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FEG Holdings Corporation Limited

鑄帝控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1413)

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

Placing Agent

PineStone 鼎石

PROPOSED RIGHTS ISSUE

The Board proposes, subject to, among other things, to conduct the Rights Issue on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date at the Subscription Price of HK\$0.214 per Rights Share, to raise gross proceeds of approximately HK\$35.10 million before expenses (assuming no further issue or repurchase of Shares on or before the Record Date), by way of the Rights Issue of up to 164,000,000 Rights Shares to the Qualifying Shareholders. The Rights Issue is only available to the Qualifying Shareholders and will not be available to the Excluded Shareholders.

The estimated net proceeds from the Rights Issue, if fully subscribed, after deducting all necessary expenses, are estimated to be approximately HK\$33.52 million (assuming no further issue or repurchase of Shares 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.

Subject to the fulfilment of the conditions of the Rights Issue, there will be no excess application arrangements in relation to the Rights Issue and the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. There are no applicable statutory requirements regarding minimum subscription levels in respect of the Rights Issue.

THE COMPENSATORY ARRANGEMENTS AND THE PLACING AGREEMENT

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company must make arrangements to dispose of any Unsubscribed Shares and the NQS Unsold Rights Shares not validly applied for by the No Action Shareholders by offering such Unsubscribed Shares to independent placees for the benefit of those Shareholders. On 14 April 2026 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent to place the Unsubscribed Shares after the Latest Time for Acceptance to independent placees on a best effort basis. Details of the Placing Agreement are set out in the section headed “Placing Agreement” in this announcement.

WARNING OF THE RISK OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

The Rights Issue is conditional upon fulfilment of the conditions set out in the paragraph headed “Conditions of the Rights Issue” under the section headed “Proposed Rights Issue” in this announcement, including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms and such listing not being withdrawn or revoked. Accordingly, the Rights Issue may or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

Any Shareholders or potential investors contemplating selling or purchasing the Shares, and/or the nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company. 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 RIGHTS ISSUE

The Board proposes the Rights Issue with the terms set out as follows:

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) Shares held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.214 per Rights Share

Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue)	:	Approximately HK\$0.204 per Rights Share
Number of Shares in issue as at the date of this announcement	:	328,000,000 Shares
Number of Rights Shares to be issued : pursuant to the Rights Issue	:	up to 164,000,000 Rights Shares (assuming no Shares are issued or repurchased on or before the Record Date)
Aggregate nominal value of the Rights Shares	:	up to HK\$8,200,000 (assuming no Shares are issued or repurchased on or before the Record Date)
Total number of Shares in issue upon : completion of the Rights Issue	:	up to 492,000,000 Shares (assuming no Shares are issued or repurchased on or before the Record Date)
Gross proceeds from the Rights Issue :	:	up to approximately HK\$35.10 million before expenses (assuming no Shares are issued or repurchased on or before the Record Date)

As at the date of this announcement, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into Shares.

Assuming no Shares are issued or repurchased on or before the Record Date, the 164,000,000 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 50.00% of the total number of issued Shares and approximately 33.33% of the total number of issued Shares as enlarged by the issue of the Rights Shares.

Non-underwritten basis

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Unsubscribed Shares together with the NQS Unsold Rights Shares will be placed to independent placees under the Compensatory Arrangements on a best efforts basis. Any Unsubscribed Shares or NQS 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 is no minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, the Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s), or transferees of nil-paid Rights Shares (or either of them, whichever shall be appropriate), 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 (i) does not trigger an obligation on 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; and/or (ii) does not result in the non-compliance of the Public Float Requirement on the part of the Company.

Subscription Price

The Subscription Price of HK\$0.214 per Rights Share shall be payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 28.67% to the closing price of HK\$0.300 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 31.63% to the average closing price per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day of approximately HK\$0.313;
- (iii) a discount of approximately 32.06% to the average closing price per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day of approximately HK\$0.315;
- (iv) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of a discount of approximately 11.25% represented by the theoretical diluted price of approximately HK\$0.287 to the benchmarked price of approximately HK\$0.323 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.300 per Share and the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day of approximately HK\$0.323 per Share);

- (v) a discount of approximately 21.13% to the theoretical ex-rights price of approximately HK\$0.271 per Share based on the closing price of HK\$0.300 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (vi) a discount of approximately 67.97% to the latest published unaudited consolidated net asset value per Share as at 30 September 2025 of approximately HK\$0.668 (based on the net asset value attributable to the owners of the Company as at 30 September 2025 of approximately HK\$219,148,000 as disclosed in the interim results report for the six months ended 30 September 2025 and 328,000,000 Shares in issue as at the date of this announcement).

