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China Wacan Group Company Limited

中國網成集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1920)

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL AND PROPOSED ADOPTION OF THE NEW SHARE SCHEME AND TERMINATION OF THE 2019 SHARE OPTION SCHEME

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the date of this announcement, the authorised share capital of the Company was HK\$40,000,000 divided into 400,000,000 Shares, of which 374,400,000 Shares were in issue.

In order to provide the Company with greater flexibility in fund raising whereby promoting future business growth, the Board proposes the Increase in Authorised Share Capital. Such new Shares, upon issue, shall rank pari passu in all respects with the existing Shares. The Board believes the Increase in Authorised Share Capital is in the interests of the Company and the Shareholders as a whole.

Upon the Increase in Authorised Share Capital becoming effective and assuming no Shares are issued or repurchased from the date of this announcement up to the date of the EGM, the authorised share capital of the Company will become HK\$120,000,000 divided into 1,200,000,000 Shares, with 374,400,000 Shares in issue and 825,600,000 Shares authorised but unissued. The Increase in Authorised Share Capital is subject to the approval of the Shareholders by way of passing an ordinary resolution at the EGM.

PROPOSED ADOPTION OF THE NEW SHARE SCHEME AND TERMINATION OF THE 2019 SHARE OPTION SCHEME

With effect from 1 January 2023, Chapter 17 of the Listing Rules has been amended and it applies to both share option schemes and share award schemes. In this connection, there are certain changes to Chapter 17 of the Listing Rules that would eventually entail substantial revisions to the 2019 Share Option Scheme.

In view of such amendments, the Company proposes to terminate the 2019 Share Option Scheme upon the adoption of the New Share Scheme, subject to the approval by the Shareholders at the EGM.

The adoption of the New Share Scheme is conditional upon the passing of an ordinary resolution by the Shareholders at the EGM. Application will be made to the Listing Committee for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued and allotted by the Company in respect of the share options and share awards that may be granted pursuant to the New Share Scheme.

GENERAL

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, the Increase in Authorised Share Capital, the termination of the 2019 Share Option Scheme and the adoption of the New Share Scheme. A circular containing, among others, details of (i) the proposed Increase in Authorised Share Capital; (ii) the adoption of the New Share Scheme and the termination of the 2019 Share Option Scheme; and (iii) the notice of the EGM and proxy form, will be published/despached to the Shareholders in accordance with the requirements under the Listing Rules in due course.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“2019 Share Option Scheme”	the existing share option scheme adopted by the Company pursuant to a resolution in writing passed by the then sole shareholder of the Company on 22 July 2019
“Board”	the board of Directors
“Business Day(s)”	any day (excluding Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	China Wacan Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 1920)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and if thought fit, among others, approving (i) the proposed Increase in Authorised Share Capital; and (ii) the adoption of the New Share Scheme and the termination of the 2019 Share Option Scheme
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Increase in Authorised Share Capital”	the proposed increase in authorised share capital of the Company from HK\$40,000,000 (divided into 400,000,000 Shares) to HK\$120,000,000 (divided into 1,200,000,000 Shares) by the creation of an additional 825,600,000 Shares
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“New Share Scheme”	the share scheme proposed to be adopted by the Company at the EGM
“Share(s)”	the ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
China Wacan Group Company Limited
Zhou Zhenlin
*Chairman of the Board and Executive
Director*

Hong Kong, 20 November 2025

As at the date of this announcement, the Board comprises Mr. Zhou Zhenlin, Ms. Peng Yunying and Mr. Guo Xianjiao as executive Directors and Ms. Ding Xin, Ms. Zhang Lingke and Professor Lam Sing Kwong Simon as independent non-executive Directors.