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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Virtual Mind Holding Company Limited (the “Company”), you should at once hand this circular together with the accompanying form of proxy, to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agents through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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Virtual Mind Holding Company Limited 天機控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1520)

DISCLOSEABLE AND CONNECTED TRANSACTION ASSIGNMENT OF LOANS AND NOTICE OF EGM

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders



**Minerva Advisory
贏環球融資顧問**

Capitalised terms used in this cover shall have the same meanings as defined in this circular.

A notice convening the EGM to be held at Suite 1702, 17/F., World-Wide House, No. 19 Des Voeux Road Central, Hong Kong at 11:00 a.m. on Thursday, 8 January 2026, in the event that a black rainstorm warning is issued, or No. 8 signal or above is hoisted, or “extreme conditions” are announced by the government of Hong Kong at or any time between 9:00 a.m. and 11:00 a.m. or remain in force in Hong Kong, at the same time and place on the second Business Day after Thursday, 8 January 2026 or any adjournment thereof, is set out on pages EGM-1 to EGM-3 of this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not later than 48 hours before the time appointed for holding of the EGM or any adjournment thereof to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

19 December 2025

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DEFINITIONS

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

“Announcements”	the announcements of the Company dated 23 September 2025 and 16 December 2025 in relation to, among other things, the entering into of the Sale and Purchase Agreement and the transactions contemplated thereunder
“Assignee” or “Ms. Tin”	Ms. Tin Yat Yu Carol, the executive Director and the sole director of the Assignor
“Assigned Debt”	all loans, obligations, liabilities and debts owing or incurred by the Borrowers to the Assignor from time to time under the Loan Agreements, including but not limited to the aggregate outstanding principal of and the outstanding interest accrued thereon, which as at 30 June 2025, amounted to approximately HK\$14,005,000 and HK\$3,077,890 respectively
“Assignment”	the assignment of the Assigned Debt pursuant to the Sale and Purchase Agreement
“Assignor”	Delta Wealth Finance Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Borrowers”	Borrower A, Borrower B and Borrower C
“Borrower A”	Mr. Chan Chun Kuen, the borrower under the Loan Agreement A, being an individual and an Independent Third Party
“Borrower B”	Mr. Leung Man Kit, the borrower under the Loan Agreement B, being an Independent Third Party
“Borrower C”	Mr. Chen Man Lok, the borrower under the Loan Agreement C, being an Independent Third Party
“Business Day”	a day (other than a Saturday or Sunday) on which banks are normally open in Hong Kong for the transaction of business
“Company”	Virtual Mind Holding Company Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1520)

DEFINITIONS

“Completion”	completion of the Assignment in accordance with the Sale and Purchase Agreement
“Completion Date”	any Business Day within 5 Business Days following the date on which the conditions precedent are fulfilled or such other date as the Assignor and the Assignee may agree
“Consideration”	HK\$11,399,686 being the total consideration to be satisfied by the Assignee to the Assignor for the Assignment
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at Suite 1702, 17/F., World-Wide House, No. 19 Des Voeux Road Central, Hong Kong at 11:00 a.m. on Thursday, 8 January 2026 for the purpose of considering, and if thought fit, approving, among other matters, the Assignment, the Sale and Purchase Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent board committee of the Company established by the Board, comprising all the independent non-executive Directors, to advise the Independent Shareholders on the Assignment, the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder
“Independent Financial Adviser”	Minerva Advisory Global Capital Limited, a corporation licensed to carry on Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders and/or their respective associates who are not required under the Listing Rules to abstain from voting at the EGM, other than those persons who have material interest in the Assignment

