Imperium Technology Group Limited
帝國科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0776)

29 July 2026

To the Qualifying Shareholders, and for information purpose only, the Non-Qualifying Shareholders

Dear Sir or Madam,

PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON RECORD DATE ON A NON-UNDERWRITTEN BASIS

INTRODUCTION

References are made to the Announcement and the clarification announcement dated 23 June 2026 in relation to, among other matters, the Rights Issue, and the announcements of the Company dated 26 June 2026 and 14 July 2026 in relation to the revised timetable in relation to the Rights Issue.

On 22 June 2026, the Company resolved to propose to raise gross proceeds of up to approximately HK$42.55 million by way of the issue of up to 223,945,850 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date), at the Subscription Price of HK$0.19 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$40.55 million (assuming no change in the number of Shares in issue on or before the Record Date).

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares and will not be extended to the Non-Qualifying Shareholder(s) (if any).

The purpose of this prospectus is to provide you with, among other things, (i) further details of the Rights Issue, including the procedures for acceptance of the Rights Shares provisionally allotted to the Qualifying Shareholders; (ii) financial information of the Group; (iii) unaudited pro forma financial information of the Group; and (iv) other information of the Group.

PROPOSED RIGHTS ISSUE

On 22 June 2026, the Company resolved to propose to raise gross proceeds of up to approximately HK$42.55 million by way of the issue of up to 223,945,850 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date), at the Subscription Price of HK$0.19 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$40.55 million (assuming no change in the number of Shares in issue on or before the Record Date).

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$0.19 per Rights Share

Number of Shares in issue as at the Latest Practicable Date:	447,891,700 Shares
Number of Rights Shares to be issued pursuant to the Rights Issue:	Up to 223,945,850 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):	Up to 671,837,550 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)
Amount to be raised before expenses:	Approximately HK$42.55 million
Rights of excess application and underwriter:	There will be no excess application arrangements in relation to the Rights Issue and the Rights Issue is not underwritten

As at the Latest Practicable Date, there are 447,891,700 Shares in issue and outstanding Options in respect of 4,732,432 Shares. The respective exercise prices of the outstanding Options are set out below:

Exercise price (HK$ per Share)	**Number of outstanding Options**
17.14	3,110,360
11.04	1,622,072

All Options were granted under the 2018 Share Option Scheme and are vested and exercisable. No Options have been granted under the 2025 Share Option Scheme and the Company does not intend to grant any Options on or before the Record Date.

Save as disclosed, as at the Latest Practicable Date, the Company had 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.

As at the Latest Practicable Date, 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 maximum number of 223,945,850 Rights Shares proposed to be provisionally allotted and issued pursuant to the Rights Issue represent approximately 50% of the existing issued share capital of the Company as at the Latest Practicable Date; and will represent approximately 33.33% of the entire 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. 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.

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 of the Shares (with the relevant share certificates) must be lodged for registration with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Tuesday, 7 July 2026. The last day for dealing in the Shares on a cum-rights basis is Friday, 3 July 2026.

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, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, 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.

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 reasonably practicable, send this prospectus to the Non-Qualifying Shareholders for information purposes only but will not send any PAL to them.

Rights of the Overseas Shareholders

As at the Latest Practicable Date, based on the register of members of the Company, the Overseas Shareholder was one Shareholder holding 1,448,000 Shares, representing approximately 0.32% of the entire issued share capital of the Company, located in Macau.

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. 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 Company has, in compliance with Rule 13.36(2)(a) of the Listing Rules, made reasonable enquiries of the legal requirements regarding the feasibility of extending the Rights Issue to the Overseas Shareholders.

The Company has obtained advice from legal advisers in Macau, and has been advised that under the applicable legislations of these jurisdictions, there is no legal restrictions under the laws of or the requirements of the relevant regulatory bodies or stock exchange in Macau in respect to the offer of the Rights Shares to the Overseas Shareholder with registered address in such jurisdiction as at the Latest Practicable Date. As such, the Directors have decided to extend the Rights Issue to the Overseas Shareholder having registered address in Macau and such Overseas Shareholder is considered as Qualifying Shareholder.

Notwithstanding any other provision in this prospectus or any other Prospectus Documents, the Company reserves the right to permit any Shareholder (whether as a direct holder or beneficial owner) whose registered address is in, or who otherwise resides in, a jurisdiction other than Hong Kong to take up Rights Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations in that jurisdiction which would otherwise give rise to restrictions upon the offer or take-up of Rights Shares in that jurisdiction and treat as invalid any acceptances of or applications for the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction.

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 offered for subscription by the Placing Agent to the Placees under the Placing.

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.

The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Non-Qualifying Shareholders should exercise caution when dealing in the Shares.

Closure of register of members of the Company

The register of members of the Company has been closed from Wednesday, 8 July 2026 to Tuesday, 14 July 2026 (both days inclusive) for determining the entitlements to the Rights Issue during which period no transfer of Shares will be registered.

Distribution of the Prospectus Documents

The Prospectus Documents are not intended to be, have not been and will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. The Company will only send this prospectus accompanied by the other Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date. However, to the extent reasonably practicable and legally permitted, the Company will send this prospectus, for information purposes only, to the Non-Qualifying Shareholders (if any). The Company will not send any PALs to the Non-Qualifying Shareholders (if any).

Distribution of this prospectus and the other Prospectus Documents into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of the Prospectus Documents (including, without limitation, Shareholders and beneficial owners of the Shares, agents, custodians, nominees and trustees) should inform themselves of and observe any such restriction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. Any Shareholder or beneficial owner of the Shares who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay.

Receipt of this prospectus and/or a PAL or the crediting of nil-paid Rights Shares to a stock account in CCASS does not and will not constitute an offer in any jurisdiction in which it would be illegal to make an offer and, in those circumstances, this prospectus and/or a PAL must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, agents, custodians, nominees and trustees) who receive a copy of this prospectus and/or a PAL or whose stock account in CCASS is credited with nil-paid Rights Shares should not, in connection with the Rights Issue, distribute or send the same in, into or from, or transfer the nil-paid Rights Shares to any person in, into or from, any such jurisdiction. If a PAL or a credit of nil-paid Rights Shares in CCASS is received by any person in any such territory, or by his/her/its agent or nominee, he/she/it should not seek to take up the rights referred to in the PAL or transfer the PAL or transfer the nil-paid Rights Shares in CCASS unless the Company determines that such action would not violate any applicable legal or regulatory requirements. The Company reserves the right to refuse to permit any Shareholder to take up his/ her/its nil-paid Rights Shares where it believes that doing so would violate the Listing Rules or any applicable securities legislation or other laws or regulations of any jurisdiction.

