WANJIA GROUP
萬嘉集團

WANJIA GROUP HOLDINGS LIMITED
萬嘉集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 401)

(I) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL; (II) PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE; AND (III) PLACING AGREEMENT UNDER THE COMPENSATORY ARRANGEMENTS

Financial Adviser to the Company

INCU

INCU Corporate Finance Limited

Placing Agent

京基證券集團
KINGKEY SECURITIES GROUP

Kingkey Securities Group Limited

Independent Financial Adviser to the Independent Board Committee and Independent Shareholders

八方 金融有限公司
OCTAL Capital Limited

Octal Capital Limited

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

The Board proposes to seek the approval by way of ordinary resolution at the EGM by Shareholders of an increase in its authorised share capital from HK$50,000,000 divided into 1,000,000,000 Shares to HK$100,000,000 divided into 2,000,000,000 Shares by creating an additional 1,000,000,000 unissued Shares.

PROPOSED RIGHTS ISSUE

Conditional upon the Increase in Authorised Share Capital becoming effective and the approval by the Independent Shareholders at the EGM, the Company proposes to implement the Rights Issue on the basis of one (1) Rights Share for every one (1) Share held on the Record Date at the Subscription Price of HK$0.08 per Rights Share, to raise not less than approximately HK$44.82 million before expenses (assuming no change in the number of Shares in issue on or before the Record Date), and not more than approximately HK$51.28 million before expenses (assuming 80,793,054 new Shares having been allotted and issued upon full exercise of the outstanding Share Options by the Option Holders on or before the Record Date) by way of issuing not less than 560,222,136 Rights Shares and not more than 641,015,190 Rights Shares. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to Excluded Shareholders.

The estimated net proceeds from the Rights Issue will be not less than approximately HK$40.82 million (assuming no change in the number of Shares in issue on or before the Record Date), and not more than approximately HK$47.28 million (assuming 80,793,054 new Shares having been allotted and issued upon full exercise of the outstanding Share Options by the Option Holders, on or before the Record Date). Details of the use of proceeds are set out in the section headed “Reasons for and Benefits of the Rights Issue and Use of Proceeds” in this announcement.

The Irrevocable Undertaking

Power King is the legal and beneficial owner of 156,862,198 Shares, representing approximately 28.00% of the entire issued share capital of the Company as at the date of this announcement. Power King has given an irrevocable undertaking in favour of the Company, (i) not to dispose of any of the 156,862,198 Shares registered in the name of Power King and to remain as the legal and beneficial owner of those 156,862,198 Shares up to and including the Record Date; and (ii) to subscribe for a total of 156,862,198 Rights Shares, representing its full entitlement under the Rights Issue, subject to the note to Rule 7.19(5)(b) of the Listing Rules in relation to the scaling down mechanism in case of an obligation to make a general offer being triggered under the Takeovers Code.

PLACING AGREEMENT UNDER THE COMPENSATORY ARRANGEMENTS

There will be no excess application arrangements in relation to the Rights Issue and the Rights Issue is not underwritten. Any Unsubscribed Rights Shares and ES Unsold Rights Shares will be placed to independent placees on a best effort basis under the Compensatory Arrangements. Any of the Rights Shares which remain unsold in the market 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 an obligation to make a general offer for the Shares under the Takeovers Code. 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 an obligation on the part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules.

The Rights Issue is only available to 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 be a Qualifying Shareholder. In order to be registered as a member of the Company on the Record Date, all transfers of the Shares (together with the relevant share certificate(s)) must be lodged with the Registrar by no later than 4:30 p.m. (Hong Kong time) on Friday, 13 February 2026. The last day of dealings in the Shares on cum-rights basis is Wednesday, 11 February 2026. The Shares will be dealt with on an ex-rights basis from Thursday, 12 February 2026.

According to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares and ES Unsold Rights Shares, if any, by offering the Unsubscribed Rights Shares and ES Unsold Rights Shares to independent placees, who and whose ultimate beneficial owners(s) shall be Independent Third Party(ies), for the benefit of the Shareholders to whom they were offered by way of the Rights Issue. Accordingly, on 30 December 2025 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares to independent placees on a best effort basis. For details of the Placing Agreement and the Compensatory Arrangements, please refer to the section headed "Procedures in respect of the Unsubscribed Rights Shares and ES Unsold Rights Shares and the Compensatory Arrangements" in this announcement.

LISTING RULES IMPLICATIONS

As the Rights Issue will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to the approval of the Independent Shareholders at the EGM by way of poll, in accordance with Rule 7.19A of the Listing Rules. Pursuant to Rule 7.27A(1) of the Listing Rules, where minority shareholders' approval is required for a rights issue under Rule 7.19A of the Listing Rules, the rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates shall abstain from voting the ordinary resolution to approve the Rights Issue at the EGM.

As at the date of this announcement, the Company does not have any controlling Shareholders. Power King, a company wholly-owned by Ms. Yung, the spouse of Mr. Wang, is the legal and beneficial owner of 156,862,198 Shares, representing approximately 28.00% of the entire issued share capital of the Company. Each of Ms. Yung and Mr. Wang is deemed to be interested in the 156,862,198 Shares beneficially owned by Power King. Save for Ms. Yung and Mr. Wang, none of the Directors and the chief executive of the Company and their respective associates are interested in any Share. As such, Power King, being Mr. Wang's associate, shall abstain from voting at the EGM in favour of the Rights Issue in accordance with Rule 7.27A(1) of the Listing Rules.

