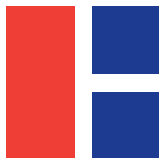


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ICO GROUP LIMITED

揚科集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1460)

SUPPLEMENTAL ANNOUNCEMENT — DISCLOSEABLE TRANSACTION IN RELATION TO SUBSCRIPTION OF PREFERENCE SHARES

Reference is made to the announcement of ICO Group Limited (the “**Company**”) dated 26 September 2025 in relation to the subscription of Preferred Shares (the “**Announcement**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as given to them in the Announcement.

This announcement is made to provide supplemental information in relation to the subscription of the Preferred Shares.

REASONS FOR THE SUBSCRIPTION

As disclosed in the Announcement, the Consideration was determined by the Subscriber and the Issuer after arm’s length negotiations and on normal commercial terms taking into account of, among other things, (i) the financial and operational performance of the Issuer; and (ii) valuation of the Issuer of approximately US\$124,000,000.

The major technology developed by the Issuer

The Company would like to supplement that, the artificial-intelligence (“**AI**”) technology developed by the Issuer specializes in video and visual interpretation, enabling customers to leverage the AI for comprehending, editing and analysing video content. The AI technology developed by the Issuer has a faster processing speed than other AI-model in the market, and is capable of fully analyze videos of several hours in length within seconds, which offers the Issuer a very strong competitive edge in attracting customers, particularly for commercial and observation purposes. The system and application developed by the Issuer has been launched for public use in August 2025.

* For identification purposes only

The Board's evaluation on the Valuation

To ascertain that the valuation report prepared by the Valuer (the “**Valuation**”) is fair and reasonable, the Directors have carefully reviewed the valuation report, evaluated the nature of the Subscription and conducted researches over the recent bloom on the AI industry, especially in the mainland China market.

The Company has also conducted due diligence over the business and financial condition of the Issuer and the AI system developed by the Issuer, in particular, the Company has obtained and reviewed the accounts of the Issuer, and has evaluated and tested the performance of the system developed by the Issuer based on the Company's extensive experience and expertise in information technology. Moreover, notwithstanding the relatively short history of the Issuer, the Issuer has successfully secured high quality customers and contracts with entities in public sectors in Hong Kong and Singapore. Since September 2025, the Issuer has entered into agreements with public sector entities in Hong Kong, including Hong Kong Education City Limited (being a public entity dedicated to promoting the appropriate integration of information technology with curriculum reforms in the education sector) and Hong Kong Cyberport, which demonstrates the strong demand for the Issuer's products in the public sector.

Government contracts are famous for their high requirements and due diligence procedure, and the Company is of the view that the achievement of securing such contracts by the Issuer demonstrated their customer's confidence in its service, which also forms a valid and sound basis to foretell the expansion of customer profile of the Issuer.

The market reaction towards the customer-end products of the Issuer is also positive. According to the Issuer, the turning rate of free user to paid users for its application was solid at the time of signing of the Subscription Agreement. The Board views this as a noteworthy achievement, particularly given that many established AI service applications typically exhibit higher conversion rates after years of market presence and brand recognition. Considering the Issuer's short operating history and early stage of development, there is significant potential for improvement in this metric, which could translate into substantial revenue growth for the Issuer in the near future.

The Directors also carefully reviewed the assumptions adopted by the Valuer, and have the following observations:

Assumption	Board's view
All the assets to be valued are in the course of transaction and the valuation assessed by an Valuer is based on a simulated market which involves the transaction conditions of the assets to be valued.	The Board understands this is the most fundamental assumption for the performance of the asset valuation and consider it appropriate.
The parties to the asset transaction or the proposed asset transaction in the market have equal bargaining power and have the opportunities and time to obtain sufficient market information in order to make a rational and informed judgment on the assets, including their functions, uses and transaction prices.	The Board considers this assumption reasonable and applicable to the valuation, particularly there is no restriction to the participation in investing in AI and technology companies such as the Issuer and there is always an open market for such investment in reality.
The valued assets will be continuously used in consistence with their current functions and methods, scale, frequency and environment of application.	Based on the business and operation plan as understood from the Issuer, the assets used by the Issuer will continue to be deployed and therefore this asset going-concern assumption is valid.
Businesses of the valued entities can be continuously operated under its current condition, and its operating condition will not have material changes in the foreseeable future.	Based on the business and operation plan as understood from the Issuer, and with the understanding of the Company's management (the " Management ") of the function and power of the AI services provided by the Issuer, the Board is of the view that the business of the Issuer will be continually operating and therefore this corporate going-concern assumption is valid.
The unaudited management accounts of the Issuer as at 30 June 2025 can reasonably represent the financial position of the Issuer.	Although the financial account provided by the Issuer was not audited, there is no hint suggesting to the Board that such unaudited accounts is not reliable.
All relevant legal approvals and business certificates or licences to operate the business in the localities in which the Issuer operates or intends to operate has or would be officially obtained and renewable upon expiry.	Based on the understanding of the Management having enquired with the Issuer, there is no specific licences which is required for the development and provision of its AI services.