Any person (including, without limitation, agents, custodians, nominees and trustees) who does forward this prospectus or a PAL in, into or from any such jurisdiction (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

No part of the Prospectus Documents should be published, reproduced, distributed or otherwise made available in whole or in part to any other person without the written consent of the Company.

Beneficial owners of the Shares who reside outside Hong Kong should note that the Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid or fully-paid Rights Shares or to take up any entitlements to nil-paid or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.

It is the responsibility of the relevant beneficial owners and/or their respective agents, custodians, nominees or trustees wishing to make an application for the Rights Shares to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including obtaining any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith.

Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) existing Shares in issue and 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 for all or any part of a Qualifying Shareholder's provisional allotment should be made only by lodging a duly completed PAL with a remittance for the Rights Shares being applied for with the Registrar by the Latest Time for Acceptance. Any holdings (or balance of holdings) of less than two (2) Shares will not entitle their holders to be provisionally allotted a Rights Share. Please refer to the arrangement as referred to in the paragraph headed "Fractions of Rights Shares" below.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully-subscribed, any Unsubscribed Rights Shares will be placed to independent Placees on a best effort basis by the Placing Agent under the Compensatory Arrangements. Any Unsubscribed Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the

Company and the size of the Rights Issue will be reduced accordingly. There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, any Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur a GO Obligation. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken-up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger a GO Obligation on the part of the relevant Shareholder in accordance with the note to Rule 7.19(5)(b) of the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Undertakings

The Company has not received any information or irrevocable undertaking from any Shareholders of their intention to take up the Rights Shares to be provisionally allotted to them under the Rights Issue as at the Latest Practicable Date.

Subscription Price

The Subscription Price is HK$0.19 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares, or where applicable, when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

(i) a discount/premium of approximately 42.42% to/over the closing price of HK$0.33 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 66.67% to the closing price of HK$0.57 per Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 67.24% to the average of the closing price of approximately HK$0.58 per Share for the last five trading days as quoted on the Stock Exchange up to and including the Last Trading Day;

(iv) a discount of approximately 67.24% to the average closing price of approximately HK$0.58 per Share for the last five trading days as quoted on the Stock Exchange immediately prior to the Last Trading Day;

(v) a discount of approximately 67.24% to the average closing price of approximately HK$0.58 per Share for the last ten trading days as quoted on the Stock Exchange up to and including the Last Trading Day;

(vi) a discount of approximately 57.78% to the theoretical ex-rights price of approximately HK$0.45 per Share, based on the average of closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the Announcement of approximately HK$0.58 per Share; and

(vii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 22.41%, represented by the theoretical diluted price of approximately HK$0.45 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$0.57 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 of the Announcement of approximately HK$0.58 per Share) of approximately HK$0.58 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$0.18 (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$2,239,458.50 (assuming no change in the number of Shares in issue on or before the Record Date).

The Subscription Price was determined by the Company with reference to, among others, (i) the recent closing prices of the Shares; (ii) prevailing market conditions and financial position of the Group; (iii) the amount of funds the Company intends to raise under the Rights Issue; and (iv) the reasons as discussed in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" below in this prospectus.

The Directors reviewed the daily closing prices of the Shares during the 12-month period from 23 June 2025 and up to and including the Last Trading Day (the "**Review Period**"). During this period, the Shares recorded (i) a highest closing price of HK$1.642 on 6 October 2025; and (ii) a lowest closing price of HK$0.438 on 15 June 2026. The Directors noted the closing price had gradually declined from the highest closing price on 6 October 2025 until the Last Trading Day, which may have reflected the market evaluation on the recent business performance of the Group as well as the recent market sentiment and considered it appropriate to determine the Subscription Price with reference to the downward trend together with the closing prices in the most recent period.

In addition, the Directors have also reviewed the trading liquidity of the Shares during the Review Period in determining the Subscription Price. The following table sets out the trading volume of the Shares during the Review Period:

Trading volume of the Shares during the Review Period

Month/Period	**Total trading volume** *(No. of Shares)*	**Number of trading days**	**Average daily trading volume of the Shares** *(No. of Shares)*	**Average daily trading volume as a percentage of the total number of Shares in issue (Note)** *(%)*
2025				
June (from 23 June 2025)	22,663,953	6	3,777,326	0.56
July	17,451,837	22	793,265	0.12
August	53,546,988	21	2,549,857	0.38
September	40,254,253	22	1,829,739	0.27
October	83,194,552	20	4,159,728	0.62
November	39,814,511	20	1,990,726	0.30
December	39,943,438	21	1,902,068	0.28
2026				
January	35,385,475	21	1,685,023	0.25
February	17,440,120	17	1,025,889	0.15
March	11,022,516	22	501,023	0.07
April	6,894,190	19	362,852	0.05
May	43,231,927	19	2,275,365	0.34
June (up to 22 June 2026)	47,819,423	15	3,187,962	0.47

Source: the website of the Stock Exchange (www.hkex.com.hk)

Note: The calculation is based on the average daily trading volume of the Shares divided by the total issued share capital of the Company as at the Last Trading Day (i.e. 671,837,550 Shares).

As illustrated in the table above, the average daily trading volume for the respective month/period during the Review Period ranged from 362,852 to 4,159,728 Shares, representing 0.05% to approximately 0.62% of the total number of issued Shares as at the Last Trading Day. The trading liquidity of the Shares during the Review Period was below 1% of the total number of issued Shares as at the Last Trading Day and is considered thin.