The Rights Issue will not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Subscription Price was arrived at after arm's-length negotiation, with reference, among other things, to the prevailing market price of the Shares and the financial conditions of the Group. Although the Subscription Price is set at a discount to the latest published unaudited consolidated net asset value per Share, the Directors have observed that the Shares have consistently traded at a discount to the Group's latest published audited and unaudited consolidated net asset values per Share as of 31 March 2025 and 30 September 2025 respectively, following the release of the relevant financial statements. This suggests that investors may not value the Shares based solely on the Group's net assets. As a result, the Directors determined that the net asset value per Share may not be a meaningful benchmark for evaluating the fairness and reasonableness of the Subscription Price. To further assess this, the Directors examined several specific quantitative factors: (a) the Directors conducted a review of the trading volume and liquidity of the Shares for one-year period up to the Last Trading Day. The Directors observed that the monthly trading volume of the Shares during such review period was consistently below 3% of the total issued Shares. As a result, the Directors determined that low trading volume may make it difficult for Shareholders to sell their Shares promptly and at a favorable price. Additionally, the Company may face difficulties raising equity capital from external sources without offering a substantial discount to the current Share price. Consequently, the Directors believe that the limited liquidity of the Shares observed during this review period indicates the potential for a significant discount to the Subscription Price. This adjustment could help encourage Qualifying Shareholders to accept the allotment under the Rights Issue; (b) the Rights Issue is open to all Qualifying Shareholders, and the discounted Subscription Price will not compromise their interests, as everyone is given an equal opportunity to participate; (c) Qualifying Shareholders who do not wish to subscribe to their pro-rata entitlement of the Rights Shares can receive economic benefits by selling their nil-paid Rights Shares in the market; and (d) the rationale behind the Rights Issue is further detailed in the section entitled "Reasons for and benefits of the Rights Issue and the use of proceeds" in this announcement. The Directors consider that the Subscription Price at a discount to the current market price of the Shares 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.

The Directors consider that, in view of prevailing market conditions and factors as described above, the terms of the Rights Issue, including the Subscription Price, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. The net price per Rights Share (i.e., Subscription Price less the estimated cost and expenses to be incurred in the Rights Issue) upon full acceptance of the relevant provisional allotment of Rights Shares will be approximately HK\$0.204 per Rights Share.

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfilment of the following conditions:

- (a) the delivery to the Stock Exchange, and filing and registration with Companies Registry in Hong Kong of one 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 a resolution of the Directors (and all other documents required to be attached thereto) not later than the Prospectus Posting Date and in compliance with the Listing Rules, the Companies (WUMP) Ordinance and the Companies Ordinance;
- (b) the posting of the Prospectus Documents to the Qualifying Shareholders by the Prospectus Posting Date and the posting of the Prospectus and a letter to the Excluded 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 Prospectus Posting Date;
- (c) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) listing of and permission to deal in all the Rights Shares, in both nil-paid and fully-paid forms and such listing not being withdrawn or revoked; and
- (d) the Placing Agreement not having been terminated in accordance with the provisions thereof, and remaining in full force and effect.

None of the above conditions can be waived. The Company shall use its reasonable endeavours to procure the fulfilment of the conditions above (to the extent it is within its power to do so) and shall do all the things required to be done by it pursuant to the Prospectus Documents or otherwise reasonably necessary to give effect to the Rights Issue. If any of the conditions referred to above are not fulfilled at or before the Latest Time for Termination, the Rights Issue will not proceed.

As the proposed Rights Issue is subject to the fulfilment of the above conditions, it may or may not proceed. Shareholders and public investors are advised to exercise caution in dealing in the securities of the Company.

Basis of provisional allotment

Under the Rights Issue, the basis of the provisional allotment will be one (1) Rights Share for every two (2) Shares held by the Shareholders as at the close of business on the Record Date at the Subscription Price. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with 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.

If a Qualifying Shareholder wishes to accept only a part of, or to renounce or transfer a part of, the Rights Shares provisionally allotted to him/her/it under the PAL, such Qualifying Shareholder will need to split his/her/its PAL into the denominations required. Details as to how to split the PALs will be set out in the Prospectus.

Fractional provisional allotment of the Rights Shares

The Company will not provisionally allot and will not accept application for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated and sold by the Company in the open market if a premium (net of expenses) can be obtained. Any of the Rights Shares remain unsold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Odd lot arrangement

In order to facilitate the trading of odd lots (if any) of the Shares, a designated broker will be appointed to stand in the market to match the purchase and sale of odd lots of the Shares at the relevant market price, on a best effort basis. Shareholders should note that matching of the sale and purchase of odd lots of the Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lots arrangement is recommended to consult his/her/its own professional advisers. Further details in respect of the odd lots trading arrangement will be set out in the Prospectus.

Status of the Rights Shares

The Rights Shares (when allotted, fully paid or credited as fully paid and issued) will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares. Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Undertakings

The Company has not received any information or irrevocable undertaking from any substantial Shareholder of the Company of any intention in relation to the Rights Shares to be provisionally allotted to that Shareholder under the Rights Issue as at the date of this announcement.