DEFINITIONS

“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third party(ies) independent of the Company and its connected persons in accordance with the Listing Rules
“Latest Practicable Date”	16 December 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreements”	Loan Agreement A, Loan Agreement B and Loan Agreement C
“Loan Agreement A”	the loan agreement dated 20 November 2017 (as supplemented by the supplemental loan agreements dated 20 November 2018, 2019 and 2020, respectively) entered into between the Assignor as lender and Borrower A as the borrower, pursuant to which the Assignor has agreed to make available to Borrower A a loan in the aggregate principal amount of HK\$12,000,000 subject to the terms and conditions therein
“Loan Agreement B”	the loan agreement dated 9 May 2017 entered into between the Assignor as the lender and Borrower B as the borrower, pursuant to which the Assignor has agreed to make available to Borrower B a loan in the aggregate principal amount of HK\$5,000,000 subject to the terms and conditions therein
“Loan Agreement C”	the loan agreement dated 6 January 2020 entered into between the Assignor as the lender and Borrower C as the borrower, pursuant to which the Assignor has agreed to make available to Borrower C a loan in the aggregate principal amount of HK\$3,500,000 subject to the terms and conditions therein
“Long Stop Date”	31 January 2026 (or such later date as the Assignee and Assignor may agree)
“Sale and Purchase Agreement”	a sale and purchase agreement dated 23 September 2025 entered into between the Assignor and the Assignee in relation to the Assignment, pursuant to which the Assignor agreed to sell to the Assignee and the Assignee agreed to purchase from the Assignor the Assigned Debt (as supplemented by an extension letter dated 16 December 2025 to extend the Long Stop Date from 31 December 2025 to 31 January 2026)
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

LETTER FROM THE BOARD



Virtual Mind Holding Company Limited 天機控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1520)

Executive Directors:

Mr. MEI Weiyi (*Chairman*)
Mr. LI Yang
Ms. TIN Yat Yu Carol
Mr. WONG Wai Kai Richard

Non-executive Directors:

Mr. ZHENG Kaixin
Ms. KOT Mui

Independent non-executive Directors:

Mr. TANG Shu Pui Simon
Mr. HON Ming Sang
Mr. CHEUNG Pak To, *BBS*

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Suite 1702, 17/F., World-Wide House
No. 19 Des Voeux Road Central
Hong Kong

19 December 2025

To the Shareholders

Dear Sir or Madam

DISCLOSEABLE AND CONNECTED TRANSACTION ASSIGNMENT OF LOANS AND NOTICE OF EGM

1. INTRODUCTION

The purpose of this circular is to provide you with, among other things, (i) details of the Sale and Purchase Agreement; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Assignment and the Sale and Purchase Agreement; (iii) the letter of advice from Minerva Advisory Global Capital Limited to the Independent Board Committee and the Independent Shareholders in respect of the Assignment and the Sale and Purchase Agreement; and (iv) the notice of EGM and the proxy form.

LETTER FROM THE BOARD

2. THE ASSIGNMENT

On 23 September 2025 (after trading hours of the Stock Exchange), the Assignor, being a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Assignee, pursuant to which the Assignor has agreed to assign, and the Assignee has agreed to purchase from the Assignor all of the Assignor's legal and beneficial right in the Loan Agreements (including but not limited to the Assigned Debt).

SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out as follows:

Date : 23 September 2025

Parties Assignor: Delta Wealth Finance Limited, a wholly owned subsidiary of the Company

Assignee: Ms. Tin Yat Yu Carol, an executive Director and the sole director of the Assignor

Subject matter

The Assignor has agreed to assign, and the Assignee has agreed to purchase from the Assignor all of the legal and beneficial right in the Loan Agreements (including but not limited to the Assigned Debt).

Consideration

The Consideration is HK\$11,399,686, which shall be paid by the Assignee to the Assignor by cash in the following manner:

- (i) as to HK\$1,099,686 shall be paid by the Assignee to the Assignor as down payment (the “**Deposit**”) upon signing of the Sale and Purchase Agreement (or such later date as the Assignor and the Assignee may agree); and
- (ii) the remaining sum of HK\$10,300,000 (the “**Remaining Sum**”) shall be paid by the Assignee to the Assignor in 12 monthly installments (with the first 11 installments being HK\$860,000 each and the last installment being HK\$840,000), while the first instalment shall be payable on 1 October 2025 or the Completion Date (whichever is later) (or such later date as the Assignor and the Assignee may agree) and the remaining instalments be payable by the Assignee to the Assignor by the end of each subsequent calendar month. Notwithstanding of the above, the Assignee may prepay all or part of the Remaining Sum at any time by giving the Assignor not less than three (3) Business Days' prior written notice.

In the event of a partial prepayment of the Remaining Sum, the sum so prepaid shall be applied in inverse order of maturity and the Assignee shall continue to make all remaining installments in accordance with the original payment schedule until the Remaining Sum is fully repaid.