The exhaustive list of premium/(discount) of the subscription price to the closing price on the respective last trading day as disclosed by 22 companies listed on the Stock Exchange (the "**Comparable Cases**" as listed below) in recent proposed rights issue in the market three months prior to the Announcement, which the Directors consider such period ensures both the sufficiency of the sample size and represents a reliable reflection of the prevailing market sentiment, are as follows:

Date of announcement	Company name	Stock code	Basis of entitlement	Maximum dilution of shareholding	Premium/ (discount) of subscription price per rights issue share over the closing price per share on the last trading day prior to announcement of rights issue	Premium/ (discount) of subscription price per rights issue share over the average of the closing price per share for the last five trading days as quoted on the Stock Exchange up to and including the Last Trading Day	Theoretical dilution effect	Placing commission	Minimum placing commission
				(Note 2)			*(Note 3)*	*(Note 4)*	
				%	%	%	%	%	*HK$*
24 March 2026	Alco Holdings Limited	328	4 for 1	80.00	(20.3)	(24.2)	21.0	1.5	No
26 March 2026	Zhongshen Jianye Holding Limited	2503	2 for 1	66.67	(33.63)	(35.18)	23.45	0.5	No
27 March 2026	China Health Technology Group Holding Company Limited	1069	2 for 1	66.67	(20.63)	(19.35)	13.76	4	No
14 April 2026	FEG Holdings Corporation Limited	1413	1 for 2	33.33	(28.67)	(31.63)	11.25	1	No

Date of announcement	Company name	Stock code	Basis of entitlement	Maximum dilution of shareholding *(Note 2)* %	Premium/(discount) of subscription price per rights issue share over the closing price per share on the last trading day prior to announcement of rights issue %	Premium/(discount) of subscription price per rights issue share over the average of the closing price per share for the last five trading days as quoted on the Stock Exchange up to and including the Last Trading Day %	Theoretical dilution effect *(Note 3)* %	Placing commission *(Note 4)* %	Minimum placing commission *HK$*
16 April 2026	Pa Shun International Holdings Limited	574	1 for 2	33.33	(72.88)	(69.04)	24.29	1	No
17 April 2026	Hong Wei (Asia) Holdings Company Limited	8191	4 for 1	80.00	(16.13)	(10.47)	12.9	1	No
21 April 2026	China Information Technology Development Limited	8178	1 for 2	33.33	(24.4)	(25.6)	9.5	1	No
22 April 2026	Xinming China Holdings Limited	2699	6 for 1	85.71	(20.0)	(20)	17.14	2	No
27 April 2026	Tasty Concepts Holding Limited	8096	3 for 2	60.00	(16.7)	(16.7)	10.0	3	No
29 April 2026	Minerva Group Holding Limited	397	1 for 2	33.33	(19.1)	(17.7)	8.5	3.5	No
5 May 2026	Citychamp Watch & Jewellery Group Limited	256	1 for 3	25.00	31.6	29.2	N/A	1.5	300,000
12 May 2026	MTT Group Holdings Limited	2350	2 for 5	28.57	(64.29)	(65.01)	18.65	2.2	300,000
13 May 2026	V & V Technology Holdings Limited	8113	1 for 2	33.33	1.12	(5.88)	N/A	N/A	No
21 May 2026	MOG Digitech Holdings Limited	1942	1 for 2	33.33	(54.55)	(52.62)	18.98	1	No

Date of announcement	Company name	Stock code	Basis of entitlement	Maximum dilution of shareholding	Premium/ (discount) of subscription price per rights issue share over the closing price per share on the last trading day prior to announcement of rights issue	Premium/ (discount) of subscription price per rights issue share over the average of the closing price per share for the last five trading days as quoted on the Stock Exchange up to and including the Last Trading Day	Theoretical dilution effect	Placing commission	Minimum placing commission
				(Note 2)			*(Note 3)*	*(Note 4)*	
				%	%	%	%	%	*HK$*
26 May 2026	Harbour Digital Asset Capital Limited	913	3 for 2	60.00	(19.1)	(20.9)	12.8	3	No
28 May 2026	APAC Resources Limited	1104	1 for 2	33.33	(33.49)	(35.50)	11.87	N/A	No
29 May 2026	FDB Holdings Limited	1826	1 for 2	33.33	(20.6)	(1.2)	6.9	3.5	No
5 June 2026	Gaodi Holdings Limited	1676	1 for 2	33.33	(12.44)	(12.44)	4.31	0.75	No
11 June 2026	HK.AI Capital Limited	1140	1 for 2	33.33	(18.5)	(22.86)	8.2	0.25	No
15 June 2026	Asian Citrus Holdings Limited	73	3 for 1	75.00	(28.13)	(31.62)	23.86	1	100,000
17 June 2026	CMON Limited	1792	3 for 1	75.00	(14.74)	(19.8)	6.25	2.5	No
18 June 2026	China Wood International Holding Co., Limited	1822	1 for 1	50.00	(43.80)	(44.68)	22.42	1.5	No
	Maximum			85.71	31.6	29.2	24.29	4.00	
	Minimum			25.00	(72.88)	(69.04)	4.31	0.25	
	Average			49.36	(24.97)	(25.15)	14.30	1.79	
	Median			33.33	(20.45)	(21.88)	12.85	1.50	
	Company	**776**	**1 for 2**	**33.33**	**(66.67)**	**(67.24)**	**22.34**	**3**	**No**

Source: the website of the Stock Exchange (www.hkexnews.com.hk)

Notes:

1. Information shown in the above table has been extracted from the relevant announcements or circulars of the rights issue of the respective Comparable Cases, where applicable.

2. The potential maximum dilution effect of each rights issue is calculated as number of rights shares issued or to be issued under the basis of entitlement divided by the total number of shares as enlarged by the rights issue according to their respective basis of entitlements and assuming all rights shares have been/will be allotted and issued times 100%.

3. The theoretical dilution effect is calculated in accordance with Rule 7.27B of the Rules Governing the Listing of Securities on the Stock Exchange or Rule 10.44A of the GEM Listing Rules, or extracted from announcement, circular or prospectus in respect of the Comparable Cases.

4. "N/A" denotes that the subject rights issue was conducted without the involvement of any placing.

The subscription prices of the Comparable Cases relative to their respective closing prices on or before the last trading day ranged from a discount of approximately 72.88% to a premium of approximately 31.6%, with average and median discounts of approximately 24.97% and approximately 20.45%, respectively.