Qualifying Shareholders

The Rights Issue will only be available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company may send copies of the Prospectus to the Excluded Shareholders for their information only but will not send any PAL to them.

To qualify for the Rights Issue, a Shareholder must be (i) registered as a member of the Company at the close of business on the Record Date; and (ii) not an Excluded Shareholder. Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider nominee (including HKSCC Nominees Limited) as one 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 members of the Company on the Record Date, the Shareholders must lodge any transfer documents of the Shares (together with the relevant share certificates) with the Registrar, Boardroom Share Registrars (HK) Limited, 2103B, 21/F, 148 Electric Road North Point, Hong Kong by no later than 4:30 p.m. on Tuesday, 21 April 2026.

The Company expects to send the Prospectus Documents to the Qualifying Shareholders on Wednesday, 29 April 2026.

Qualifying Shareholders who take up their pro-rata entitlement in full under the Rights Issue will not suffer any dilution to their interests in the Company.

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.

Certificates of the Rights Shares and refund cheques

Subject to fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be sent on or about Tuesday, 2 June 2026 by ordinary post to those entitled thereto, at their own risk, to their registered addresses.

Taxation

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Excluded Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

Application for listing in nil-paid and fully-paid forms

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 allotted and issued pursuant to the Rights Issue. 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. Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the board lots of 7,000 Rights Shares.

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 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 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.

Rights of Overseas Shareholders

The Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the securities law of any jurisdiction other than Hong Kong. If there are Overseas Shareholders at the close of business on the Record Date, the Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

The Board will comply with Rule 13.36(2)(a) of the Listing Rules and make necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders (if any) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions under the laws of relevant place(s) or the requirements of the relevant overseas regulatory body or stock exchange, no provisional allotment of the nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, the Rights Issue will not be extended to the Excluded Shareholders.

As at the date of this announcement, there is no Overseas Shareholders with registered addresses situated in overseas. The basis for excluding the Excluded Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued. To the extent reasonably practicable and subject to the advice of legal advisers in the relevant jurisdictions in respect of applicable local laws and regulations, the Company will send the Prospectus (without the PAL) and a letter explaining the circumstances in which the Excluded Shareholders are not permitted to participate in the Rights Issue to the Excluded Shareholders for their information only.

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) of the Listing Rules. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares. The Company reserves the right to 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. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their own professional advisers.

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

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company must make arrangements to dispose of any Unsubscribed Shares and the NQS Unsold Rights Shares by offering such Unsubscribed Shares and the NQS Unsold Rights Shares to independent placees for the benefit of those Shareholders to whom they were offered by way of the Rights Issue. There will be no excess application arrangements in relation to the Rights Issue as stipulated by Rule 7.21(1)(a) of the Listing Rules.

The Company appointed the Placing Agent to place the Unsubscribed Shares after the Latest Time for Acceptance to independent placees on a best effort basis, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing (the “**Net Gain**”) will be paid to the relevant No Action Shareholders and Excluded Shareholders in the manner set out below. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Thursday, 21 May 2026, acquirers for all (or as many as possible) of those Unsubscribed Shares and the NQS Unsold Rights Shares at a price not less than the Subscription Price.

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 Excluded 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 Excluded Shareholders, the relevant Excluded 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 Excluded 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.

CLOSURE OF REGISTER OF MEMBERS FOR RIGHTS ISSUE

The register of members of the Company will be closed from Wednesday, 22 April 2026 to Tuesday, 28 April 2026 (both dates inclusive) for the purpose of determining entitlements to the Rights Issue. During this period, no transfer of Shares will be registered.

PLACING AGREEMENT

Principal terms of the Placing Agreement are summarised below:

- Placing Agent : Pinestone Securities Limited, appointed as the bookrunner and placing agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares on a best effort basis. The Placing Agent confirmed that it is a licensed corporation to carry out type 1 (dealing in securities) regulated activities under the SFO.
- Placing commission : Subject to completion of the Placing taking place, the Company shall pay a placing commission in Hong Kong dollars, of 1% of the amount (the “**Placing Commission**”) which is equal to the placing price multiplied by the number of the Unsubscribed Shares and the NQS Unsold Rights Shares that have been successfully placed by the Placing Agent pursuant to the terms of the Placing Agreement.
- Placing Price : Not less than HK\$0.214 per Unsubscribed Share and the NQS Unsold Rights Shares.
- Placing Period : The period from Tuesday, 19 May 2026 to Thursday, 21 May 2026 (both dates inclusive), or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Compensatory Arrangements.
- Placees : The individuals, corporate, institutional investors or other investors who are professional investors as defined under the SFO procured by the Placing Agents and/or their subplacing agents to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares.