LETTER FROM THE BOARD

Notwithstanding the above, the Assignee undertakes to use her best endeavour (including but not limited to maintaining regular contact with the Borrowers and commencement of legal actions) to liaise with the Borrowers to recover the Assigned Debt, and shall use the net amount so successfully recovered to settle the outstanding Consideration as soon as possible within 10 Business Days upon receipt of the same, and settle the Consideration in entirety within one year from the date of Completion in any event. This undertaking aims to accelerate the recovery of the Assigned Debt, thereby creating mutual benefits for both the Assignor and the Assignee. If the Borrowers repay the Assigned Debt, the Assignee will use those funds to settle the outstanding Consideration owed to the Assignor ahead of the payment schedule of the Remaining Sum under the Sale and Purchase Agreement. This mechanism allows the Assignee to be released from her remaining payment obligations under the Assignment upon full settlement, while providing the Company with faster access to funds, improved cash flow, and reduced exposure to the Assigned Debt as the Assignee remains obligated to pay the Remaining Sum in full over 12 months regardless of whether recovery succeeds. The recovery progress is thus driven by the Assignee's proactive efforts to collect the Assigned Debt as soon as possible, with all received funds directed towards settling the Consideration, ultimately benefiting the Company as the holding company of the Assignor.

Taking into account (i) the structured repayment schedule for the Remaining Sum, comprising 12 monthly installments, which aligns with the Assignee's undertaking to use best endeavour to recover the Assigned Debt from the Borrowers within a reasonable debt collection timeframe; (ii) the Assignee's extensive experience of over 15 years in money lending and recovery, providing the Group with immediate partial liquidity through the Deposit of HK\$1,099,686 while minimising default risk through prepayment flexibility and inverse order application; (iii) the Assignee's personal assumption of full future collection risks; (iv) the Assignee's financial credibility (as evidenced by her directorship and shareholding in two listed companies in Hong Kong, coupled with over 15 years of experience in money lending and recovery) and undertaking to settle the outstanding Consideration as soon as possible within 10 Business Days upon receipt of the net amount of the Assigned Debt from the Borrowers; (v) the foreseeable timeline for the Group to receive the Consideration in entirety within one year, the Board (excluding Ms. Tin) considers that compared to the uncertain repayment schedule of the Borrowers, alongside their poor repayment record, the installment arrangement was fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Consideration represents the difference of the original aggregated principal amount of the Assigned Debt of HK\$20,500,000 and all repayment (including interest payments) previously made by the Borrowers up to 30 June 2025 of HK\$9,100,314 (including principal amount of HK\$6,495,000 and interest of HK\$2,605,314). Given the poor repayment track record of the Borrowers, the Company has not only failed to generate expected profits from interest payments, but has also faced a material risk of non-recovery of even the original loan principal, which has in fact been recorded as a loss of the Company by way of impairment, where the Board (excluding Ms. Tin who has abstained from voting due to her material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder) considers that the likelihood of recovering the Assigned Debt to be very low, or if not no, prospect of collection. In addition, although interest continues to accrue on the outstanding defaulted loans in accordance with the Loan Agreements, these accruals are merely notional and do not result in actual profit or cash inflow to the Group, as the Borrowers have ceased making further payments. As such, accrued interest has not been included in the Consideration.

LETTER FROM THE BOARD

The Consideration was determined after arm's length negotiations between the Assignor and the Assignee, having considered (i) the outstanding principal and interests owed by the Borrowers under the Loan Agreements; (ii) the low likelihood of recovering the Assigned Debt and the interests thereon; (iii) the significant time and costs expected to be incurred by the Group if the Assignor pursues legal action against the Borrowers to enforce the Loan Agreements; and (iv) the current global circumstances and uncertainties in the economic outlook.

As of 30 June 2025, the aggregate amount repaid by the Borrowers to the Assignor was HK\$9,100,314, but the Borrowers have not repaid the accrued interest or the principal in full or on time despite ongoing discussions and demands for repayment, details of which are set out under the section headed "Reasons for and Benefits of the Assignment and Use of Proceeds" below. Based on the Borrowers' unsatisfactory historical repayment record and their defaults under the Loan Agreements overdue for more than 24 months, the Board (excluding Ms. Tin) is of the view that the likelihood of the Borrowers repaying the Assigned Debt is very low.

