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Lesi Group Limited
樂思集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2540)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



On 21 May 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, an aggregate of up to 100,000,000 Placing Shares to the Placees who and whose ultimate beneficial owners shall be third parties independent of the Company and its connected persons. The maximum number of 100,000,000 Placing Shares under the Placing represents 20% of the existing issued share capital of the Company of 500,000,000 Shares as at the date of this announcement and approximately 16.67% of the issued share capital as enlarged by the allotment and issue of the Placing Shares in full (assuming there is no change to the share capital of the Company between the date of the Placing Agreement and the Completion Date). The aggregate nominal value of the maximum number of Placing Shares under the Placing will be US\$100,000.

The Placing Price of HK\$0.700 per Placing Share represents (i) a discount of approximately 14.63% to the closing price of HK\$0.820 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 19.54% to the average closing price of HK\$0.870 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Shares will be allotted and issued pursuant to the General Mandate. The Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares on the Stock Exchange.

The maximum gross proceeds from the Placing will be approximately HK\$70 million. The maximum net proceeds from the Placing will amount to approximately HK\$68.9 million. The Company intends to use the net proceeds from the Placing for the following purposes: (i) approximately HK\$24.1 million, or 35%, for technology upgrade in relation to AI short video production and AI advertising technology research and development; (ii) approximately HK\$37.9 million, or 55%, for business development of expansion of customer base by optimising media distribution network; and (iii) approximately HK\$6.9 million, or 10.0%, for the general working capital of the Group. The maximum net price raised per Share upon the Completion will be approximately HK\$0.689 per Share.

The Completion is subject to the fulfilment of the condition set forth in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares and other securities of the Company.

The Board is pleased to announce that, on 21 May 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement with particulars set out as follows:

THE PLACING AGREEMENT

Date: 21 May 2026 (after trading hours)

Parties: (a) Issuer, The Company
(b) Placing Agent, Uzen Securities Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

The Placing

The Placing Agent has conditionally agreed to place a maximum of 100,000,000 Placing Shares on a best effort basis to not less than six (6) Placees and will receive a placing commission of 1.5% of the gross proceeds of the Placing, which was negotiated on arm's length basis between the Company and the Placing Agent and determined with reference to, amongst other things, the prevailing commission rate charged by other placing agents, the size of the Placing and the price performance of the Shares.

The Company shall bear all costs and expenses (including legal expenses) incurred by the Placing Agent in relation to the Placing Agreement and the Placing. Having considered the Placing Price and the terms of the Placing, the Directors are of the view that the placing commission of 1.5% is fair and reasonable based on the current market conditions that the Placing is in the interests of the Company and the Shareholders as a whole.

The Company will issue further announcement upon the Completion.

The Placees

The Placing Shares will be placed by the Placing Agent, on a best effort basis, to not less than six (6) independent individual, corporate, institutional and/or professional investors. The Placees to be procured by the Placing Agent are expected to be independent of and not connected with the directors, chief executive or substantial shareholders of the Company or its subsidiaries and their respective associates. Upon the Completion, it is expected that none of the Placees will become a substantial shareholder after the Placing. If any of the Placees will become a substantial shareholder after the Completion, further announcement will be made by the Company.

Number of Placing Shares

The maximum number of Placing Shares of up to 100,000,000 under the Placing represents 20% of the existing issued share capital of the Company of 500,000,000 Shares as at the date of this announcement and approximately 16.7% of the issued share capital of the Company as enlarged by allotment and issue of the Placing Shares in full (assuming there is no change to the share capital of the Company between the date of the Placing Agreement and the Completion Date). The aggregate nominal value of the maximum number of the Placing Shares under the Placing will be US\$100,000.

Ranking of Placing Shares

The Placing Shares under the Placing will rank *pari passu* in all respects with the existing Shares in issue on the date of allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.700 per Placing Share represents:

- (i) a discount of approximately 14.63% to the closing price of HK\$0.820 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 19.54% to the average closing price of HK\$0.870 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing Agreement are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Placing Shares

The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM subject to the limit up to 20% of the then issued share capital of the Company as at the date of the AGM. Under the General Mandate, the Company is authorised to issue up to 100,000,000 Shares. Since the grant of the General Mandate and prior to the Placing, the Directors have not exercised their power to allot and issue any new Shares pursuant to the General Mandate. Accordingly, the issue of the Placing Shares will fall within the limit of the General Mandate and will not be subject to approval by the Shareholders.