The Unsubscribed Rights Shares and the NQS Unsold Rights Shares shall only be offered (i) to professional, institutional and other investor(s) who and whose ultimate beneficial owner(s) shall be Independent Third Parties; and (ii) no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.

The Placing Agent shall also ensure that the Public Float Requirement remains to be fulfilled by the Company upon completion of the Rights Issue.

- Ranking of the placed
Unsubscribed Shares and
NQS Unsold Rights Shares : The placed Unsubscribed Shares and NQS Unsold Rights Shares (when allotted, issued and fully-paid, if any) shall rank pari passu in all respects among themselves and with the existing Shares in issue as at the date of completion of the Rights Issue.
- Conditions of the Placing
Agreement : The obligations of the Placing Agent under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled:
- (i) the Rights Issue having become unconditional;
 - (ii) the Company's warranties contained in the Placing Agreement remaining true and accurate and not misleading in all material respects at all times prior to the date of completion of the Placing;
 - (iii) the Listing Committee granting the listing of, and permission to deal in, the Unsubscribed Shares and the NQS Unsold Rights Shares with or without conditions;
 - (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.

None of the above conditions can be waived. In the event that the above conditions precedent have not been fulfilled on or before the Latest Time for Termination, all rights, obligations and liabilities of the parties under the Placing Agreement in relation to the Placing shall cease and determine and none of the parties shall have any claim against the other in respect of the Placing (save for any antecedent breaches and/or any rights or obligations which may accrue under the Placing Agreement prior to such termination).

Termination

- : Notwithstanding anything contained in the Placing Agreement, the Placing Agent may terminate the Placing Agreement without any liability to the Company, by notice in writing given to the Company at any time prior to the Latest Time for Termination upon the occurrence of the following events which, in the absolute opinion of the Placing Agent, has or may have a material adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or the success of the Placing or the full placement of all of the Unsubscribed Shares and the NQS Unsold Rights Shares or otherwise make it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement if there develops, occurs or comes into force:
- (a) 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 hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industry, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's absolute opinion would affect the success of the Placing; or
 - (b) the imposition of any moratorium, suspension (for more than 7 trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's absolute opinion, would affect the success of the Placing; or
 - (c) 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 Group and if in the Placing Agent's absolute opinion any such new law or change may affect the business or financial prospects of the Group and/or the success of the Placing; or

- (d) any litigation or claim being instigated against any member of the Group or its senior management, which has or may affect the business or financial position of the Group and which in the Placing Agent's absolute opinion would affect the success of the Placing; or
- (e) any breach of any of the representations and warranties given by the Company as set out in the Placing Agreement having come to the knowledge of the Placing Agent or any event having occurred or any matter having arisen on or after the date of the Placing Agreement and prior to the completion of the Rights Issue 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 a material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (f) there is any material change (whether or not forming part of a series of changes) in market conditions which in the absolute opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

The terms of the Placing Agreement were determined after arm's length negotiation between the Placing Agent and the Company with reference to the prevailing market rate for rights issues in the market, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market conditions. The Directors consider that the terms of the Placing Agreement are fair and reasonable and on normal commercial terms.

The Placing Agent confirms that it is an Independent Third Party. The Placing Agent will, on a best efforts basis during the Placing Period, seek to procure subscribers who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties for all (or as many as possible) of the Unsubscribed Shares and NQS Unsold Rights Shares.

If all or any of the Unsubscribed Shares and NQS Unsold Rights Shares are successfully placed, any Net Gain will be distributed to the relevant No Action Shareholders and Excluded Shareholders. Any NQS Unsold Rights Shares and/or Unsubscribed Shares that are not placed by the Placing Agent will not be issued by the Company. As at the date of this announcement, the Placing Agent has not identified any placee(s). In any case, any placees shall be independent among themselves and should be independent of and not acting at the direction of or having any significant relationships with any connected person of the Company. As such, the Company considers that the Compensatory Arrangements will provide a compensatory mechanism for the No Action Shareholders, protect the interest of the Independent Shareholders, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As the Company has put in place the above Compensatory Arrangements as required by Rule 7.26A(1) (b) of the Listing Rules, there will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 7.26A(1)(a) of the Listing Rules.

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. There are no applicable statutory requirements regarding minimum subscription levels in respect of the Rights Issue. In the event of an undersubscription of the Rights Issue, the size of the Rights Issue will be reduced accordingly.

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

The Group is a foundation works contractor in Hong Kong. Its foundation works services are in demand for residential and non-residential developments, including commercial and infrastructure projects. The Group has a track record in undertaking foundation works primarily for residential developments launched by private property developers in Hong Kong.