In addition, as set out under the section headed "Reasons for and Benefits of the Assignment and Use of Proceeds" below, pursuing formal legal recovery of the Assigned Debt involves a protracted process fraught with uncertainties, including potential disputes and substantial costs. The collateral (comprising three necklaces) securing to the Assigned Debt, has been preliminarily valued based on the prevailing market price of similar necklaces in October 2025 at no more than HK\$7 million by jewellery trading companies, which falls significantly short of covering the outstanding principal amount. The quotations were based on the testing certificate available and the specifications of the collateral. However, as the collateral remains pledged and has not yet been offered for sale as at the Latest Practicable Date, the current value of the collateral is indicatively only and subject to possible adjustments based on the timing and prevailing market conditions at the time of sale. In general, the value of such collateral has been on a downtrend, which further diminishes the likelihood of achieving a recovery sufficient to cover the outstanding loan amount. The collateral for the Loan Agreements is currently held in physical possession of the Assignor.

In practice, enforcing and realising the collateral under the Loan Agreements may entail additional legal and other expenses (not less than HK\$50,000 if not contested) and time costs (not less than three months if not contested). For instance, to comply with common law duties to act in good faith and take reasonable care in obtaining the best price reasonably achievable during the sale, it would typically require retaining qualified professionals for independent valuations, engaging auction houses or sale agents to facilitate a transparent and proper disposal, and seeking legal advice to review the process, ensure procedural compliance, and mitigate risks of future challenges in ownership issues. Assuming that the value of the collateral is insufficient to cover the outstanding loan, the Company may need to initiate legal proceedings against the Borrowers to recover the shortfall, which will incur further legal expenses (including counsel fees) and time costs. Nevertheless, due to the inherent uncertainty of the litigation process, the Group is unable to estimate the additional time and costs to be required. These factors, combined with potential delays due to prevailing market conditions, could also lead to a foreseeable reduction in the ultimate recovery value. Moreover, the realizable value of the collateral, as currently quoted, would be further subject to prevailing market conditions at the time of sale. In contrast, the Assignment offers a definitive, one-time mechanism for the Group to recover a substantial portion of these long-overdue amounts owed under the Loan Agreements within a foreseeable timeframe, without incurring the enforcement risks and expenditures.

LETTER FROM THE BOARD

After considering (i) the Borrowers' unsatisfactory historical repayment records; (ii) the respective default statuses of the Loan Agreements (default since May 2021, May 2018 and July 2020 for the Loan Agreement A, the Loan Agreement B and the Loan Agreement C, respectively) and the fact that the Assigned Debt has already been impaired; (iii) the Assignor's previous efforts in recovering the outstanding principal and interests owed by the Borrowers, including issuing monthly debt clearance notices, demand letters and conducting follow-up calls to negotiate repayment; (iv) the sum of the Consideration and all the repayments (including interest payments) previously made by the Borrowers up to 30 June 2025 is equivalent to the aggregate principal amount of the Loan Agreements of HK\$20,500,000, and (v) the time and costs expected to be incurred if the Assignor pursues legal action to recover the Assigned Debt from each Borrower, the Consideration payable by the Assignee to the Assignor would enable the Group to recover the principal amount of the Assigned Debt in full in a foreseeable timeframe and alleviate the Group's inherent risk of non-recoverability associated with the Assigned Debt. Accordingly, the Board (including the independent non-executive Directors but excluding Ms. Tin who has abstained from voting due to her material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder) is of the view that the Consideration is fair and reasonable and on normal commercial terms and that the entering into of the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

Conditions Precedent

Completion shall be conditional upon and subject to:

- (a) the passing by the Independent Shareholders at the EGM of all necessary resolution(s) to approve the Sale and Purchase Agreement and the transactions contemplated thereunder and all other consents and acts required under the Listing Rules having been obtained and completed or, as the case may be, the relevant waiver from compliance with any of such rules having been obtained from the Stock Exchange;
- (b) all Assignor's representations and warranties stated in the Sale and Purchase Agreement remaining true and correct in all respects and not misleading; and
- (c) all Assignee's representations and warranties stated in the Sale and Purchase Agreement remaining true and correct in all respects and not misleading.

The Assignor shall have the absolute discretion to waive the condition set out in (c) above and the Assignee shall have the absolute discretion to waive the condition set out in (b) above. Neither the Assignor nor the Assignee may waive condition (a) above. As at the Latest Practicable Date, none of the conditions set out above have been fulfilled.