GENERAL

The Independent Board Committee comprising the independent non-executive Directors has been established to advise the Independent Shareholders (i) as to whether the terms of the Rights Issue are fair and reasonable and in the interest of the Shareholders as a whole; and (ii) how to vote, taking into account the recommendations of the Independent Financial Adviser.

Octal Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue, in particular, as to whether the terms of the Rights Issue are fair and reasonable and to advise the Independent Shareholders as to the voting at the EGM. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

A circular containing, among other things, (i) further details of the Increase in Authorised Share Capital and the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before Wednesday, 21 January 2026.

Subject to the fulfillment of certain conditions of the Rights Issue including the approval of the Independent Shareholders at the EGM and upon the Increase in Authorised Share Capital becoming effective, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Excluded Shareholders for their information only but the Company will not send the PAL to the Excluded Shareholders.

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

The Shares are expected to be dealt in on an ex-rights basis from Thursday, 12 February 2026. If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Please refer to the section headed "Conditions of the Rights Issue" in this announcement below.

Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any Shareholder or other person dealings in the Shares and/or the nil-paid Rights Shares up to the time at which the Rights Issue becomes unconditional will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

The Board proposes to seek the approval by way of ordinary resolution at the EGM by Shareholders of an increase in the authorised share capital of the Company from HK$50,000,000 divided into 1,000,000,000 Shares to HK$100,000,000 divided into 2,000,000,000 Shares by creating an additional 1,000,000,000 unissued Shares.

In order to accommodate growth of the Group and to provide the Company with greater flexibility to raise funds by the Rights Issue, the Board proposed the Increase in Authorised Share Capital. Therefore, the Board believes the Increase in Authorised Share Capital are in the interests of the Company and the Shareholders as a whole.

The new Shares authorised to be allotted and issued by the Company shall rank *pari passu* with the existing Shares upon issue. The Increase in Authorised Share Capital is subject to the approval by the Shareholders by way of an ordinary resolution at the EGM.

PROPOSED RIGHTS ISSUE

The Rights Issue is proposed to take place upon the Increase in Authorised Share Capital having become effective, with the terms set out as follows:

Rights Issue Statistics

Basis of the Rights Issue	: one (1) Rights Share for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	: HK$0.08 per Rights Share
Number of Shares in issue as at the date of this announcement	: 560,222,136 Shares
Number of Rights Shares	: up to (i) 560,222,136 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date); or (ii) 641,015,190 Rights Shares (assuming 80,793,054 new Shares having been allotted and issued upon full exercise of the outstanding Share Options by the Option Holders on or before the Record Date)
Aggregate nominal value of the Rights Shares	: up to (i) HK$28,011,106.8 (assuming no change in the number of Shares in issue on or before the Record Date); or (ii) HK$32,050,759.5 (assuming 80,793,054 new Shares having been allotted and issued upon full exercise of the outstanding Share Options by the Option Holders on or before the Record Date)

Number of Shares in issue as enlarged by the allotment and issue of the Rights Shares	: (i) 1,120,444,272 (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); or (ii) 1,282,030,380 (assuming 80,793,054 new Shares having been allotted and issued upon full exercise of the outstanding Share Options by the Option Holders on or before the Record Date)
Gross proceeds from the Rights Issue	: (i) approximately HK$44.82 million before expenses (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date); or (ii) approximately HK$51.28 million before expenses (assuming 80,793,054 new Shares having been allotted and issued upon full exercise of the outstanding Share Options by the Option Holders on or before the Record Date)
Net proceeds from the Rights Issue	: (i) approximately HK$40.82 million before expenses (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date); or (ii) approximately HK$47.28 million before expenses (assuming 80,793,054 new Shares having been allotted and issued upon full exercise of the outstanding Share Options by the Option Holders on or before the Record Date)
Net price (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	: (i) approximately HK$0.073 per Rights Share (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date); or (ii) approximately HK$0.074 per Rights Share (assuming 80,793,054 new Shares having been allotted and issued upon full exercise of the outstanding Share Options by the Option Holders on or before the Record Date)

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.
Compensatory Arrangements	:	Any Unsubscribed Rights Shares and ES Unsold Rights Shares will be placed to independent placees on a best effort basis under the Compensatory Arrangements. Any of the Rights Shares which remain unsold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

As at the date of this announcement, there are 80,793,054 outstanding Share Options, which entitle holders thereof to subscribe for 80,793,054 Shares under the 2013 Share Option Scheme. The exercise price of the Share Options ranges from HK$0.094 to HK$0.668 per Share. Save for the aforesaid, the Company has no outstanding convertible securities, options or warrants, which confer any right to subscribe for or convert into or exchange for Shares as at the date of this announcement.

Assuming no change in the number of issued Shares 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 560,222,136 Rights Shares to be issued pursuant to the terms of the proposed Rights Issue represents (i) 100% of the issued share capital of the Company as at the date of this announcement; and (ii) 50% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

Assuming no Shares are issued or repurchased, other than as a result of the issue of new Shares upon exercise of the outstanding Share Options in full by the Option Holders and the Rights Shares, from the date of this announcement up to and including the Record Date, not more than 641,015,190 Rights Shares will be allotted and issued upon completion of the Rights Issue, representing (i) approximately 114.42% of the existing issued share capital of the Company as at the date of this announcement; and (ii) 50% of the issued share capital of the Company as enlarged by the issue of the Rights Shares and the issue of new Shares upon full exercise of the outstanding Share Options.

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 and ES Unsold 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 and ES Unsold 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 an obligation to make a general offer for the Shares under the Takeovers Code. 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 an obligation on the part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules.