Reference is made to the annual report for the financial year ended 31 March 2025. The Company disclosed that the revenue of the Group was approximately HK\$405.0 million for the year ended 31 March 2025. This represented a decrease of approximately 34.5% from the revenue of approximately HK\$618.2 million for the year ended 31 March 2024. The decrease was attributable to a reduction in the number of construction projects with sizeable contract sums and renovation projects undertaken during the year, as well as the progressive completion of certain large-scale projects in the prior year which were not replaced by projects of similar scale. According to data published by the Census and Statistics Department, the gross value of construction works performed by main contractors decreased by 4.5% in real terms in 2025, while private sector construction works decreased by 16.9% in nominal terms. In addition, industry reports indicate that tender prices reduced by approximately 1% during the year, reflecting increased competition in project bidding. The decrease in revenue of the Group was consistent with the reduction in private sector construction activity and the level of newly awarded projects in the market.

To diversify its construction business and explore new revenue streams, the Company has established a dedicated team to seek new business opportunities in the PRC. The Company has located some potential construction projects in the PRC.

In early 2026, the Company acquired a 51% equity interest in Hangzhou Yingchuang Construction Engineering Company Limited* (杭州央創建築工程有限公司) (“**Hangzhou Yingchuang**”). Hangzhou Yingchuang was incorporated in the PRC in 2025 and is owned as to 51% by the Company and 49% by an independent third party, Mr. Wang Yongfang* (王永芳) (“**Mr. Wang**”), an experienced PRC investor.

Hangzhou Yingchuang is principally engaged in construction-related activities in PRC under a “Second Grade Qualification”* (二級執照) in a construction enterprise and undertakes construction-related project management. Mr. Liu Hongsheng* (劉紅生), a qualified project manager holding a valid PRC Second Grade Constructor Qualification and Safety Production Assessment Certificate, employed by Hangzhou Yingchuang to manage construction projects on-sit in the PRC. With the experiences provided by Mr. Yip Kwong Cheung, the executive Director, relying on his experiences in construction works including overseeing daily operation and project management, the Board believes he is capable to oversee and monitor the projects carried by Hangzhou Yingchuang and to ensure they are executed to the expected standards.

Hangzhou Yangchuang has entered into a legally binding Service Agreement dated 17 March 2026 with Xiamen Tengruiyuan, according to the Service Agreement, this project is an interior decoration and renovation project. Pursuant to the decoration drawings provided by the Xiamen Tengruiyuan, the works shall meet the qualified quality standard. The scope of works includes: decorative surface layers for the floor, wall and ceiling within the hotel’s business scope; supporting installation works for water supply and drainage, electromechanical systems, etc.; partial soft decoration items such as ornaments and small articles; and pre-embedded construction for cable TV, network and telephone lines.

Service Agreement

Date	:	17 March 2026
Parties	:	(1). Hangzhou Yangchuang, as the subcontractor of the project; and (2). Xiamen Tengruiyuan, as the employer and the main contractor of the project
Project	:	Yi'ao Hotel Building Renovation Project* (逸澳酒店大樓裝修工程) at Shengguoyuan Commercial Center* (聖果院商業中心), No. 1067, Hengshan Street, Jimei District, Xiamen City

- Contract Price : RMB45,292,720.53 (inclusive of value-added tax at a provisional rate of 9%, subject to adjustment based on the prevailing value-added tax rate at the time the value-added tax liability arises). The contract is on a fixed unit price basis.
- Scope of services : This is an interior decoration and renovation project, subject to the final construction blueprints, covering partial areas on the 1st Floor, 6th Floor, and 19th - 21st Floors of the building. The scope includes:
- Finishing works for hotel operation areas: floor, wall, and ceiling decoration layers
 - Supporting MEP (Mechanical, Electrical & Plumbing) installation works (water and electricity systems)
 - Partial soft decoration (decorative items, small furnishings)
 - Pre-construction for cable TV, network, and telephone systems
- Commencement Date : Expected to commence in mid-June, subject to the receipt of the net proceeds from the Rights Issue, no other condition.
- Completion Date : 12 month from the commencement date
- Estimated target construction cost : Approximately RMB39 million
- It is expected that 60% of the proceeds will be allocated to material costs, 30% to the engagement of contractors, and 10% to internal labour expenses, as at the date of this announcement, the Hangzhou Yangchuang has not engaged any contractor for this project.
- Payment term : **Monthly progress payment**
- Hangzhou Yangchuang submits monthly progress reports by the 25th day of each month.
 - Xiamen Tengruiyuan pays 80% of the approved monthly work value within 5 days after approval.

Upon completion & acceptance

- After the project is fully completed and accepted, payment is increased to 90% of the contract price.

After final settlement

- After the final settlement is audited, payment reaches 97% of the settled amount.
- The remaining 3% is held as quality guarantee money.

Quality guarantee money

- Retained until the 12-month defect liability period expires, then refunded.