If the above conditions precedent have not been satisfied (or as the case may be, waived by the Assignee or the Assignor) on or before 5:00 p.m. on the Long Stop Date, the Sale and Purchase Agreement shall cease and determine and in which event any amount of the Deposit (without interest) received by the Assignor shall be refunded to the Assignee forthwith and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

LETTER FROM THE BOARD

Completion

Upon fulfilment or waiver of all the conditions precedent, Completion shall take place on the Completion Date.

Upon Completion, the Assignor and the Assignee shall execute a deed of assignment, pursuant to which the Assignor shall assign all the rights and interests under the Loan Agreements to the Assignee.

As at the Latest Practicable Date, the Assignor has received the Deposit from the Assignee.

Assigned Debt

The salient terms of each of the Assigned Debt are as follows:

	Loan Agreement A	Loan Agreement B	Loan Agreement C
Date of the original loan agreement	20 November 2017 (as supplemented by the supplemental loan agreements dated 20 November 2018, 2019 and 2020, respectively)	9 May 2017	6 January 2020
Principal	HK\$12,000,000	HK\$5,000,000	HK\$3,500,000
Interest accrued as at 30 June 2025	HK\$571,192	HK\$2,094,000	HK\$412,698
Interest rate	8% p.a.	13.2% p.a.	15.6% p.a.
Maturity date	20 May 2021	10 May 2018	6 July 2020
Collateral	Borrower A provided a necklace as collateral	Borrower B provided a necklace as collateral	Borrower C provided a necklace as collateral
Status	Overdue	Overdue	Overdue

LETTER FROM THE BOARD

3. REASONS FOR AND BENEFITS OF THE ASSIGNMENT AND USE OF PROCEEDS

Money lending is one of the original course of businesses of the Group.

Prior to the entering into of each of the Loan Agreements, the Group has carried out credit risk assessments on each of the Borrowers, taking into account, among other things, the financial background of the Borrowers, purpose of their borrowing and their potential repayment ability. Having considered that (i) each of the Borrowers had no bankruptcy record, and (ii) the loans were supported by collaterals, the Assignor was satisfied with their credit worthiness at the time of the loan applications. As at 30 June 2025, (i) the aggregate amount owed by Borrower A to the Assignor under Loan Agreement A, including the outstanding principal and interest was HK\$7,396,192; (ii) the aggregate amount owed by Borrower B to the Assignor under Loan Agreement B, including the outstanding principal and interest was HK\$6,794,000; and (iii) the aggregate amount owed by Borrower C to the Assignor under Loan Agreement C, including the outstanding principal and interest was HK\$2,892,698.

Since the Borrowers' default, the Group has been in various discussions with the Borrowers as to the repayment of the principal amount and the payment of the interest under the Loan Agreements, and various recovery measures have been undertaken, including issuing demand letters and monthly debt clearance notices, engaging in discussions, and exploring settlement options to facilitate repayment, while continuing to issue demand letters and conducting follow-up calls with the Borrowers to negotiate for repayment. Monthly debt clearance notices have been issued against (i) each of Borrower A and Borrower C since January 2023, and (ii) Borrower B between January 2021 to November 2022 and since January 2023, and demand letters have been issued against each of the Borrowers in 2023 and 2024. Although Borrower B and C had repaid a sum of HK\$1,286,000 and HK\$1,020,000, respectively, to the Assignor in March 2025, no further repayments have been made by them since then, and based on their lack of indication to settle their respective outstanding loans, the Group considers that the likelihood of recovery of the interest accrued under the Assigned Debt is very low, while the Assignment ensures full recovery of the original principal from its impairment. The outstanding balances were long-outstanding and despite previous efforts, were deemed increasingly irrevocable through standard collection processes, rendering further pursuit uneconomical. Pursuing formal legal recovery was assessed to be a lengthy and costly process with an uncertain outcome, likely resulting in significant legal expenses and a deep discount on the recovery value.