The subscription prices of the Comparable Cases in comparison to their respective average closing prices over the five trading days up to and including the last trading day ranged from a discount of approximately 69.04% to a premium of approximately 29.2%, with an average and median discount of approximately 25.15% and approximately 21.88%, respectively.

As a result, the discount of approximately 66.67% to the closing price of the Share on the Last Trading Day, and the discount of approximately 67.24% to the average closing Share price for the five trading days up to and including the Last Trading Day, fall within the established range of the Comparable Cases and above the average and median discount among the Comparable Cases.

Although the discount of the Subscription Price is above the average and median of the Comparable Cases, the discount falls within the range of the Comparable Cases and the Directors considered the deep discount is fair and reasonable after considering the following additional factors:

(i) the trading liquidity of the Shares during the Review Period was below 1% of the total number of issued Shares as at the Last Trading Day, as demonstrated above and is considered thin;

(ii) the Group was loss-making for the fifteen months ended 31 March 2026 and had recorded a net liabilities position as at 31 March 2026 (as further discussed below), a discount would provide a greater incentive for Qualifying Shareholders to participate in the Rights Issue and provide an opportunity to enable the Company to address its immediate funding needs and improve the financial position of the Group;

(iii) the dilution effect complies with the Listing Rules, despite the Subscription Price being at a relatively large discount to the closing price and the five day average of the closing prices;

(iv) the Rights Issue will be accessible to all Qualifying Shareholders, and their interests will not be adversely affected by the discount of the Subscription Price as long as they are afforded equal opportunity to participate and subscribe for the Rights Shares;

(v) Qualifying Shareholders who opt not to subscribe for their pro-rata entitlement of the Rights Shares may still derive economic benefits by selling their nil-paid Rights Shares in the market; and

(vi) the reasons for the Rights Issue as stated in the section headed "REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" below in this prospectus.

Considering the factors mentioned above, the Directors believe that the benefits of the Rights Issue outweigh the significant discount applied to the Subscription Price and a substantial discount would encourage greater participation in the Rights Issue. As a result, the Directors consider the substantial discount of the Subscription Price to be fair and reasonable and in the interest of the Company and the Shareholders.

The Directors also considered the current financial position and business performance of the Group. As disclosed in the second interim report of the Company for the twelve months ended 31 December 2025, the Group recorded a loss for the period of approximately HK$39.1 million for the twelve months ended 31 December 2025 and a net liabilities position of approximately HK$130.0 million as at 31 December 2025. As disclosed in the annual results announcement of the Company for the fifteen months ended 31 March 2026, the Group recorded a loss for the period of approximately HK$64.75 million and a net liabilities position of approximately HK$129.41 million as at 31 March 2026. As further elaborated in the section headed "REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS" below in this prospectus, the Group has been under liquidity pressures and faces an imminent need for financial resources to meet its business development and working capital needs. By setting a Subscription Price which is at a discount to the prevailing market price, the Board considers that this would provide sufficient incentive for, and encourage, the Qualifying Shareholders to participate in the Rights Issue (which allows the Qualifying Shareholders to maintain their proportional shareholdings in the Company and minimises the dilution impact), while providing an opportunity to enable the Company to address its immediate funding needs and improve the financial position of the Group.

In determining the Subscription Price, which represents a discount of approximately 66.67% to the closing price of the Shares 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 an unaudited net loss of approximately HK$39,114,000 for twelve months ended 31 December 2025 and an audited net loss of approximately HK$64,745,000 for the fifteen months ended 31 March 2026 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 AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS" below in this prospectus, 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.

As all Qualifying Shareholders are entitled to subscribe for the Rights Shares in the same proportion to his/her/its existing shareholding in the Company held on the Record Date, the Board considers that the discount of the Subscription Price would encourage the Qualifying Shareholders to take up their entitlements to maintain their shareholdings in the Company, thereby minimising possible dilution impact.

The Board considers that the Subscription Price is fair and reasonable and in the interest of the Company and the Shareholders as a whole, after taking into account the following factors:

(i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue are able to sell the nil-paid Rights Shares in the market;

(ii) the Qualifying Shareholders who choose to accept their provisional entitlements in full can maintain their respective existing shareholding interests in the Company after the Rights Issue; and

(iii) the Rights Issue affords the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a discount to the recent closing price.

Status of the 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.

Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Cheques and cashier orders

All cheques and cashier's orders accompanying completed PALs will be presented for payment immediately upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order in payment for the Rights Shares, whether by a Qualifying Shareholder or any nominated transferee, will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the accompanying cheque or cashier's order is dishonoured on first presentation, and in that event the relevant provisional allotment of Rights Shares and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. You must pay the exact amount payable upon application for Rights Shares, and any underpaid application will be rejected. In the event of an overpaid application, a refund cheque, without interest, will be made out to you only if the overpaid amount is HK$100 or above. No receipt will be issued in respect of any PAL and/or relevant remittance received.

Beneficial owners' instructions to their Intermediary

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or "split" their nil-paid Rights Shares by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their Intermediary and provide their Intermediary with instructions or make arrangements with their Intermediary in relation to the acceptance, transfer and/or "splitting" of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the "Expected Timetable" in this prospectus and otherwise in accordance with the requirements of their Intermediary in order to allow their Intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or "splitting" in these cases shall be in accordance with the General Rules of HKSCC, the HKSCC Operational Procedures and any other applicable requirements of CCASS.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on or about Wednesday, 2 September 2026 by ordinary post to the allottees, at their own risk, to their registered addresses. If the Rights Issue does not become unconditional, refund cheques will be posted on or before Wednesday, 2 September 2026 by ordinary post to the respective Shareholders, at their own risk, to their registered addresses. One share certificate will be issued for all the Rights Shares allotted to an applicant.

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.