Assumption	Board's view
The forecast provided by the Management will reasonably reflect the future projection on the income-generating capacity of the Issuer.	The Management has exercised its own judgement in reviewing the profit forecast provided by the Issuer and have made downward adjustment adopting a more conservative attitude and with the business plan of the Issuer, the quality and function of its AI services and the potential synergy effect that could be brought to both the Company and the Issuer in making sales to the customers, the Directors consider the forecast is reasonable.
The market return, market risk, interest rates, exchange rates will not differ materially from those of present or expected.	The Board does not foresee drastic and sudden change of the market return, risk and interest rate, etc.
The supply and demand, both domestically and internationally, of the products and/or services of the Issuer or similar products and/or services will not differ materially from those of present or expected.	The Directors consider that with the current trend of AI services and products demand globally, the demand would not only remain stable but indeed would be robust and continually growing in the future.
There will be sufficient supply of technical staff in the industry in which the Issuer operates, and the Issuer will retain competent management, key personnel and technical staff to support its ongoing operations and developments.	The Directors understand that AI service and product development relies heavily on the technical staff but it is not foreseeable that there will be a shortage of the same that limits or hinders the development of the Issuer.
There will be no major change in the current taxation laws in the localities in which the Issuer operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with.	The Board does not foresee drastic and sudden change of the applicable taxation law concerning AI services.
There will be no major change in the political, legal, economic or financial conditions in the localities in which the Issuer operates or intends to operate, which would adversely affect the revenues attributable to and profitability of the Issuer.	It is undeniable that the current global political and economic condition remains volatile but the development and demand trend of AI service and product has remained robust regardless of global political disputes or economic high and low.

Considering (i) artificial-intelligence related business are advanced with a relatively short history, it is common for valuer to use income-based approach and discounted cash flow method for appraising the fair value of the equity interest of the Issuer; (ii) artificial intelligence-related businesses are usually asset-light in nature, while the valuation multiples from guideline companies and transaction could not provide meaningful comparison when evaluating the value of the Issuer; and (iii) the satisfactory due diligence on the business and financial condition of the Issuer and the AI-system, the Board is of the view that the valuation methodology adopted by the Valuer in the valuation is fair and reasonable.

Business prospects

The Company and its subsidiaries are principally engaged in (i) IT application and solution development services; (ii) IT infrastructure solutions services; (iii) IT secondment services; (iv) IT maintenance and support services; and (v) property leasing.

Since the listing of the Company, the Group possesses expertise in IT application and solution development, as well as IT infrastructure solutions, serving both public and private sectors.

As disclosed in the annual report of the Company for the year ended 31 March 2025, the Board views there to be strong market demand for AI applications in commercial and public sectors. The Group aims to further strengthen its business development and consolidate resources in IT infrastructure and application services, targeting enterprises seeking digital transformation and AI solutions.

Anticipating the ongoing rapid development and increasing adoption of AI technology in the industry, the Company considers that the integration of AI into its business is essential for the Company's sustainable growth, which enable the Company to gain an early competitive edge in providing AI-enhanced IT solutions.

The Company believes the Issuer's AI technology in video understanding and analysis holds significant development potential in the public sector. The Company has a proven track record of successful engagements with public sector clients. The, including various government department and the discipline forces of Hong Kong. The Board is of the view the Issuer's AI technology is particularly suitable to the needs of the discipline forces' working needs, and the Subscription provides an opportunity to integrate this AI technology into the Company's operations, enabling it to promote the Issuer's AI technology to the Company's existing customers, leverage the technology and capture future business opportunities.

The Company would like to emphasize that in-house development of technology that is comparable to that of the Issuer would require substantially higher investment costs (estimated to be at an initial costs of approximately HK\$40,000,000) than the investment under the Subscription, plus exceptionally long time costs that would render the AI development and integration business of the Company lags behind the market and its competitors. Accordingly, the Subscription helps the Company in tapping into the Issuer's IT services and allows the Company to access and benefit from the technology at a lower cost.

Upon considering the Valuation and the synergy effect that brought along with the Subscription, the Board is of the view that the Consideration and the terms of the Subscription are fair and reasonable, and beneficial to the Shareholders as a whole.

SUPPLEMENTAL INFORMATION IN RELATION TO WEITU AI INC.

The Company would like to supplement that, Weitu AI Inc. is a company incorporated in the Cayman Islands with limited liability on 31 October 2023, which is principally engaged in investment holding. The main operating subsidiary of Weitu AI Inc. is principally engaged in developing AI-driven consumer-end applications. As at 30 June 2025, the total asset value of Weitu AI Inc. is approximately US\$7,600,000, and the net asset value of Weitu AI Inc. is approximately US\$7,500,000. The net losses attributable to Weitu AI Inc. for the for the twelve months ended 31 December 2024 is US\$1,117,937, while the net loss attributable to Weitu AI Inc. for the six months ended 30 June 2025 is US\$1,199,201.

As disclosed in the Announcement, Mr. Wang is the sole ultimate beneficial owner of Weitu AI Inc.

SUPPLEMENTAL INFORMATION IN RELATION TO ZHIHE TECHNOLOGY

The Company would like to supplement that, Zhihe Technology is a company incorporated in the British Virgin Islands with limited liability, which is directly wholly-owned by Mr. Wang. Zhihe Technology is principally engaged in investment holding.

Save as disclosed above, all other information as set out in the Announcement remains unchanged and shall continue to be valid for all purposes. The announcement is supplemental to and should be read in conjunction with the Announcement.

By Order of the Board
ICO Group Limited
Lee Cheong Yuen
Chairman and Executive Director

Hong Kong, 18 December 2025

As at the date of this announcement, the executive Directors of the Company are Mr. Lee Cheong Yuen, Mr. Pun Shing Cheung and Mr. Chan Wai Sang; and the independent non-executive Directors of the Company are The Hon. Ip Kwok Him, G.B.M., G.B.S., JP., Mr. Chan Kai Wing and Ms. Liew Meiqi.