Application for listing of Placing Shares

Application will be made by the Company to the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

Conditions of the Placing Agreement

Completion under the Placing Agreement is conditional upon:

- (a) the Board having approved the Placing and the transactions contemplated under the Placing Agreement;
- (b) the Placing Agent having successfully procured Placee(s) ready, willing and able to subscribe for, and to accept the allotment of, the Placing Shares during the period of Placing;
- (c) the Placing Agent having compiled and delivered to the Stock Exchange a comprehensive list showing the name, address (or registered address if a corporation), country of incorporation (if a corporation) and other requisite information and details of the Placees and the number of Placing Shares to be subscribed by each Placee and all other documents or information as required by applicable laws and regulations at the relevant time;
- (d) the Listing Committee having granted approval for the listing of, and permission to deal in, the Placing Shares, and such approval not having been revoked, suspended, withdrawn or cancelled, or threatened with any revocation, suspension, withdrawal or cancellation at any time prior to the Long Stop Date;
- (e) the Shares remaining listed on the Main Board of the Stock Exchange, and that the listing status of the Shares not being subject to or threatened with any revocation, suspension, withdrawal or cancellation at any time prior to the Long Stop Date; and
- (f) all necessary consents, approvals, authorisations, permissions, or confirmations to be obtained on the part of the Company in respect of the transactions contemplated under the Placing Agreement having been obtained.

The above conditions cannot be waived by any party to the Placing Agreement. If any one or more of the above condition is not satisfied or fulfilled by 5:00 p.m. on the Long Stop Date (i.e. 11 June 2026) (or such later date as the Company and the Placing Agent may agree in writing), all obligations and responsibilities of the Placing Agent and those of the Company hereunder shall cease and determine forthwith and no party to the Placing Agreement shall have any claim whatsoever against the other party in relation thereto save for any antecedent breach of the Placing Agreement and without prejudice to the accrued rights and liabilities of each party to the Placing Agreement.

Termination of the Placing

Under the Placing Agreement, if at any time between the execution of the Placing Agreement and at 5:00 p.m. on the Business Day immediately prior to the Completion Date, there occurs:

- (a) the introduction of any new law or regulation or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company;
- (b) the occurrence of any local, national or international event or change occurring after the date of the Placing Agreement of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudices the success of the Placing (such success being the completion of the placing of the Placing Shares to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing;
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs after the date of the Placing Agreement which materially and adversely affects the success of the Placing (such success being the completion of the placing of the Placing Shares to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing;
- (d) any material breach of or omissions or failures to observe any of its obligations or undertakings under the Placing Agreement by the Company comes to the knowledge of the Placing Agent which in the reasonable opinion of the Placing Agent would or would likely have a material adverse effect or would or would likely be materially adverse to the success of the Placing, or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith; or

- (e) any of the representations or warranties contained in the Placing Agreement was, when given or deemed to be repeated under the Placing Agreement, untrue or inaccurate in any material respect or would in any material respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing,

then the Placing Agent may, after consultation with the Company, upon giving notice to the Company terminate the Placing Agreement with immediate effect. Upon termination, the obligations of the Placing Agent shall cease and determine, and the Company shall not be liable to pay any commission without prejudice to the accrued rights and liabilities of the Parties shall forthwith cease and determine and no party to the Placing Agreement shall have any claim against the other party to the Placing Agreement for compensation, costs, damages or otherwise.

Completion

Completion will take place within ten (10) Business Day after the date on which all conditions as set out in the Placing Agreement are satisfied or such other date as agreed by the Company and the Placing Agent in writing.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is engaged in investment holding and the principal activities of the Group are provision of comprehensive mobile advertising solutions services and advertisement distribution services.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$70 million. The net proceeds, after deduction all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing, are estimated to be approximately HK\$68.9 million. The Company intends to use such net proceeds for the following purposes: (i) approximately HK\$24.1 million, or 35%, for technology upgrade in relation to AI short video production and AI advertising technology research and development; (ii) approximately HK\$37.9 million, or 55%, for business development of expansion of customer base by optimising media distribution network; and (iii) approximately HK\$6.9 million, or 10.0%, for the general working capital of the Group. The maximum net price raised per Share upon the Completion will be approximately HK\$0.689 per Share.