Procedures for acceptance, splitting of PAL and payment or transfer

A PAL is a form of temporary document of title and will be despatched in printed form to the Qualifying Shareholder(s) which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong by not later than 4:00 p.m. on Wednesday, 12 August 2026 (or, under bad weather conditions, such later time and/or date as mentioned in the section headed "Effect of Bad Weather on the Latest Time For Acceptance of and

Payment for the Rights Shares" in the "Expected Timetable" in this prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "**TRICOR INVESTOR SERVICES LIMITED — CLIENT A/C NO. 088**" and crossed "ACCOUNT PAYEE ONLY". It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Wednesday, 12 August 2026, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require the relevant person(s) to complete the incomplete PAL at a later stage. Qualifying Shareholder(s) must pay the exact amount payable upon application for Rights Shares, and any underpaid application will be rejected.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer part or all of their rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Tuesday, 4 August 2026 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day following the surrender of the original PAL. This process is commonly referred to as "splitting" of nil-paid Rights Shares. It should be noted that Hong Kong ad valorem stamp duty is payable in connection with a transfer of rights to subscribe for the Rights Shares. The PAL contains the full information regarding the procedures to be followed for Qualifying Shareholders who wish to: (i) accept their provisional allotment in full; (ii) accept only part of their provisional allotment; or (iii) renounce/transfer all or part of their provisional allotment to other party/parties. Qualifying Shareholders are advised to study the procedures set out in the PAL carefully. If any of the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" in this "Letter from the Board" of this prospectus is not fulfilled at or prior to the respective time stipulated therein or such later date as may be considered by the Company, the Rights Issue will not proceed. Under such circumstances, the monies received in respect of application for the Rights Shares will be returned to the relevant applicants or, in the case of joint applicants, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Wednesday, 2 September 2026.

Application for listing

The Company has applied 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 the board lots of 5,000 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 nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of 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.

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

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to independent Placees for the benefit of the relevant No Action Shareholders and Non-Qualifying Shareholders. As the Compensatory Arrangements are in place, there will be no excess application arrangements in relation to the Rights Issue.

The Company has appointed the Placing Agent to place the Unsubscribed Rights Shares after the Latest Time for Acceptance to independent Placees, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the commission and expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing, being the Net Gain, will be paid to the relevant No Action Shareholders and Non-Qualifying Shareholders in the manner set out below. The Placing Agent will procure, by not later than 4:00 p.m. on Wednesday, 26 August 2026, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares at a price not less than the Subscription Price. Any Unsubscribed Rights Shares remain which are not placed after completion of the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Net Gain (if any but rounded down to the nearest cent) will be paid on a pro-rata basis to the relevant No Action Shareholders and Non-Qualifying Shareholders as set out below:

(i) for No Action Shareholders, the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for, and where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL and where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those nil-paid rights in CCASS; and

(ii) for Non-Qualifying Shareholders, the relevant Non-Qualifying Shareholders whose name and address appeared on the register of members of the Company on the Record Date with reference to their shareholdings in the Company on the Record Date.

It is proposed that if the Net Gain to any of the No Action Shareholder(s) and Non-Qualifying Shareholder(s) mentioned above (i) is more than HK$100, the entire amount will be paid to them; or (ii) is HK$100 or less, such amount will be retained by the Company for its own benefit.

THE PLACING AGREEMENT

On 22 June 2026 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has agreed to procure Placee(s) to subscribe for the Unsubscribed Rights Shares. Further details of the Placing Agreement are set out below:

Date:	22 June 2026 (as amended and supplemented by the extension letters dated 26 June 2026 and 24 July 2026)

Placing agent:	Advent Securities (Hong Kong) Limited was appointed as the placing agent to place, or procure, on a best effort basis, the placing of, up to 223,945,850 Unsubscribed Rights Shares (assuming no Shares being issued or bought back by the Company on or after the date of the Placing Agreement and on or before the Record Date) to the Placee(s). The Placing Agent and its ultimate beneficial owners are Independent Third Parties. The Placing Agent has also undertaken that before it engages sub-placing agent(s) to place the Unsubscribed Rights Shares, it will confirm with the Company and such sub-placing agent(s) that these sub-placing agent(s) and their ultimate beneficial owners are Independent Third Parties.
Placing commission:	The Company shall pay to the Placing Agent a placing commission of 3% of the amount which is equal to the placing price multiplied by the total number of the Unsubscribed Rights Shares which are successfully placed by the Placing Agent. The Company shall also be responsible for all costs and expenses reasonably incurred in connection with or arising out of the Placing.
Placing price of the Unsubscribed Rights Shares:	The placing price of the Unsubscribed Rights Shares shall be not less than the Subscription Price. The final price will be determined based on the demand for the Unsubscribed Rights Shares and market conditions at the time of placement.

Placees:	The Placing Agent undertakes to use its best endeavour to procure that (i) the Unsubscribed Rights Shares shall only be placed to institutional, corporate or individual investor(s) who and whose ultimate beneficial owner(s) shall be Independent Third Parties; (ii) the Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and (iii) the Company will continue to comply with the Public Float Requirement upon completion of the Placing and the Rights Issue.
Ranking of Unsubscribed Rights:	The Unsubscribed Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue.
Placing conditions:	The Placing is subject to and conditional upon (i) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Rights Shares; (ii) the Rights Issue having become unconditional; (iii) the representations and warranties of the Company in the Placing Agreement remaining true and accurate in all material respects and none of the undertakings of the Company in the Placing Agreement having been breached in any material respects; (iv) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and (v) the Placing Agreement not having been terminated in accordance with the provisions thereof.
Completion date of the Placing:	Wednesday, 2 September 2026 or such other date as the Company and the Placing Agent may agree.

The engagement between the Company and the Placing Agent (including the commission and expenses payable) was determined after arm's length negotiation between the Placing Agent and the Company and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market conditions.

The Board considers that the terms of Placing Agreement (including the commission and expenses payable) are on normal commercial terms and are in the best interest of the Company and the Shareholders as a whole. As explained above, the Unsubscribed Rights Shares will be placed by the Placing Agent to Independent Third Parties on a best effort basis for the benefits of the No Action Shareholders. If all or any of the Unsubscribed Rights Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders.

The Company will ensure that it will continue to comply at all times with the Public Float Requirement after the Rights Issue and the Placing. After the Placing Period, it is expected that none of the Placees will become a substantial Shareholder. If any of the Placees will become a substantial Shareholder after completion of the Placing and Rights Issue, further announcement(s) will be made by the Company.