Subscription Price

The Subscription Price is HK$0.08 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

(i) a discount of approximately 31.62% to the closing price of HK$0.117 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 27.27% to the average of the closing prices of approximately HK$0.110 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;

(iii) a discount of approximately 25.93% to the average of the closing prices of approximately HK$0.108 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;

(iv) a discount of approximately 18.78% to the theoretical ex-rights price of approximately HK$0.0985 per Share as adjusted for the effect of the Rights Issue, based on the closing price of HK$0.117 per Share as quoted on the Stock Exchange on the Last Trading Day;

(v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 15.81% to the existing Shareholders if they elect not to participate in the Rights Issue, which is calculated based on the theoretical ex-rights price of approximately HK$0.0985 per Share and the benchmarked price of approximately HK$0.117 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the Last Trading Day of HK$0.117 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day of approximately HK$0.108 per Share); and

(vi) a discount of approximately 33.33% to the consolidated net asset value per Share of approximately HK$0.12 (based on the latest published consolidated net asset value of the Company of HK$67,171,000 as at 30 September 2025 and 560,222,136 Shares in issue as at 30 November 2025).

Determination of the Subscription Price

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 announcement.

Conditions of the Rights Issue

The Rights Issue is conditional upon:

(i) the passing by the Independent Shareholders at the EGM of ordinary resolution(s) to approve (a) the Rights Issue and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares); and (b) the Increase in Authorised Share Capital;

(ii) the Increase in Authorised Share Capital having become effective;

(iii) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of the Prospectus Documents each duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolutions of the Directors (and all other documents required to be attached hereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) not later than the Prospectus Posting Date;

(iv) the Prospectus Documents are made available to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Excluded Shareholders, if any, for information purpose explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date;

(v) the Listing Division 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 by no later than the first day of their dealings;

(vi) the Placing Agreement not having been terminated in accordance with the provisions thereof, including force majeure events;

(vii) compliance with and performance of all undertakings and obligations under the Irrevocable Undertaking by Power King in favour of the Company; and

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

None of the above conditions can be waived. If any of the conditions referred to above is not fulfilled by the Latest Time for Termination, the Rights Issue will not proceed.

As at the date of this announcement, none of the conditions has been satisfied.

Qualifying Shareholders

The Company will make available the Prospectus Documents to the Qualifying Shareholders only. For the Excluded Shareholders, subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company may make available copies of the Prospectus to them for their information only, but no PAL will be sent to the Excluded Shareholders. To qualify for the Rights Issue, a Shareholder must at the close of business on the Record Date: (i) be registered on the register of members of the Company; and (ii) not be an Excluded Shareholder.

Beneficial owners whose Shares are held by nominee companies (or held in CCASS) should note that the Board will regard a nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Beneficial owners with their Shares held by nominee companies (or held in CCASS) are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

In order to be registered as a member of the Company on the Record Date, a Shareholder must lodge the relevant transfer(s) of the Share(s) (with the relevant share certificates) for registration with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by 4:30 pm on Friday, 13 February 2026.

The last day of dealing in the Shares on cum-rights basis is Wednesday, 11 February 2026. The Shares will be dealt with on an ex-rights basis from Thursday, 12 February 2026.

Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Excluded Shareholders should note that their shareholdings in the Company will be diluted.

Rights of Overseas Shareholders (if any)

The Prospectus will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Overseas Shareholders, if any, may not be eligible to take part in the Rights Issue. The Company will send the Prospectus (without the PAL) to the Excluded Shareholders for their information only. For the avoidance of doubt, the Overseas Shareholders, if any, are entitled to attend and vote at the EGM.

The Company notes the requirements specified in the notes to Rule 13.36(2) of the Listing Rules, and is in the process of making reasonable enquiries regarding the feasibility of extending the Rights Issue to Overseas Shareholders present on the Record Date. If, after such enquiries, the Company is of the opinion that it would be necessary or expedient, on account of the legal restrictions or prohibitions under the laws of the relevant jurisdictions or any requirements of the relevant regulatory body or stock exchange in such jurisdictions, not to offer the Rights Shares to the relevant Overseas Shareholders, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. Such Overseas Shareholders will be regarded as Excluded Shareholders and will not qualify for the Rights Issue. The basis of exclusion of Excluded Shareholders, if any, will be disclosed in the Prospectus.

As at the date of this announcement, there are three Overseas Shareholder with registered address situated in the PRC.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Excluded Shareholder(s) to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of more than HK$100 will be paid pro rata to the Excluded Shareholder(s). The Company will retain individual amounts of HK$100 or less for the benefit of the Company.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue subject to the results of the enquiries made by the Company pursuant to the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every one (1) Share in issue and held by the Qualifying Shareholders 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.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance. There will be no excess application arrangements in relation to the Rights Issue.

No fractional entitlements to the Rights Shares

On the basis of provisional allotment of one (1) Rights Share for every one (1) Share held on the Record Date, no fractional entitlements to the Rights Shares shall arise under the Rights Issue. No odd lot matching services in relation to the Rights Issue will be provided.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, shall 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 are declared, made or paid on or after the date of allotment of the Rights Shares in their fully-paid form.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Wednesday, 1 April 2026. If the Rights Issue does not become unconditional, refund cheques are expected to be posted on or before Wednesday, 1 April 2026 by ordinary post, at the respective Shareholders' own risk, to their registered addresses.