The estimated target construction cost of approximately RMB39.0 million was based on, among other things, prevailing market quotation of major materials at the time of preparation, the assumed renovation area of approximately 9,880 square metres, and the defined scope of works. Based on the above assumptions a total estimated cost of approximately RMB39.21 million and a unit cost of approximately RMB3,969 per square metre was reflected, which the Board considers to be a reasonable reference for budgeting purposes. This project was introduced to the subsidiary by Mr. Wang, and the entire estimated target construction cost of the project will be fully borne by the Company in its entirety.

Reference is made to the interim report for the six months ended 30 September 2025. The Company disclosed that as at 30 September 2025, the Group's bank balances and cash was approximately HK\$20.6 million and the Group's contract assets were approximately HK\$212.1 million. The receivables from the contract assets have been utilised in accordance with the ongoing project of the Company. As at 28 February 2026, the bank and cash balances of the Group was approximately HK\$2.72 million.

Therefore, the Directors are of the view that taking into account the existing cash resources held by the Group, it would be desirable for the Group to raise additional cash for satisfying the cash flow needs of the Group in order to explore new business opportunities including but not limited to the project from the Service Agreement so as to accommodate the expenses needs to support its business operations. With the bank and cash balances of the Group as at 28 February 2026, it is not enough for the potential construction project, the proceeds are expected allocated as the material costs and labour expenses for the project in the Service Agreement.

The Directors consider that the Rights Issue provides an opportunity to finance the upfront costs for the project from the Service Agreement.

The Board considers that raising funds by way of the Rights Issue remains appropriate as it provides the Group with timely funding to meet the upfront cashflow requirements for the project while avoiding additional interest burden that may arise from debt financing in the current interest rate environment. The Board also considers that the project is commercially justifiable, with an expected profit from the contract of approximately RMB6 million, subject to adjustment based on the prevailing value-added tax rate at the time the value-added tax liability arises. In addition, upon completion of the project in 2027, the remaining proceeds will be available as the upfront costs for other future business operations, thereby enabling the Group to explore and capture further business opportunities.

Assuming full subscription under the Rights Issue, the expected gross proceeds of the Rights Issue will be up to approximately HK\$35.10 million and the relevant expenses would be approximately HK\$1.58 million, which includes placing commission. Accordingly, the estimated net proceeds of the Rights Issue, after deducting the related expenses, will be up to approximately HK\$33.52 million.

Given that the Compensatory Arrangements would provide a compensatory mechanism for the relevant No Action Shareholders, the Directors consider that the Compensatory Arrangements are in the interest of the minority Shareholders.

The total net proceeds of the Rights Issue are approximately HK\$33.52 million (assuming no further issue or repurchase of Shares on or before the Record Date). These net proceeds will be used to fund the project mentioned above. Assuming the completion of the Rights Issue and the Rights Shares are fully subscribed, which are expected to take place by the end of June 2026, the net proceeds will amount to approximately HK\$33.52 million. The cash deployment is indicatively expected to commence in July 2026, and the project is expected to be completed by September 2027.

Further details of the use of proceeds will be disclosed by the Company in the announcement of results of the Rights Issue.

Fundraising alternatives

The Board has considered various fundraising alternatives before resolving to the Rights Issue, including debt financing and equity financing alternatives such as open offer and placing of new shares.

The Board is of the view that while debt financing will increase the gearing ratio of the Group and having considered the prevailing high interest rate environment, debt financing will increase the on-going interest expenses of the Group which may in turn affect the profitability of the Group.

With respect to equity financing alternatives, the Board considers that placing of new Shares would be a sub-optimal fundraising means as it will lead to an immediate dilution in shareholding interest of the existing Shareholders without offering them opportunities to participate in the enlargement of the capital base of the Company. As for open offer, similar to a rights issue, it also offers qualifying shareholders to participate, but it does not allow the trading of rights entitlements in the open market. The Directors are of the view that the Rights Issue provides better financial flexibility for the Company as it will strengthen the capital base of the Company, thus supporting the fulfillment of the development plan of the Group without further increase the interest burden to the Group. The Rights Issue also offers all Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company and avoid shareholding dilution for those Shareholders who take up their entitlement under the Rights Issue in full.

Having considered the above, the Directors consider that the terms of the Rights Issue are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there is no further issue or repurchase of Shares from the date of this announcement up to and including the date of completion of the Rights Issue, the table below sets out the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after completion of the Rights Issue, assuming full acceptance by all Shareholders; and (iii) immediately after completion of the Rights Issue assuming none of the Qualifying Shareholders have taken up any entitlements of the Rights Shares and all the Unsubscribed Shares and NQS Unsold Rights Shares:

Name of Shareholders	As at the date of this announcement		Immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by all Qualifying Shareholders		Immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all the remaining Unsubscribed Rights Shares and NQS Unsold Rights Shares having been placed by the Placing Agent	
			Number of		Number of	
	Shares	Approx. %	Shares	Approx. %	Shares	Approx. %
Yang Yuangui (<i>note</i>)	8,200,000	2.50%	12,300,000	2.50%	8,200,000	1.67%
Yang Zhenwei (<i>note</i>)	135,000	0.04%	202,500	0.04%	135,000	0.03%
Yang Wei (<i>note</i>)	656,000	0.20%	984,000	0.20%	656,000	0.13%
Placees	—	—	—	—	164,000,000	33.33%
Other public Shareholders	319,009,000	97.26%	478,513,500	97.26%	319,009,000	64.84%
Total	<u>328,000,000</u>	<u>100.00%</u>	<u>492,000,000</u>	<u>100.00%</u>	<u>492,000,000</u>	<u>100.00%</u>

Note: Ms. Yang Yuangui, Mr. Yang Zhenwei and Mr. Yang Wei are Directors of the Company.