The Board considered that the Compensatory Arrangements are fair and reasonable and provide adequate safeguard to protect the best interests of the Company's minority Shareholders since:

(i) the arrangements are in compliance with the requirements under Rule 7.21(1)(b) of the Listing Rules under which the No Action Shareholders may be compensated even if they do nothing (i.e. neither subscribe for Rights Shares nor sell their nil-paid rights) because under the arrangements, the Unsubscribed Rights Shares will be first offered to Independent Third Parties and any premium over the Subscription Price will be paid to the No Action Shareholders. The commission payable to the Placing Agents and the related fees and expenses in relation to such placing will be borne by the Company;

(ii) the Compensatory Arrangements (including the determination of the placing price) will be managed by the Placing Agent which is licensed and subject to the stringent code of conduct over, among others, pricing and allocation of the Shares subject to the Placing. The terms and the conditions of the Placing Agreement (including the placing commission) are normal commercial terms and are in the best interest of the Company and the Shareholders as a whole; and

(iii) the Compensatory Arrangements would provide (a) a distribution channel of the Shares subject to the Placing to the Company; (b) an additional channel of participation in the Rights Issue for the Qualifying Shareholders and the Non-Qualifying Shareholders; and (c) a compensatory mechanism for the No Action Shareholders and the Non-Qualifying Shareholders. Besides, the Rights Issue will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company. As such, the Board considered that the absence of excess application arrangement is acceptable.

Conditions of the Rights Issue

The completion of the Rights Issue is conditional upon:

(i) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms) by no later than the first day of their dealings;

(ii) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one duly certified 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) and otherwise in compliance with the Listing Rules and the Companies (WUMP) Ordinance not later than the Posting Date;

(iii) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of this 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;

(iv) 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;

(v) the Placing Agreement not being terminated pursuant to the terms thereof and remains in full force and effect; and

(vi) compliance with the requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands.

None of the above conditions precedent is capable of being waived. In the event that the above conditions precedent have not been satisfied on or before the Latest Time for Termination, all liabilities of the Company shall cease and determine and no party shall have any claim against the other party.

As at the Latest Practicable Date, none of the conditions above has been satisfied.

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

EFFECT OF THE RIGHTS ISSUE ON SHAREHOLDINGS IN THE COMPANY

The table below set out the shareholding structures of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue assuming all Rights Shares are subscribed for by the Qualifying Shareholders in full; (iii) immediately after completion of the Rights Issue assuming only the connected persons of the Company subscribed for the Rights Shares and all the remaining Rights Shares are placed by the Placing Agent; and (iv) immediately after completion of the Rights Issue assuming none of the Rights Shares are subscribed for by the Qualifying Shareholders and all the remaining Rights Shares are placed by the Placing Agent.

The changes in the shareholding structure of the Company arising from the Rights Issue are as follows (assuming there is no other change in the number of Shares in issue on or before the completion of the Rights Issue) for illustrative purposes only:

Shareholders	As at the Latest Practicable Date		Immediately after completion of the Rights Issue assuming all Rights Shares are subscribed for by the Qualifying Shareholders in full		Immediately after completion of the Rights Issue assuming only the connected persons of the Company subscribed for the Rights Shares and all the remaining Rights Shares are placed by the Placing Agent		Immediately after completion of the Rights Issue assuming none of the Rights Shares are subscribed for by the Qualifying Shareholders and all the remaining Rights Shares are placed by the Placing Agent	
	Number of issued Shares	*Approximate %*	*Number of issued Shares*	*Approximate %*	*Number of issued Shares*	*Approximate %*	*Number of issued Shares*	*Approximate %*
Bluemount Investment Fund SPC[1]	1,900,000	0.43	2,850,000	0.48	2,850,000	0.42	1,900,000	0.28
Artus Capital Limited[2]	72,888,488	16.27	109,332,732	16.27	109,332,732	16.27	72,888,488	10.85
Placees	—	—	—	—	186,551,606	27.77	223,945,850	33.33
Public Shareholders	373,103,212	83.30	559,654,818	83.30	373,103,212	55.54	373,103,212	55.54
Total	**447,891,700**	**100.00**	**671,837,550**	**100.00**	**671,837,550**	**100.00**	**671,837,550**	**100.00**

Notes:

(1) Bluemount Investment Fund SPC is wholly owned by Mr. Yeung Tong Seng Terry, an executive Director.

(2) Artus Capital Limited is wholly owned by Mr. Kelvin Boon Kian Chng.

(3) The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

Shareholders and potential investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

Based on the public information available to the Board, as at the Latest Practicable Date, the Company's public float complies with the Public Float Requirement. To the best of the Directors' knowledge, information and belief, the Company will still meet the Public Float Requirement upon the completion of the Rights Issue.

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

The Company is an investment holding company and the Group is principally engaged in (i) marketing and operation of mobile games and computer games and sale of non-fungible tokens (NFTs) and other digital tokens; (ii) provision of cloud computing and data storage solutions to customers; and (iii) participating in esports competitions, streaming and marketing events and merchandise sales exports.

As disclosed in the annual results announcement of the Company for the fifteen months ended 31 March 2026, the Group recorded an audited net loss of HK$64,745,000 for the fifteen months ended 31 March 2026, audited net liabilities of HK$129,412,000, while the cash and bank balances was HK$7,027,000 as at 31 March 2026.

As it has become crucial for the Company to be able to raise funds as soon as possible to meet its business development and working capital needs, after considering (i) the business development strategies of the Group to further develop its online game business and esports business consistent with the disclosure in the Group's annual results announcement for the fifteen months ended 31 March 2026 dated 29 June 2026, whereby the segment revenue for these two segments of the Company has recorded considerable increases. For its online game business, the Group intends to develop marketing plans in respect of "Jiuyin Zhenjing"《九陰真經》to retain customers and coordinate with game developers to modernise the title and renew the licence, continue to integrate artificial intelligence and machine learning algorithms in order to enhance competitiveness of its online game business and at the same time identify new games in the market for publishing. For its esports business, the Group will continue to enhance the performance of its teams for participation in core leagues with growth potentials and significant reward pools and monitor the popularity of newly released game titles to assess the likelihood of the establishment of sizeable leagues by the organisers with a view of identifying new growth opportunities; (ii) the current financial position of the Group of net liabilities of HK$129,412,000 as at 31 March 2026; (iii) the benefits and cost of alternative fundraising means as set out in the paragraphs below; and (iv) the importance of the fundraising exercise to the Company to satisfy its pressing financial needs for business development, the Directors consider that the Rights Issue will enable the Group to raise the necessary funds in a timely manner, which is in the interests of the Company and the Shareholders as a whole.