The Irrevocable Undertaking

Power King is the legal and beneficial owner of 156,862,198 Shares, representing approximately 28.00% of the entire issued share capital of the Company as at the date of this announcement. Power King has given an irrevocable undertaking in favour of the Company, (i) not to dispose of any of the 156,862,198 Shares registered in the name of Power King and to remain as the legal and beneficial owner of those 156,862,198 Shares up to and including the Record Date; and (ii) to subscribe for a total of 156,862,198 Rights Shares, representing its full entitlement under the Rights Issue, subject to the note to Rule 7.19(5)(b) of the Listing Rules in relation to scaling down mechanism in case of an obligation to make a general offer being triggered under the Takeovers Code.

Save as disclosed above, the Company has not received any other irrevocable commitments to accept or reject the Rights Issue as at the date of this announcement.

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

According to Rule 7.21(1)(b) of the Listing Rules, the Company will make arrangements to dispose of the Unsubscribed Rights Shares and ES Unsold Rights Shares by offering the Unsubscribed Rights Shares and ES Unsold Rights Shares to independent placees for the benefit of the Shareholders to whom they were offered by way of the Rights Issue. Accordingly, on 30 December 2025 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares to the independent placees on a best effort basis.

Pursuant to the Placing Agreement, the Company has appointed the Placing Agent to place the Unsubscribed Rights Shares and ES Unsold Rights Shares during the Placing Period to independent placees on a best effort basis, and any premium over the Subscription Price for those Rights Shares that is realised will be paid to those No Action Shareholders on a pro rata basis. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Wednesday, 25 March 2026, subscribers for all (or as many as possible) of those Unsubscribed Rights Shares and ES Unsold Rights Shares. Any Unsubscribed Rights Shares and ES Unsold 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.

Net Gain (if any) will be paid (without interest) to the No Action Shareholders as set out below on pro rata basis (but rounded down to the nearest cent):

A. 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

B. the relevant Excluded Shareholders with reference to their shareholdings in the Company on the Record Date.

If and to the extent in respect of any Net Gain, any No Action Shareholders become entitled on the basis described above to an amount of HK$100 or more, such amount will be paid to the relevant No Action Shareholder(s) in Hong Kong Dollars only and the Company will retain individual amounts of less than HK$100 for its own benefits.

Placing Agreement for the Unsubscribed Rights Shares and ES Unsold Rights Shares

Principal terms of the Placing Agreement are summarised as follows:

Date:	30 December 2025 (after trading hours of the Stock Exchange)
Issuer:	The Company
Placing agent:	Kingkey Securities Group Limited, an Independent Third Party, a licensed corporation to carry out Type 1 (Dealing in securities) and Type 4 (Advising on securities) regulated activities under the SFO To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.
Placing Period:	The period commencing from Friday, 20 March 2026 and ending at 4:00 p.m. on Wednesday, 25 March 2026.
Commission and expenses:	2% of the aggregate placing price of the Unsubscribed Rights Shares and the ES Unsold Rights Shares successfully placed by or on behalf of the Placing Agent.

Placing price of the Unsubscribed Rights Shares and/or and the ES Unsold Rights Shares (as the case may be):	The placing price of the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares (as the case may be) shall be not less than the Subscription Price. The final price determination will be dependent on the demand for and market conditions of the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares.
Placees:	The Unsubscribed Rights Shares and the ES Unsold Rights Shares are expected to be placed to the placees who and whose ultimate beneficial owner(s) are Independent Third Parties.
Ranking of the Unsubscribed Rights Shares and the ES Unsold Rights Shares:	The Unsubscribed Rights Shares and the ES Unsold 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.
Conditions precedent:	The obligations of the Placing Agent under the Placing Agreement are conditional upon: (i) the Listing Committee granting the approval for the listing of, and the permission to deal in, the Rights Shares in their nil-paid and fully paid forms (subject to customary conditions) and such approval not having been withdrawn or revoked; (ii) the passing of all necessary resolutions to be proposed at a general meeting of the Company to be convened to consider and, approve, among others, the Rights Issue, the Increase in Authorised Share Capital and the transactions contemplated thereunder;

(iii) all necessary consents and approvals to be obtained on the part of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated hereunder having been obtained;

(iv) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect as if it was repeated as at the time of completion; and

(v) the Placing Agreement not having been terminated in accordance with the provisions thereof.

None of the above conditions of the Placing is capable of being waived in whole or in part by the Placing Agent or the Company

Termination: The Placing Agent may terminate the Placing Agreement without any liability to the Company, by giving notice in writing to the Company at any time prior to the Latest Time for Termination upon the occurrence of the following events which, in the reasonable opinion of the Placing Agent, has or may have an adverse material effect on the business or financial conditions of the Group taken as a whole or the success of the Placing or otherwise makes it inappropriate to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement:

(a) there develops, occurs or comes into force:

i. the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement) and including an event or change in relation to or a material adverse development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions; or

ii. the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in the securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or

iii. any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Company; or

iv. a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong; or

v. any breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the completion date of the Placing which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or

vi. the Unsubscribed Rights Shares and the ES Rights Shares are not approved by the relevant regulatory bodies and/or regulatory authorities to be placed to any placees as contemplated in the Placing Agreement.

The terms of the Placing Agreement, including the placing commission, were determined after arm's length negotiation between the Placing Agent and the Company with reference to the prevailing market rate and the Company considers the Placing Agreement to be on normal commercial terms.

The Company considers that the Placing Agreement will provide a compensatory mechanism for the No Action Shareholders, protect the interest of the Shareholders, and is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue. Other than on the Stock Exchange, no part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and the 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 their nil-paid and fully-paid forms with their board lot size being the same (i.e. 20,000) as their underlying Shares 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 settlement day thereafter.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

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 the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and other applicable fees and charges in Hong Kong.

EXPECTED TIMETABLE

The expected timetable for the Increase in Authorised Share Capital and the Rights Issue is set out below and is subject to change. Any such change will be announced by the Company as and when appropriate.

