Depository and Clearing Corporation Limited;

"Companies (WUMP) the Companies (Winding Up and Miscellaneous Provisions) Ordinance Ordinance" (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time: "Company" Macau Legend Development Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 01680); "connected person(s)" has the meaning ascribed thereto under the Listing Rules; has the meaning ascribed thereto under the Listing Rules; "core connected person(s)" "Co-Underwriters" Platinum Broking and East Asia Securities; "CSRC" China Securities Regulatory Commission; the notice of the CSRC "Filing Requirements for Hong Kong Listed "CSRC Notice" Issuers Making Rights Issues to Mainland Shareholders through Mainland-Hong Kong Stock Connect" (Announcement 2016 No. 21); "Director(s)" the director(s) of the Company; "EAF(s)" the excess application form(s) for use by the Qualifying Shareholders (other than PRC Southbound Trading Investors) who wish to apply for the Excess Rights Shares; "East Asia Securities" East Asia Securities Company Limited, a licensed corporation carrying out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO and its ordinary course of business includes underwriting of securities; "Elite Success" Elite Success International Limited, a company incorporated under the laws of the British Virgin Islands on 6 September 2002 with limited liability, which is owned as to 51%, 39% and 10% by Mr. Li, his wife and his son, respectively; "Excess Rights Share(s)" consist of (i) Rights Shares that are not being taken up by the Qualifying Shareholders; and (ii) unsold entitlement of the Non-Qualifying Shareholders to the Rights Shares; "GO Obligation" the obligation to make a general offer under Rule 26 of the Takeovers Code: "Group" the Company and its subsidiaries; "HK\$" Hong Kong dollar, the lawful currency of Hong Kong; "HKSCC" Hong Kong Securities Clearing Company Limited;

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Independent Third Party(ies)"	any individual or company not being the connected persons of the Company, independent of the Company and its connected persons and not connected with any of them or their respective associates;
"Irrevocable Undertakings"	the irrevocable undertakings dated 29 September 2025 given by Mr. Li and Elite Success in favour of the Company and the Co-Underwriters;
"Last Trading Day"	2 October 2025, being the last trading day for the Shares on the Stock Exchange immediately before the publication of this announcement;
"Latest Time for Acceptance"	4:00 p.m. on Friday, 14 November 2025, or such later time or date as may be agreed by the Company and the Co-Underwriters in writing, being the latest time and date for acceptance of and payment for the Rights Shares as described in the Prospectus Documents;
"Latest Time for Termination"	5:00 p.m. on Monday, 17 November 2025, or such later time or date as may be agreed by the Company and the Co-Underwriters in writing, being the latest time for termination of the Underwriting Agreement;
"Listing Committee"	has the meaning ascribed thereto under the Listing Rules;
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
"Mr. Li"	Mr. Li Chi Keung;
"No Action Shareholder(s)"	those Qualifying Shareholder(s) who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or their renouncees, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed;
"Non-Qualifying Shareholder(s)"	the Overseas Shareholder(s) in respect of whom the Board, after making relevant enquiries with the legal advisers in the relevant jurisdictions, considers it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place;
"NQS Rights Shares"	the Rights Share(s) which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form;
"Overseas Shareholder(s)"	the Shareholder(s) whose registered address(es) as shown in the register of members of the Company as at the close of business on the Record Date is/are outside Hong Kong;

"PAL(s)"

the provisional allotment letter(s) for the Rights Shares to be issued to the Qualifying Shareholders in respect of their entitlements under the

Rights Issue;

"Platinum Broking"

Platinum Broking Company Limited, a licensed corporation carrying out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO and its ordinary course of business includes underwriting of securities;

"Posting Date"

Friday, 31 October 2025, or such other date as the Company and the Co-Underwriters may agree in writing for the despatch of the Prospectus Documents;

"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;

"PRC Southbound Trading Investor(s)"

the PRC investor(s) who hold Shares through China Clear as nominee under the Shenzhen-Hong Kong Stock Connect and/or the Shanghai-Hong Kong Stock Connect;

"Prospectus"

the prospectus to be despatched to the Shareholders containing details of the Rights Issue;

"Prospectus Documents"

the Prospectus, the PAL and the EAF;

"Public Float Requirement"

the public float requirement under Rules 8.08(1)(a) and 13.32(1) of the Listing Rules, for which the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the minimum public float requirement of 25% and accepted a lower percentage of 19.04%;

"Qualifying Shareholder(s)"

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"

Thursday, 30 October 2025, or such other date as the Company and the Co-Underwriters may agree in writing, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined;

"Registrar"

Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, the Company's Hong Kong branch share registrar and transfer office:

"Rights Issue" the proposed issue by way of rights on the basis of one (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price, payable in full on acceptance and on the terms and subject to the conditions of the Underwriting Agreement and the Prospectus Documents; "Rights Share(s)" up to 310,059,356 new Shares to be allotted and issued pursuant to the Rights Issue; "SFC" the Securities and Futures Commission of Hong Kong; "SFO" the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time; "Shanghai-Hong Kong Stock a securities trading and clearing links programme developed by the Connect" Stock Exchange, the Shanghai Stock Exchange, HKSCC and China Clear for the establishment of mutual market access between Hong Kong and Shanghai; the ordinary share(s) of HK\$1 each in the share capital of the "Share(s)" Company; "Shareholder(s)" holder of issued Share(s); "Shenzhen-Hong Kong Stock a securities trading and clearing platform under which PRC domestic Connect" investors may trade in the Stock Exchange via China Clear; "Stock Exchange" The Stock Exchange of Hong Kong Limited; "Subscription Price" the subscription price of HK\$0.3 for each Rights Share under the Rights Issue; "Takeovers Code" The Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time; "Undertaken Shares" 85,557,947 Rights Shares, being the aggregate number of Rights Shares for which the Undertaking Covenantors have undertaken to subscribe for pursuant to the Irrevocable Undertakings; "Undertaking Covenantors" collectively, Mr. Li and Elite Success; "Underwriting Agreement" the underwriting agreement dated 3 October 2025 entered into between the Company and the Co-Underwriters in relation to the Rights Issue, as revised, supplemented or amended from time to time in accordance with its terms:

"Underwritten Shares" 224,501,409 Rights Shares, being the maximum number of the Rights Shares less the Undertaken Shares, assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date, to be underwritten by the Co-Underwriters pursuant to the terms and conditions under the Underwriting Agreement; "United States" or "US" the United States of America (including its territories and dependencies, any state in the US and the District of Columbia); "Unsubscribed Rights Shares" those Rights Shares that are not subscribed by the Qualifying Shareholders and the NQS Rights Shares that are not successfully sold by the Company as described in the paragraph headed "Arrangements for the NQS Rights Shares" in this announcement; "US Person(s)" any person(s) or entity(ies) deemed to be a US Person for the purposes of Regulation S under the US Securities Act of 1933, as amended; and

per cent.

By Order of the Board

Macau Legend Development Limited

Li Chu Kwan

Chairman, executive Director and chief executive officer

Hong Kong, 3 October 2025

"%"

As at the date of this announcement, the executive Directors are Mr Li Chu Kwan and Ms Lam Shu Yan; the non-executive Directors are Ms Ho Chiulin, Laurinda, Mr Li Chun Tak and Mr Wong Che Man Eddy; and the independent non-executive Directors are Mr Lau Ngai Kee, Ricky, Mr Mak Ka Wing, Patrick and Ms Ma Cheuk Ling.