Shareholders and public 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.

FUNDRAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS

The Company had carried out the following equity fundraising activity in the 12 months immediately preceding the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of net proceeds
10 November 2025	Placing of new shares under general mandate	Approximately HK\$19.0 million	General working capital of the Group	Fully utilised in accordance with the intended use
26 September 2025	Placing of new shares under general mandate	Approximately HK\$12.1 million	General working capital of the Group	Fully utilised in accordance with the intended use

The Company has not conducted any rights issue, open offer and/or specific mandate placing within the 12-month period immediately preceding the date of this announcement, 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 as part of such rights issue, open offers and/or specific mandate placings within such 12-month period.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Rights Issue. The expected timetable is subject to the satisfaction of the conditions to the Rights Issue and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this announcement refer to the Hong Kong local times and dates.

Events	Hong Kong Date and Time
Date of this announcement	Tuesday, 14 April 2026
Last day of dealings in the Shares on a cum-rights basis relating to the Rights Issue	Friday, 17 April 2026
First day of dealings in the Shares on an ex-rights basis relating to the Rights Issue	Monday, 20 April 2026

Events	Hong Kong Date and Time
Latest time for the Shareholders to lodge transfer documents of the Shares in order to be qualified for the Rights Issue	4:30 p.m. on Tuesday, 21 April 2026
Closure of register of members to determine the eligibility of the Rights Issue	Wednesday, 22 April 2026 to Tuesday, 28 April 2026 (both dates inclusive)
Record date for the Rights Issue	Tuesday, 28 April 2026
Register of members of the Company re-opens	Wednesday, 29 April 2026
Despatch of the Prospectus Documents (including the PAL and Prospectus) (in case of the Excluded Shareholders, the Prospectus only)	Wednesday, 29 April 2026
First day of dealings in nil-paid Rights Shares	Monday, 4 May 2026
Latest time for splitting the PAL	4:30 p.m. on Wednesday, 6 May 2026
Last day of dealings in nil-paid Rights Shares	Monday, 11 May 2026
Latest Time for Acceptance of and payment for the Rights Shares	4:00 p.m. on Thursday, 14 May 2026
Announcement of the number of the Unsubscribed Shares and NQS Unsold Rights Shares subject to the Compensatory Arrangements	Monday, 18 May 2026
Commencement of the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent	Tuesday, 19 May 2026
Latest time for placing the Unsubscribed Shares and NQS Unsold Rights Shares	4:00 p.m. on Thursday, 21 May 2026
Latest Time for the Termination of the Placing Agreement	4:30 p.m. on Tuesday, 26 May 2026

Events

Hong Kong Date and Time

Announcement of the results of Rights Issue (including the results of the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent and the amount of the Net Gain per the Unsubscribed Rights Shares and the NQS Unsold Rights Shares under the Compensatory Arrangements)	Monday, 1 June 2026
Despatch of share certificates for fully-paid Rights Shares and refund cheques (if the Rights Issue is terminated)	Tuesday, 2 June 2026
Commencement of dealings in fully-paid Rights Shares	Wednesday, 3 June 2026
Designated broker commences to provide matching services for odd lots of Shares	Wednesday, 3 June 2026
Payment of the Net Gain (if any) to relevant No Action Shareholders (if any)	Thursday, 4 June 2026
Designated broker ceases to provide matching services for odd lots of Shares	Friday, 26 June 2026

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The Latest Time for Acceptance will not take place at the time indicated above if there is a No. 8 typhoon warning signal or above, a black rainstorm warning signal and/or “extreme conditions” as announced by the Hong Kong Government:

- (i) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the day on which the Latest Time for Acceptance is initially scheduled to fall. Instead, the Latest Time For Acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the day on which the Latest Time for Acceptance is initially scheduled to fall. Instead, the Latest Time 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 in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place on or before 4:00 p.m. on Thursday, 14 May 2026, the dates mentioned herein may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable of the Rights Issue as soon as practicable.