Events	Date (Hong Kong time)
Publication of the announcement in relation to, among other matters, the proposed Rights Issue	Tuesday, 30 December 2025
Despatch of the Circular together with notice of EGM and proxy form for EGM	On or before Wednesday, 21 January 2026
Latest time for lodging transfer documents of the Shares to qualify for attendance and voting at the EGM	4:30 p.m. on Tuesday, 3 February 2026
Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM (both dates inclusive)	Wednesday, 4 February 2026 to Tuesday, 10 February 2026
Latest time for lodging proxy forms for the EGM	11:00 a.m. on Sunday, 8 February 2026
Record date for attendance and voting at the EGM	Tuesday, 10 February 2026

Events	**Date (Hong Kong time)**
Expected date and time of the EGM	11:00 a.m. on Tuesday, 10 February 2026
Announcement of the poll results of the EGM	Tuesday, 10 February 2026
Effective date of the Increase in Authorised Share Capital	Wednesday, 11 February 2026
Register of members re-opens	Wednesday, 11 February 2026

The following events are conditional upon the results of the EGM and therefore the dates are tentative only.

Last day of dealings in the Shares on cum-rights basis	Wednesday, 11 February 2026
First day of dealings in the Shares on an ex-rights basis relating to the Rights Issue	Thursday, 12 February 2026
Latest date and time for lodging transfer documents of the Shares in order for the transferees to qualify for the Rights Issue	4:30 p.m. on Friday, 13 February 2026
Closure of register of members to determine the eligibility of the Rights Issue (both dates inclusive)	Monday, 16 February 2026 to Wednesday, 25 February 2026
Record date for the Rights Issue	Wednesday, 25 February 2026
Register of members re-opens	Thursday, 26 February 2026

Events	Date (Hong Kong time)
Despatch of the Prospectus Documents (including the PAL and the Prospectus) (in case of the Excluded Shareholders, the Prospectus only)	Thursday, 26 February 2026
First day of dealings in nil-paid Rights Share	Monday, 2 March 2026
Latest time for splitting the PAL	4:30 p.m. on Wednesday, 4 March 2026
Last day of dealing in nil-paid Rights Shares	Monday, 9 March 2026
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Thursday, 12 March 2026
Announcement of the number of Unsubscribed Rights Shares and ES Unsold Rights Shares subject to the Placing	Thursday, 19 March 2026
Commencement of placing of Unsubscribed Rights Shares and ES Unsold Rights Shares by the Placing Agent (if there are any Unsubscribed Rights Shares and ES Unsold Rights Shares available)	Friday, 20 March 2026
Latest time of placing of the Unsubscribed Rights Shares by the Placing Agent and ES Unsold Rights Shares (if any)	4:00 p.m. on Wednesday, 25 March 2026

Events	Date (Hong Kong time)
Latest time for the Rights Issue and the Placing to become unconditional	Thursday, 26 March 2026
Announcement of the results of the Rights Issue (including the results of the Placing and the Net Gain)	Tuesday, 31 March 2026
Despatch of share certificates of fully-paid Rights Shares and/or refund cheques, if any, in respect of wholly or partially unsuccessful applications	Wednesday, 1 April 2026
Commencement of dealings in fully-paid Rights Shares	9:00 a.m. on Thursday, 2 April 2026
Payment of the Net Gain to relevant No Action Shareholders (if any) or Excluded Shareholders (if any)	Thursday, 9 April 2026

All times and dates in this announcement refer to Hong Kong local times and dates.

This timetable is indicative only and may be extended or varied. Any change to the expected timetable above will be announced by the Company as and when appropriate.

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

The latest time for acceptance of and payment for Rights Shares will not take place if a tropical cyclone warning signal no. 8 or above, or "extreme conditions" caused by super typhoons, or a black rainstorm warning is:

(a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Latest Acceptance Date. Instead the deadline for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; and

(b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Latest Acceptance Date. Instead the deadline for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

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

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 4 February 2026 to Tuesday, 10 February 2026 (both days inclusive) for determining the identity of the Shareholders entitled to attend and vote at the EGM and from Monday, 16 February 2026 to Wednesday, 25 February 2026 (both days inclusive) for determining the entitlement to the Rights Shares. No transfer of Shares will be registered during the above book closure periods.

CHANGES IN SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 560,222,136 Shares in issue. Set out below are the changes in the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the Rights Issue assuming (i) no change in the number of Shares in issue on or before the Record Date; and (ii) new Shares are allotted and issued upon full exercise of the outstanding Share Options by the Option Holders on or before the Record Date, for illustration purposes only:

(1) Assuming no change in the number of Shares in issue on or before the Record Date

	As at the date of this announcement		Immediately after completion of the Rights Issue, assuming full acceptance by all the Qualifying Shareholders		Immediately after completion of the Rights Issue, assuming nil acceptance by the Qualifying Shareholders other than Power King pursuant to the Irrevocable Undertaking and the Unsubscribed Rights Shares and ES Unsold Rights Shares have been fully placed by the Placing Agent under the Compensatory Arrangements		Immediately after completion of the Rights Issue, assuming nil acceptance by the Qualifying Shareholders other than Power King pursuant to the Irrevocable Undertaking and none of the Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent under the Compensatory Arrangements	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*
Substantial Shareholder								
Power King *(Notes 1 & 2)*	156,862,198	28.00%	313,724,396	28.00%	313,724,396	28.00%	172,046,535	29.90%
Public Shareholders								
Placees	–	–	–	–	403,359,938	36.00%	–	–
Other public Shareholders	403,359,938	72.00%	806,719,876	72.00%	403,359,938	36.00%	403,359,938	70.10%
Total	**560,222,136**	**100.00%**	**1,120,444,272**	**100.00%**	**1,120,444,272**	**100.00%**	**575,406,473**	**100.00%**

Notes:

(1) Power King is wholly-owned by Ms. Yung (being the spouse of Mr. Wang). Ms. Yung is deemed to be interested in the Shares owned by Power King. As such, Mr. Wang, being the executive Director, is deemed to be interested in the Shares in which Ms. Yung is interested.