LETTER FROM THE BOARD

During the preparation of the financial information of the Group for the six months ended 30 June 2025, the Group performed a regular impairment review of its loan portfolio and the Assignee, as director of the Assignor, followed-up on the loans to assess the repayment ability of each borrower. All borrowers, except the Borrowers, indicated their willingness to settle their respective outstanding loan balance. The Group, after taking into account the poor repayment history of the Borrowers, considered that the likelihood of further repayment of the principal and accrued interests by the Borrower is remote and intended to assign the Assigned Debt to save time and resources that will otherwise be incurred for recovering and collecting the Assigned Debt. Having considered the Group's intention to reallocate resources and to assign the Assigned Debt and the terms of the Assignment (such as the right to recover the Assigned Debt including outstanding accrued interest), the Assignee, an executive Director who is also the director of the Assignor, approached the Group and agreed to assume the Assigned Debt on an arm's length basis. Compared to recovery actions taken by other third-party recovery agents, who typically require a deep discount on the outstanding principal to mitigate the non-recovery risk in distressed assets and would not acquire the non-performing loans at cost, the Assignee, being the only buyer interested in acquiring the Assigned Debt based on the terms of the Sale and Purchase Agreement, will use her own time and efforts, and if necessary, initiate legal actions at her own cost to take full responsibility to recover the outstanding loan balances from the Borrowers by assignment of the rights, titles and benefits of the Assigned Debt to her at the Consideration of HK\$11,399,686, representing the original aggregated principal amount of the Assigned Debt less all amounts previously repaid (including interest payments) made by the Borrowers respectively, ensuring full recovery of the principal. As such, the Board (excluding Ms. Tin who has abstained from voting due to her material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder) considers that the arrangement is in the interest of the Company and the Shareholders as a whole.

The Assignment provides a definitive, one-off solution to the Group to recover a substantial portion of these long outstanding amounts owed under the Loan Agreements within a foreseeable timeframe. This immediate and certain settlement conclusively eliminates the Group's credit risks exposure to the Assigned Debt. Further, it enables the Group to mitigate losses, protect its financial interests, and strengthen its overall performance. All future collection risk, including the time, cost, and effort of recovery and the risk of further default by the Borrowers is fully transferred to the Assignee. As a result, the Group has no further obligation or financial exposure related to the Assigned Debt. It is intended that the net proceeds from the Assignment of HK\$11,129,686 will be used as general working capital (including but not limited to salaries and benefits, rental and utilities, professional fees and other general and administrative expenses) of the Group to support the Group's apparel operation and IP application and products operation business.

As set out in the annual report of the Company for the year ended 31 December 2024, whilst the Group will continue to provide money lending services to existing customers, the money lending operation of the Group is expected to be scaled down gradually. As such, the Assignment is in line with the overall business strategy of the Group and does not affect the money lending operation of the Company. The Group will also closely monitor the repayment status of the remaining overdue loans and interest receivables and make every effort (including but not limited to the commencement of legal actions against the borrowers) to recover such loans and interest receivables. As at 30 September 2025, the aggregate outstanding loan amount is approximately HK\$55,931,000, and the Company conducts timely reviews of these outstanding loans to assess their repayment status. All other outstanding loans are either paid punctually, or where a default has occurred, the Group is in negotiations with the respective borrowers regarding repayment arrangements.

LETTER FROM THE BOARD

Having regard to the reasons for and benefits of the Assignment, the Board (including the independent non-executive Directors but excluding Ms. Tin who has abstained from voting due to her material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder) is of the view that the Assignment and the terms of the Sale and Purchase Agreement, which have been reached after arm's length negotiations between the parties, and the transactions contemplated thereunder are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

4. FINANCIAL EFFECTS OF THE ASSIGNMENT

Based on, among other things, the Consideration of HK\$11,399,686 and the related expenses, a gain of HK\$6,404,958 is expected to be recorded for the Assignment, being the difference between (i) the Consideration; and (ii) the book value of the Assigned Debt as at 30 June 2025 of HK\$4,994,728 and the amount of the related expenses. There will also be an increase in net asset of HK\$6,404,958, resulting from the reversal of the impairment allowance made on the Assigned Debt of HK\$12,088,162 as of 30 June 2025 less HK\$5,683,204 to be written off over the receivable from the Group of approximately HK\$17,082,890.

The aforesaid estimation is for illustrative purpose only and does not purport to represent how the financial position of the Group will be after the Assignment.

5. INFORMATION OF THE PARTIES

THE GROUP AND THE ASSIGNOR

The Group principally engages in (i) apparel operation; (ii) money lending operation; and (iii) IP application and products operation. The Assignor is a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company. Its principal activity is the provision of money lending business mainly to individual consumers and small businesses in Hong Kong.