The Directors consider that the Placing represents an opportunity to raise additional funding for the business operations of the Group and will strengthen the Group's financial position, and enlarge shareholders' base of the Company which may in turn establish and strengthen the existing and future business of the Group, enhance the liquidity of the Shares, and provide working capital to the Group. The Directors consider that the terms of the Placing Agreement, which were arrived at after arm's length negotiations between the Company and the Placing Agent, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activities involving issue of its securities in the past twelve months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement and (ii) upon the Completion (assuming there is no change in the issued share capital of the Company between the date of this announcement and Completion) are set out below for illustration purpose:

	As at the date of this announcement		Immediately after the completion of the Placing	
	Number of shares	Approximate %	Number of shares	Approximate %
Substantial Shareholders				
Ka Lok Holdings Limited ("Ka Lok BVI") ⁽¹⁾	356,250,000	71.25	356,250,000	59.38
Quartet Yutong Holdings Limited ("Quartet Yutong BVI") ⁽²⁾	356,250,000	71.25	356,250,000	59.38
Remit Sheng Holdings Limited ("Remit Sheng BVI") ⁽³⁾	356,250,000	71.25	356,250,000	59.38
Public Shareholders				
Places	0	0	100,000,000	40.62
Other public Shareholders	143,750,000	28.75	143,750,000	40.62
Total	500,000,000	100.00	600,000,000	100.00

Notes:

- (1) Ka Lok BVI is owned as to (i) 57.77% by Quartet Yutong BVI, which is solely owned by Mr. Zhao Libing, our executive Director, (ii) 35.55% by Remit Sheng BVI, which is solely owned by Mr. Yu Canliang, our executive Director, (iii) 6.67% by Jing Sing Holdings Limited, which is solely owned by Ms. Shu Qing,, our executive Director and the spouse of Mr. Yu, and (iv) 0.01% by Jiang Oofy BVI, which is solely owned by Mr. Nie Jiang, our executive Director. By virtue of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), (i) each of Quartet Yutong BVI and Mr. Zhao and (ii) each of Remit Sheng BVI and Mr. Yu are deemed to be interested in all the Shares held by Ka Lok BVI.
- (2) Ka Lok BVI is owned as to 57.77% by Quartet Yutong BVI, which is in turn solely owned by Mr. Zhao. By virtue of the SFO, each of Quartet Yutong BVI and Mr. Zhao is deemed to be interested in the Shares in which Ka Lok BVI is interested.

- (3) Ka Lok BVI is owned as to 35.55% by Remit Sheng BVI, which is in turn solely owned by Mr. Yu. By virtue of the SFO, each of Remit Sheng BVI and Mr. Yu is deemed to be interested in the Shares in which Ka Lok BVI is interested.

The Completion is subject to the fulfilment of the condition set forth in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares and other securities of the Company.

DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than any Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout normal business hours
“Company”	Lesi Group Limited, an exempted company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“Completion”	Completion of the Placing in accordance with the terms and conditions as set out in the Placing Agreement
“Completion Date”	the date of completion of transactions contemplated under the Placing Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by an ordinary resolution passed by the Shareholders at the annual general meeting of the Company held on 16 June 2025, pursuant to which the Company has been authorised to allot, issue and deal with up to 100,000,000 new Shares, being 20% of the then issued share capital of the Company as at the date of passing such resolution

“Group”	the Company and its subsidiaries from time to time
“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
“Independent Third Party”	a third party who is independent of and not connected with the Company and its subsidiaries and not otherwise a connected person of the Company
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	11 June 2026 or such later date as the Parties may agree in writing
“Placee(s)”	any professional, institutional or other investor whom the Placing Agent has procured to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placement of Placing Shares to the Placees at the Placing Price in accordance with the Placing Agreement
“Placing Agent”	Uzen Securities Limited
“Placing Agreement”	the Placing Agreement entered into between the Company and the Placing Agent dated 21 May 2026 in respect of the Placing
“Placing Price”	HK\$0.700 per Placing Share
“Placing Share(s)”	100,000,000 new Shares to be issued by the Company and to be placed pursuant to the Placing Agreement
“Share(s)”	ordinary share(s) of US\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“substantial shareholder(s)” has the meaning ascribed to it under the Listing Rules

“%” per cent.

By Order of the Board
Lesi Group Limited
Zhao Libing
Chairman of the Board

Hong Kong, 21 May 2026

As at the date of this announcement, the executive Directors are Mr. Zhao Libing, Mr. Yu Canliang, Mr. Nie Jiang and Ms. Shu Qing; the non-executive Director is Ms. Chang Qing; and the independent non-executive Directors are Mr. Lu Yao, Ms. Zheng Hong and Mr. Hu Hui.