(2) The total number of Rights Shares to be subscribed by Power King will be scaled down to the extent that it and its associates will not trigger a general offer obligation under the Takeovers Code as a result of the Rights Issue.

(3) Certain percentage figures included in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

(2) Assuming full exercise of the outstanding Share Options by the Option Holders on or before the Record Date

	As at the date of this announcement		Immediately after completion of the Rights Issue, assuming full acceptance by all the Qualifying Shareholders		Immediately after completion of the Rights Issue, assuming nil acceptance by the Qualifying Shareholders other than Power King pursuant to the Irrevocable Undertaking and the Unsubscribed Rights Shares and ES Unsold Rights Shares have been fully placed by the Placing Agent under the Compensatory Arrangements		Immediately after completion of the Rights Issue, assuming nil acceptance by the Qualifying Shareholders other than Power King pursuant to the Irrevocable Undertaking and none of the Unsubscribed Rights Shares and ES Unsold Rights Shares have been placed by the Placing Agent under the Compensatory Arrangements	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*
Substantial Shareholders								
Power King *(Notes 1 & 2)*	156,862,198	24.47%	313,724,396	24.47%	313,724,396	24.47%	189,541,129	28.13%
Mr. Wang *(Note 3)*	11,893,413	1.86%	23,786,826	1.86%	11,893,413	0.93%	11,893,413	1.77%
Sub-total	168,755,611	26.33%	337,511,222	26.33%	325,617,809	25.40%	201,434,542	29.90%
Director's interest								
Dr. Liu Yongping	340,419	0.05%	680,838	0.05%	340,419	0.03%	340,419	0.05%
Public Shareholders								
Option holders	68,559,222	10.70%	137,118,444	10.70%	68,559,222	5.35%	68,559,222	10.18%
Placees	–	–	–	–	484,152,992	37.76%	–	–
Other public Shareholders	403,359,938	62.92%	806,719,876	62.92%	403,359,938	31.46%	403,359,938	59.87%
Total	**641,015,190**	**100.00%**	**1,282,030,380**	**100.00%**	**1,282,030,380**	**100.00%**	**673,694,121**	**100.00%**

Notes:

(1) Power King is wholly-owned by Ms. Yung (being the spouse of Mr. Wang). As such, each of Ms. Yung and Mr. Wang is deemed to be interested in the Shares owned by Power King.

(2) The total number of Rights Shares to be subscribed by Power King will be scaled down to the extent that it and its associates will not trigger a general offer obligation under the Takeovers Code as a result of the Rights Issue.

(3) Save for the Shares owned by Power King, Mr. Wang (being the spouse of Ms. Yung) is interested in 11,893,413 Shares, out of which 9,393,413 Shares are owned by him as beneficial owner and 2,500,000 Shares are owned by Ms. Yung.

(4) Certain percentage figures included in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

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

The Company is an investment holding company. The Group is principally engaged in pharmaceutical wholesale and distribution business and hemodialysis treatment and consultancy service business in the PRC.

Based on the Group's experience and strength in the healthcare field, the Group will further explore and expand the operating scale of its existing businesses, penetrate the market and create better return to the Shareholders. The Group will continue to pay attention to different investment opportunities, identify appropriate businesses and projects for shareholders, and increase shareholders returns. The Board considers that the Rights Issue enables the Company to raise additional funding to further expand its existing businesses and/or explore other business opportunities in relation to the medical and healthcare fields.

According to the interim report (the "**Interim Report**") of the Group for the six months ended 30 September 2025 published on 25 November 2025, the Group recorded total current assets of approximately HK$60.1 million and total current liabilities of approximately HK$30.6 million as at 30 September 2025, which included trade and other payables of approximately HK$25.4 million which will become due and payable within three (3) months from the date of this announcement. However, the total cash and cash equivalents were only approximately HK$18.9 million as at 30 September 2025, which are not sufficient to settle the total amount of trade and other payables when due.

The Board considers that the Rights Issue also represents an opportunity to raise additional funding to strengthen the Group's financial position by relieving the financial burden and provide working capital to the Group to meet any financial obligations of the Group without additional interest burden.

The net proceeds of the Rights Issue, assuming full subscription, will be up to approximately HK$40.82 million (assuming no change in number of Shares in issue on or before Record Date) or approximately HK$47.28 million (assuming new Shares are allotted and issued upon full exercise of the outstanding Share Options on or before the Record Date). The Company intends to use the net proceeds from the Rights Issue for the following purposes:

(i) approximately 42.4% (or approximately HK$17.32 million, assuming no change in number of Shares in issue on or before Record Date) or approximately 50.3% (or approximately HK$23.78 million, assuming new Shares are allotted and issued upon full exercise of the outstanding Share Options on or before the Record Date) for the development of existing pharmaceutical wholesale and distribution business and hemodialysis treatment and consultancy service business and any other potential investment opportunities related to medical and healthcare fields should opportunities arise;

(ii) approximately 33.1% (or approximately HK$13.5 million, assuming no change in number of Shares in issue on or before Record Date) or approximately 28.6% (or approximately HK$13.5 million, assuming new Shares are allotted and issued upon full exercise of the outstanding Share Options on or before the Record Date) for partial settlement of the trade and other payables of the Group in the amount of approximately HK$5.0 million and repayment of an amount due to a Director and the interests accrued thereon of approximately HK$8.5 million; and

(iii) approximately 24.5% (or approximately HK$10.0 million, assuming no change in number of Shares in issue on or before Record Date) or approximately 21.1% (or approximately HK$10.0 million, assuming new Shares are allotted and issued upon full exercise of the outstanding Share Options on or before the Record Date) for general working capital of the Group (including but not limited to the payment of salaries, rental expenses, professional fees and/or other corporate expenses).