THE ASSIGNEE

The Assignee is the executive Director and the sole director of the Assignor since 2015 and remains as its sole director after the Company's completion in the acquisition of the Assignor in November 2016. The Assignee has more than 15 years of experience in financial management, corporate finance, money lending business and fine dining business. According to the Assignee, each of the Borrowers were not introduced or procured by her, she has no relationship or side arrangement with the Borrowers, and the Borrowers are not connected persons of the Assignee. As at the Latest Practicable Date, save for the 1,000,000 underlying shares of the Company (representing approximately 0.11% of the total issued share capital of the Company) by virtue of the award shares granted to her under the share award scheme of the Company adopted in June 2024, the Assignee does not have any interest in the Shares.

LETTER FROM THE BOARD

6. LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Assignment exceed 5% but are less than 25%, the Assignment constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this circular, the Assignee is a connected person of the Company under Chapter 14A of the Listing Rules by virtue of being an executive Director and the sole director of the Assignor. Therefore, the Assignment also constitutes a connected transaction for the Company and is subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Assignee has abstained from voting on the Board resolution approving the Sale and Purchase Agreement and the transactions contemplated thereunder. Save as disclosed, no other Director has a material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder or is required to abstain from voting on the Board resolutions in relation to the aforesaid matters.

To the best knowledge, information and belief of the Directors, no Shareholder has a material interest in the Assignment and the Sale and Purchase Agreement and is required to abstain from voting on the resolution(s) approving the Assignment, the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM.

7. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising Mr. Tang Shui Pui Simon, Mr. Hon Ming Sang and Mr. Cheung Pak To, *BBS*, being all independent non-executive Directors, has been established to advise the Independent Shareholders on matters relating to the Assignment, the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder.

The Company has, with the approval of the Independent Board Committee, appointed Minerva Advisory Global Capital Limited as the Independent Financial Adviser in accordance with the requirements under the Listing Rules to advise the Independent Board Committee and the Independent Shareholders in this regard.

LETTER FROM THE BOARD

8. EGM

The EGM will be convened and held at Suite 1702, 17/F., World-Wide House, No. 19 Des Voeux Road Central, Hong Kong at 11:00 a.m. on Thursday, 8 January 2026 for the purpose of considering and, if thought fit, approving the Assignment, the Sale and Purchase Agreement and the transactions contemplated thereunder.

The notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same as soon as possible and in any event not later than 48 hours before the time appointed for holding of the EGM or any adjournment thereof to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

To determine the entitlement of the members of the Company to attend and vote at the EGM to be held on Thursday, 8 January 2026, the register of members of the Company will be closed on Monday, 5 January 2026 to Thursday, 8 January 2026, both days inclusive. The record date for entitlement to attend and vote at EGM is Thursday, 8 January 2026. In order to qualify for attending and voting at the EGM, all transfer documents should be lodged for registration with the share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, 2 January 2026.

All the resolutions proposed to be approved at the EGM will be taken by poll and an announcement will be made by the Company after the EGM on the results of the EGM.

9. GENERAL

Completion is subject to and conditional upon the fulfillment of the terms and conditions precedent set out in the Sale and Purchase Agreement and the Assignment may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

10. RECOMMENDATION

The Directors (including the independent non-executive Directors whose view are expressed in the letter from the Independent Board Committee) consider that the Assignment, the Sale and Purchase Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole, and the terms and transactions contemplated are fair and reasonable so far as the Shareholders are concerned. Accordingly, the Directors recommend that the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Assignment, the Sale and Purchase Agreement and the transactions contemplated thereunder.

LETTER FROM THE BOARD

11. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendix and the notice of EGM, which form part of this circular.

Yours faithfully,
By order of the Board
Virtual Mind Holding Company Limited
Mei Weiyi
Chairman and Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



Virtual Mind Holding Company Limited

天機控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1520)

19 December 2025

To the Independent Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION ASSIGNMENT OF LOANS

We refer to the circular of the Company dated 19 December 2025 (the “**Circular**”), of which this letter forms part. Unless the context otherwise requires, terms and expressions defined in the Circular shall have the same meanings herein.