Assuming that there is no change in the number of issued Shares on or before the Record Date and all Rights Shares to be issued under the Rights Issue have been taken up in full, the gross proceeds from the Rights Issue will be approximately HK$42.55 million. The net proceeds from the Rights Issue after deducting the estimated expenses in relation to the Rights Issue are estimated to be up to approximately HK$40.55 million. As such, based on the unaudited consolidated management accounts of the Company as at 31 March 2026, the cash and cash equivalents of the Group would amount to approximately HK$47.58 million upon completion of the Rights Issue, representing approximately 33.27% of the total assets of the Group enlarged by the net proceeds from the Rights Issue.

The Company intends to apply the net proceeds from the Rights Issue as follows:

(i) as to approximately HK$9.33 million (representing approximately 23.01% of the total net proceeds) for supporting its online game business including approximately HK$4.83 million for conducting marketing activities for "Jinyin Zhenjing"《九陰真經》, an online game that the Group has distributed in the South Asia region for over 9 years, such as advertising and conducting promotional activities to increase number of players of the online games, as the Group is currently finalising a plan with the game licensors to provide an updated version targeted to be launched in the second half of 2026, and approximately HK$4.50 million for sourcing and obtaining licenses for new online games developed externally for publication. The Company plans to obtain one new online game license in South East Asia and is currently in negotiation with game developers in the PRC. The Company has obtained several proposals from game developers and is currently undertaking the relevant market researches;

(ii) as to approximately HK$6.22 million (representing approximately 15.34% of the total net proceeds) for supporting its esports business including approximately HK$4.00 million for hosting activities to enlarge fanbase, such as hosting community watch parties, promotional activities for dedicated mobile apps to incentivise fans loyalty and promotional activities for the launch of exclusive content on platform such as Twitch and humanising players via behind-the-scenes social media content, approximately HK$1.2 million for recruiting internal designers or collaborating with external designers for production of esports related merchandise, such as peripheral products for promotion of the Nova "NV" brand name targeted at esports fans, including cups, clothing items and accessories; and approximately HK$1.02 million for procuring new esports players and provide training for new and existing players; and

(iii) as to approximately HK$25.00 million (representing approximately 61.65% of the total net proceeds) for the general working capital of the Group, including approximately HK$19.00 million for directors' remuneration and staff expenses of the Group in order to remain competitive in the market so as to retain its current talents and experienced staff for the operation of online games and esports game activities, especially in light of the disclaimer of opinion issued by the auditors in the annual results announcement of the Company for the fifteen months ended 31 March 2026 dated 29 June 2026, as the Group intends to demonstrate to its current talents and experienced staff the confidence of the Group to remain sufficiently funded to provide them with a stable working environment; approximately HK$3.00 million for office rental payments; and approximately HK$3.00 million for legal and professional fees, cost of consultancy services and other administrative expenses in the Group's daily operations.

The Company intends the net proceeds from the Rights Issue to be utilised by the end of September 2027.

The Company acknowledges that it has raised net proceeds of approximately HK$62.35 million from the placing of Shares under general mandate conducted in October 2025, which has not been fully utilised as at the Latest Practicable Date. The proceeds raised thereunder was allocated for the development of software to support the online game business and cryptocurrency business, including the designing and development of artificial intelligence and machine learning algorithms or online games business, and the development and enhancement of the Group's self-developed TokenTrend application, whereas the net proceeds from the Rights Issue shall be utilised for the promotion and relaunching of products and services incorporating the functions of the aforesaid newly developed software.

Despite the inherent dilutive nature of the Rights Issue in general if the Qualifying Shareholders do not take up their entitlements under the Rights Issue in full, it is the intention of the Company to set the Subscription Price at a discount to the current market price of the Shares so as to encourage the Shareholders to participate in the Rights Issue and reduce the possible dilution of approximately 33.3% to the shareholding of the existing Shareholders in case they decide not to take up their entitlements under the Rights Issue. Furthermore, the Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective shareholdings in the Company. Accordingly, the Directors are of the view that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole. However, those Qualifying

Shareholders who do not take up the Rights Shares to which they are entitled and Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Rights Issue.

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 (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.

POSSIBLE ADJUSTMENT TO THE SHARE OPTIONS UNDER THE SHARE OPTION SCHEMES

As at the Latest Practicable Date, there are outstanding Options in respect of 4,732,432 Shares granted by the Company pursuant to the 2018 Share Option Scheme, the Options are exercisable into 4,732,432 Shares, and the Company has not granted any Options under the 2025 Share Option Scheme.

Pursuant to the terms of the Share Option Schemes, the Rights Issue may lead to adjustments to, among others, the exercise price and/or the number of Shares to be issued upon exercise of the outstanding Options under the Share Option Schemes, provided that:

(i) pursuant to the 2018 Share Option Scheme, any such alterations shall be made on the basis that the grantee shall have the same proportion of the issued share capital of the Company to which he or she was entitled before such alteration and the aggregation subscription price payable by the grantee on the full exercise of any Option shall remain as nearly as possible the same as (but not greater than) it was before such event; and

(ii) pursuant to the 2025 Share Option Scheme, any such alterations must give the eligible participant the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that person was previously entitled.

For illustrative purposes only, set out below is the preliminary adjustment in relation to the outstanding Options upon completion of the Rights Issue, using the market price of the Share as at the Latest Practicable Date:

As at the Latest Practicable Date		**Immediately upon the completion of the Rights Issue**	
Number of Outstanding Options	**Exercise price per Share** *(HK$)*	**Adjusted exercise price per Share** *(HK$)*	**Adjusted number of Shares issuable on the exercise in full of the outstanding Options**
1,622,072	11.04	9.4788	1,889,237
3,110,360	17.14	14.7162	3,622,655

Note:

The method of adjustment of the exercise price per Share and the number of Shares on the exercise in full of the outstanding Options upon the completion of the Rights Issue:

Adjusted Exercise Price = Existing Options x (1/F)

Adjusted number of Share Options = Existing Options x F

Where

F = CUM/TEEP

CUM = Closing price as shown in the Daily Quotation Sheet of the Stock Exchange on the last day of trading before going Ex-Entitlement

TEEP (Theoretical Ex Entitlement Price) = (CUM + (M x R))/(1+M)

M = Entitlement per Share

R = Subscription Price

For illustrative purposes, assuming CUM is HK$0.33, M is 0.5, and R is HK$0.19, the TEEP would be calculated as HK$0.2833, resulting in an adjustment factor F of approximately 1.1647. Based on this, (i) an existing exercise price of HK$11.04 would be adjusted to HK$9.4788, and 1,622,072 outstanding Options would be adjusted to 1,889,237 Shares issuable upon full exercise; and (ii) an existing exercise price of HK$17.14 would be adjusted to HK$14.7162, and 3,110,360 outstanding Options would be adjusted to 3,622,655 Shares issuable upon full exercise.