In the event that there is an undersubscription of the Rights Issue, the use of proceeds raised from the Rights Issue will be allocated on a pro-rata basis for the purposes disclosed above.

The Company has considered alternative fundraising methods which include debt financing and equity financing alternatives such as placing of new Shares and open offer. For debt financing, in light of the loss-making position of the Group for the year ended 31 March 2025 and for the six months ended 30 September 2025, it is difficult for the Group to obtain loans with favourable interest rate in a timely manner and debt financing will result in additional interest burden and higher gearing ratio of the Group. For placing of new Shares, it would dilute the shareholding of the existing Shareholders while the Rights Issue will allow the Qualifying Shareholders to maintain their respective shareholdings in the Company on a pro rata basis. For open offer, although it is similar to a rights issue in offering Qualifying Shareholders to participate, it does not allow the trading of rights entitlements in the open market.

As at the date of this announcement, save for the proposed Rights Issue, the Company has no other fundraising plan.

In view of the above and the reasons described in the sub-section headed "Subscription Price" under the section headed "Proposed Rights Issue" in this announcement, the Directors consider that the Rights Issue is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS

The Company has not conducted any fundraising activity involving issue of equity securities in the past twelve months immediately preceding the date of this announcement.

LISTING RULES IMPLICATIONS

In accordance with Rule 7.19A of the Listing Rules, as the Rights Issue will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to the approval of the Independent Shareholders at the EGM by way of poll. Pursuant to Rule 7.27A(1) of the Listing Rules, where Independent Shareholders' approval is required for a rights issue under Rule 7.19A of the Listing Rules, the rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the issuer and their respective associates shall abstain from voting the ordinary resolution to approve the Rights Issue at the EGM.

As at the date of this announcement, the Company does not have any controlling Shareholders. Power King, a company wholly-owned by Ms. Yung, the spouse of Mr. Wang, is the legal and beneficial owner of 156,862,198 Shares, representing approximately 28.00% of the entire issued share capital of the Company. Each of Ms. Yung and Mr. Wang is deemed to be interested in the 156,862,198 Shares beneficially owned by Power King. Save for Ms. Yung and Mr. Wang, none of the Directors and the chief executive of the Company and their respective associates are interested in any Share. As such, Power King, being Mr. Wang's associate, shall abstain from voting at the EGM in favour of the Rights Issue in accordance with Rule 7.27A(1) of the Listing Rules.

GENERAL

The Independent Board Committee comprising the independent non-executive Directors has been established to advise the Independent Shareholders (i) as to whether the terms of the Rights Issue are fair and reasonable and in the interest of the Shareholders as a whole; and (ii) how to vote, taking into account the recommendations of the Independent Financial Adviser.

Octal Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue, in particular, as to whether the terms of the Rights Issue are fair and reasonable and to advise the Independent Shareholders as to the voting at the EGM. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee.

A circular containing, among other things, (i) further details of the Increase in Authorised Share Capital and the Rights Issue; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before Wednesday, 21 January 2026.

Subject to the fulfillment of certain conditions of the Rights Issue including the approval of the Independent Shareholders at the EGM and upon the Increase in Authorised Share Capital becoming effective, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders. The Company will despatch the Prospectus to the Excluded Shareholders for their information only but the Company will not send the PAL to the Excluded Shareholders.

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

The Shares are expected to be dealt in on an ex-rights basis from Thursday, 12 February 2026. If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Please refer to the section headed "Conditions of the Rights Issue" in this announcement below.

Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any Shareholder or other person dealings in the Shares and/or the nil-paid Rights Shares up to the time at which the Rights Issue becomes unconditional will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

"acting in concert"	has the meaning ascribed thereto under the Takeovers Code

"associate(s)"	has the meaning ascribed to such term in the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	any day (excluding Saturday, Sunday or public or statutory holiday in Hong Kong and any day on which a tropical cyclone warning No. 8 or above is not lowered at or before 12:00 noon or on which a "black" rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Circular"	the circular to be despatched to the Shareholders by the Company, relating to, among other things, the Rights Issue, the Placing Agreement and the Increase in Authorised Share Capital
"Company"	Wanjia Group Holdings 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 (stock code: 401)
"Compensatory Arrangements"	placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares, if any, by the Placing Agent on a best effort basis pursuant to the Placing Agreement
"connected person(s)"	has the same meaning ascribed thereto under the Listing Rules

"controlling shareholder(s)"	has the same meaning ascribed thereto under the Listing Rules
"Director(s)"	director(s) of the Company
"EGM"	the special general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the Rights Issue, the Placing Agreement and the Increase in Authorised Share Capital
"ES Unsold Rights Share(s)"	the Rights Share(s) which would otherwise has/ have been provisionally allotted to the Excluded Shareholders (if any) in nil-paid form that has/have not been sold by the Company
"Excluded Shareholder(s)"	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
"Group"	the Company and its subsidiaries
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Increase in Authorised Share Capital"	the proposed increase in the Company's authorised share capital from HK$50,000,000 divided into 1,000,000,000 Shares to HK$100,000,000 divided into 2,000,000,000 Shares by creating an additional 1,000,000,000 unissued Shares