LISTING RULES IMPLICATIONS

The Company has not conducted any other rights issue or open offer within the 12-month period prior to the date of this announcement, the proposed Rights Issue will not increase the 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), therefore the Rights Issue is not conditional upon approval by the Shareholders.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

GENERAL

Subject to the fulfilment of certain conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders on the Prospectus Posting Date. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company may 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 RISK OF DEALINGS IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

The Rights Issue is conditional upon fulfilment of the conditions set out in the paragraph headed “Conditions of the Rights Issue” under the section headed “Proposed Rights Issue” in this announcement, including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms and such listing not being withdrawn or revoked. Accordingly, the Rights Issue may or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

Any Shareholders or potential investors contemplating selling or purchasing the Shares and/or the nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue may not become unconditional and may not proceed.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company. 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 meanings set out below unless the context requires otherwise:

“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday, public holiday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and 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 open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Companies Registry”	Companies Registry of Hong Kong
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
“Company”	FEG Holdings Corporation Limited, an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
“Compensatory Arrangements”	arrangements to place the Unsubscribed Shares and NQS Unsold Rights Share by the Placing Agent on a best effort basis to investors who (or as the case maybe, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties pursuant to Rule 7.26A(1)(b) of the Listing Rules
“connected person”	has the meaning as ascribed thereto under the Listing Rules

“controlling shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of 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 Issue 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
“General Rules of HKSCC”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Group”	“the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hangzhou Yangchuang”	Hangzhou Yingchuang Construction Engineering Company Limited* 杭州央創建築工程有限公司
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“HKSCC Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons within the meaning of the Listing Rules
“Last Trading Day”	14 April 2026, being the date of this announcement and the last full trading day of the Shares on the Stock Exchange immediately preceding the publication of this announcement

“Latest Time for Acceptance”	4:00 p.m. on Thursday, 14 May 2026 (or such other time and date as may be determined by the Company), being the latest time for acceptance of and payment for the Rights Shares
“Latest Time for Termination”	4:30 p.m. on Tuesday, 26 May 2026 or such later time or date as may be agreed between the Placing Agent and the Company, being the latest time to terminate the Placing Agreement
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“No Action Shareholder(s)”	those Qualifying Shareholder(s) who do not subscribe for the Rights Issue (whether partially or fully) (under the PAL or their renounces or such person who hold any nil-paid rights at the time such nil-paid rights are lapsed) or Excluded Shareholders (as the case may be)
“NQS Unsold Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Excluded Shareholders in nilpaid form that have not been sold by the Company
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placing”	arrangements to place the Unsubscribed Shares and NQS Unsold Rights Shares by the Placing Agent on a best effort basis pursuant to the Placing Agreement
“Placing Agent”	Pinestone Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the SFO, which will place the Unsubscribed Shares and NQS Unsold Rights Shares to investors who are Independent Third Parties under the Compensatory Arrangements
“Placing Agreement”	the placing agreement dated 14 April 2026 entered into between the Company and the Placing Agent in relation to the Placing

“Placing Period”	the period from Tuesday, 19 May 2026 to Thursday, 21 May 2026 (both dates inclusive), or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Compensatory Arrangements
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus and the PAL(s)
“Prospectus Posting Date”	Wednesday, 29 April 2026 (or such other date as may be determined by the Company), being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Excluded Shareholders
“Public Float Requirement”	the public float requirement under Rule 13.32B of the Listing Rules
“Qualifying Shareholder(s)”	Shareholder(s), other than the Excluded Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Tuesday, 28 April 2026, the record date for the determination of the entitlements under the Rights Issue
“Registrar”	Boardroom Share Registrars (HK) Limited
“Rights Issue”	the proposed issue by way of rights of one (1) Rights Share for every two (2) Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions to be set out in the paragraph headed “Conditions of the Rights Issue” under the section headed “Proposed Rights Issue” in this announcement
“Rights Share(s)”	the new Share(s) to be allotted and issued under the Rights Issue, being 164,000,000 Shares (assuming no other change in the number of issued Shares from the date of this announcement up to and including the Record Date)

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.214 per Rights Share
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Unsubscribed Shares”	any of the Rights Shares which have not been subscribed by the Qualifying Shareholders or transferees of nil-paid Rights Shares by the Latest Time for Acceptance
“Xiamen Tengruiyuan”	Xiamen Tengruiyuan Commercial Management Company* 廈門騰瑞源商業管理有限公司
“%”	per cent

For and on behalf of the Board
FEG Holdings Corporation Limited
Yang Zhenwei
Executive Director

Hong Kong, 14 April 2026

As at the date of this announcement, the executive Directors are Ms. Yang Yuangui, Mr. Huang Chengkun, Mr. Yang Zhenwei, Mr. Yip Kwong Cheung, Mr. Yang Wei, Mr. Deng Huacheng and Mr. Li Yujia; and the independent non-executive Directors are Mr. Tang Man Joe, Mr. Chan Siu Kei Ken, Mr. Sin Kwok Chui Malon and Mr. Wong Kok Hon.