The Company will notify the holders of such unexercised Options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made, if any, pursuant to the terms of the Share Option Schemes and such adjustment will be certified by an independent financial adviser or auditors of the Company (as the case may be).

Details of the outstanding Options as at the Latest Practicable Date are set out below:

Name	Title	Exercise price per Share (HK$)	Date of grant	Vesting period	Exercise period	Number of outstanding Options as at the Latest Practicable Date
Mr. Lin Junwei	Executive Director	11.04	28 September 2021	Vested on 28 September 2022 and 28 March 2023	155,518 Options from 28 September 2022 to 27 September 2031; and 155,518 Options from 28 March 2023 to 27 September 2031	311,036
Ms. Li Tingting	Executive Director	11.04	28 September 2021	Vested on 28 September 2022 and 28 March 2023	500,000 Options from 28 September 2022 to 27 September 2031; and 500,000 Options from 28 March 2023 to 27 September 2031	1,000,000

Name	Title	Exercise price per Share (HK$)	Date of grant	Vesting period	Exercise period	Number of outstanding Options as at the Latest Practicable Date
Mr. Yeung Tong Seng Terry	Executive Director	17.14	18 January 2022	Vested on 28 September 2022 and 28 March 2023	1,555,180 Options from 28 September 2022 to 27 September 2031; and 1,555,180 Options from 28 March 2023 to 27 September 2031	3,110,360
Mr. Luk Wai Keung	Senior management	11.04	28 September 2021	Vested on 28 September 2022 and 28 March 2023	155,518 Options from 28 September 2022 to 27 September 2031; and 155,518 Options from 28 March 2023 to 27 September 2031	311,036
					TOTAL:	**4,732,432**

Save as disclosed, as at the Latest Practicable Date, the Company had 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.

FUND RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS

Save as disclosed below, the Company did not raise any funds by issue of equity securities during the 12 months immediately preceding the Latest Practicable Date:

Date of announcement	Event	Net proceeds raised (approximately)	Proposed use of proceeds	Actual use of proceeds as at the Latest Practicable Date
2 October 2025	Placing of 74,648,500 new Shares under the general mandate granted to the Directors by a resolution of the Shareholders passed at the annual general meeting of the Company held on 27 June 2025	HK$62.35 million	(i) Approximately HK$30.35 million for supporting its existing businesses including its online game business and cryptocurrency business with direct and/or indirect investment in the development of AI technologies; (ii) approximately HK$22.00 million for a potential direct or indirect financial investment in an identified AI solution and service provider in the biotechnology and healthcare sector; and (iii) approximately HK$10.00 million for the general working capital of the Group	(i) Approximately HK$17.11 million for supporting its existing businesses including its online game business and cryptocurrency business with direct and or indirect investment in the development of AI technologies; (ii) approximately HK$15.00 million for a potential direct or indirect financial investment in an identified AI solution and service provider in the biotechnology and healthcare sector and (iii) approximately HK$10.00 million for the general working capital of the Group, all as intended. The unutilised balances are expected to be fully utilised by (i) end of August 2026; and (ii) end of November 2026, respectively.

CHANGE IN BOARD LOT SIZE

With effect from 9:00 a.m. on Wednesday, 15 July 2026 and as at the Latest Practicable Date, the Shares are traded on the Stock Exchange in the board lot size of 5,000 Shares.

Prior to 2 July 2026, the "Guide on trading Arrangements for Selected Types of Corporate Actions" stipulated that the value of each board lot shall be no less than HK$2,000. Under the enhanced board lot framework effective 2 July 2026, issuers of equity securities are required to comply with the board lot value floor guidance of HK$1,000. As at the Last Trading Day, based on the closing price per Share of HK$0.446, the market value of each previous board lot of 500

Shares is HK$223, which was below the then HK$2,000 threshold and the current HK$1,000 threshold, and the market value of each existing board lot of 5,000 Shares is HK$2,230. In order to increase the value of each board lot of the Shares in compliance with the trading requirements under the Listing Rules, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the board lot size of the Shares for trading on the Stock Exchange has been changed from 500 Shares to 5,000 Shares with effect from 9:00 a.m. on Wednesday, 15 July 2026. The Company considers that the change in board lot size can maintain the trading amount of each board lot at a reasonable level and attract more investors and broaden the shareholder base of the Company and is in the interests of the Company and its Shareholders as a whole.

The dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the board lots of 5,000 Rights Shares. Based on the theoretical ex-rights price of approximately HK$0.543 per Share, the market value of each board lot of 500 Shares is approximately HK$271.50 and the estimated market value of each board lot of HK$5,000 Shares is approximately HK$2,715.

As at the Latest Practicable Date, save as the Rights Issue and the Placing, the Company has no intention to carry out other corporate actions in the next twelve months which may have the effect of undermining or negating the intended purpose of the change in board lot size and the Company does not have any intention to conduct other fund-raising activities in the next twelve months. However, the Board cannot rule out the possibility that the Company will conduct any other debt and/or equity fund raising exercises when suitable fund-raising opportunities arise in order to support the operations and future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

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%, and the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to the approval of minority Shareholders in general meeting pursuant to Rule 7.19A(1) 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 Latest Practicable Date, 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.

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.

FURTHER INFORMATION

Your attention is drawn to the additional information set out in the appendices to this prospectus.

Yours faithfully,
For and on behalf of the Board
Imperium Technology Group Limited

Lin Junwei
Executive Director