"Independent Board Committee"	the independent committee of the Board, comprising Dr. Liu Yongping, Ms. Chan Wing Shan Winsome and Ms. Xu Wei, being all of the independent non-executive Directors, which has been established to give recommendation to the Independent Shareholders in respect of the Rights Issue
"Independent Financial Adviser"	Octal Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders on the terms of the Rights Issue and as to the voting at the EGM
"Independent Shareholder(s)"	any Shareholder(s) who are not required to abstain from voting at the EGM under the Listing Rules
"Independent Third Party(ies)"	third party(ies) independent of the Company and any connected person(s) of the Company and not a connected person of the Company
"Irrevocable Undertakings"	the irrevocable undertakings given by Power King in favour of the Company and described in the sub-section headed "The Irrevocable Undertaking" under the section headed "Proposed Rights Issue" in this announcement
"Last Trading Day"	30 December 2025, being the last trading day of the Shares before the release of this announcement
"Latest Acceptance Date"	Thursday, 12 March 2026

"Latest Time for Acceptance"	4:00 p.m. on Thursday, 12 March 2026
"Latest Time for Termination"	4:00 p.m. on Thursday, 26 March 2026
"Listing Committee"	has the same meaning ascribed thereto under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Wang"	Mr. Wang Jia Jun, being the executive Director and spouse of Ms. Yung
"Ms. Yung"	Ms. Yung Ka Lai, being the spouse of Mr. Wang
"Net Gain"	the aggregate of any premiums (being the aggregate amount paid by the placees after deducting the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares and ES Unsold Rights Shares placed by the Placing Agent and/or its sub-placing agent(s) under the Placing Agreement) under the Compensatory Arrangements
"No Action Shareholder(s)"	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or their renounces, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed, or Excluded Shareholders (as the case may be)
"Option Holders"	holders of the outstanding Share Options

"Overseas Shareholder(s)"	the Shareholder(s) (whose names appear on the register of members of the Company at the close of business on the Record Date) with registered address(es) outside Hong Kong
"PAL(s)"	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
"Placing"	the offer by way of private placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares on a best effort basis by the Placing Agent and/or its sub-placing agent(s) to independent placee(s), who and whose ultimate beneficial owners shall not be the Shareholder(s) and shall be Independent Third Party(ies), during the Placing Period on the terms and subject to the conditions set out in the Placing Agreement
"Placing Agent"	Kingkey Securities Group Limited, a licensed corporation to carry out Type 1 (Dealing in securities) and Type 4 (Advising on securities) regulated activities under the SFO
"Placing Agreement"	the placing agreement dated 30 December 2025, entered into between the Company and the Placing Agent in relation to the Compensatory Arrangements
"Placing Period"	the period commencing from Friday, 20 March 2026 and ending at 4:00 p.m. on Wednesday, 25 March 2026
"Power King"	Power King Investment Development Limited, a company established in British Virgin Islands, which is the legal and beneficial owner of 156,862,198 Shares and is wholly-owned by Ms. Yung

"PRC"	the People's Republic of China which, for the purpose of this announcement, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
"Prospectus"	the prospectus to be issued to the Qualifying Shareholders (and the Excluded Shareholders for information only) containing, among other things, details of the Rights Issue
"Prospectus Documents"	the Prospectus and the PAL
"Prospectus Posting Date"	Thursday, 26 February 2026 or such other date as may be determined by the Company, being the date of which the Prospectus Documents are make available to the Qualifying Shareholders and the Prospectus for information only to the Excluded Shareholders
"Qualifying Shareholder(s)"	Shareholders, other than the Excluded Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date
"Record Date"	Wednesday, 25 February 2026, or on such other date as may be determined the Company, being the date by reference to which the Shareholders' entitlements to the Rights Issue are to be determined
"Registrar"	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company
"Rights Issue"	the proposed issue by way of rights of one (1) Rights Share for every one (1) Share in issue on the Record Date at the Subscription Price pursuant to the Prospectus Documents

"Rights Shares"	up to 560,222,136 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) or up to 641,015,190 Shares (assuming new Shares are allotted and issued upon full exercise of the outstanding Share Options on or before the Record Date) to be allotted and issued pursuant to the Rights Issue
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shares"	ordinary share(s) with par value of HK$0.01 each in the share capital of the Company
"Share Option(s)"	the 80,793,054 outstanding share options of the Company to subscribe for 80,793,054 Shares with the exercise price from HK$0.094 to HK$0.668 per Share granted pursuant to the 2013 Share Option Scheme
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	HK$0.08 per Rights Share
"substantial shareholder(s)"	has the meaning as ascribed thereto under the Listing Rules
"Takeovers Code"	The Hong Kong Code on Takeovers and Mergers
"Unsubscribed Rights Shares"	those Rights Shares that are not subscribed by the Qualifying Shareholders or holders of nil-paid rights

"2013 Share Option Scheme"	the share option scheme of the Company adopted on 24 September 2013
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

By order of the Board
Wanjia Group Holdings Limited
Wang Jia Jun
Chief Executive Officer and Executive Director

Hong Kong, 30 December 2025

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Wang Jia Jun, one non-executive Director, namely Dr. Xiao Zhixin, and three independent non-executive Directors, namely Dr. Liu Yongping, Ms. Chan Wing Shan Winsome and Ms. Xu Wei.