We have been appointed by the Board as the members of the Independent Board Committee to consider the Assignment, being a connected transaction, pursuant to the terms and conditions of the Sale and Purchase Agreement, and to advise the Independent Shareholders as to whether, in our opinion, such terms are fair and reasonable so far as the Company and the Independent Shareholders are concerned and the entering into of the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

Minerva Advisory Global Capital Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this regard.

We would like to draw your attention to the letter from the Board set out on pages 5 to 16 of the Circular which contains, among other things, information on the Assignment and the letter from the Independent Financial Adviser set out on pages 19 to 32 of the Circular which contains its advice in respect of the Assignment. Your attention is also drawn to the additional information set out in the Circular.

Having taken into account the principal factors and reasons underlying the Assignment as well as the advice of the Independent Financial Adviser, we consider the Sale and Purchase Agreement and the transactions contemplated thereunder are, although not conducted in the ordinary and usual course of business of the Group, (i) on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) in the interest of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder to be proposed at the EGM.

Yours faithfully,
For and on behalf of the
Independent Board Committee

Mr. Tang Shu Pui Simon
*Independent non-executive
Director*

Mr. Hon Ming Sang
*Independent non-executive
Director*

Mr. Cheung Pak To, BBS
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Assignment, and prepared for the purpose of incorporation into this circular.

Minerva Advisory Global Capital Limited
Unit 1804, 18/F
Far East Finance Centre
16 Harcourt Road
Hong Kong

19 December 2025

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTION ASSIGNMENT OF LOANS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Assignment, details of which are set out in the “Letter from the Board” contained in the circular of the Company dated 19 December 2025 (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless otherwise defined herein or required by the context.

On 23 September 2025 (after trading hours of the Stock Exchange), the Assignor, being a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Assignee, pursuant to which the Assignor has agreed to assign, and the Assignee has agreed to purchase from the Assignor all of the Assignor’s legal and beneficial right in the Loan Agreements (including but not limited to the Assigned Debt).

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Assignment exceed 5% but are less than 25%, the Assignment constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As of the date of the Circular, the Assignee is a connected person of the Company under Chapter 14A of the Listing Rules by virtue of being an executive Director and the sole director of the Assignor. Therefore, the Assignment also constitutes a connected transaction for the Company and is subject to the reporting, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

An EGM will be convened and held for the purpose of considering and, if thought fit, approving the Assignment, the Sale and Purchase Agreement and the transactions contemplated thereunder. The Assignee and her associates are required to abstain from voting on the resolution(s) approving the Assignment, the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM. Save for the aforementioned and to the best knowledge, information and belief of the Directors, no other Shareholder has a material interest in the Assignment and the Sale and Purchase Agreement and is required to abstain from voting on the resolution(s) approving the Assignment, the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee (comprising all the independent non-executive Directors) has been established to advise the Independent Shareholders on the Assignment, taking into account the recommendation from the Independent Financial Adviser.

OUR INDEPENDENCE

We have not acted as the independent financial adviser or financial adviser in relation to any transactions of the Company in the last two years prior to the date of the Circular. Apart from normal professional fees paid or payable to us in connection with this transaction, no other arrangement exists whereby we had received or will receive any fees or benefits from the Company or any parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider ourselves independent in accordance with Rule 13.84 of the Listing Rules.

BASIS OF OUR ADVICE

In formulating our opinion, we have reviewed, among others, (i) the Sale and Purchase Agreement; (ii) Loan Agreements A, B and C; (iii) the Company's annual report for year ended 31 December 2024 (the "**2024 Annual Report**") and interim report for the six months ended 30 June 2025 (the "**2025 Interim Report**"); and (iv) other information as set out in the Circular.

We have also relied on the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us by the Group, the Directors and the management of the Company (the "**Management**"). We have assumed that all the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us were true, accurate and complete at the time they were made and will continue to be so up to the date of the EGM. The Directors collectively and individually accept full responsibility, including particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in the Circular misleading.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have no reason to believe that any statements, information, opinions or representations relied on by us in forming our opinion are untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the statements, information, opinions or representations provided to us untrue, inaccurate or misleading.

We consider that we have been provided with, and have reviewed, sufficient information to reach an informed view and provide a reasonable basis for our opinion. We have not, however, conducted any independent investigation into the business, financial conditions and affairs or future prospects of the Group.

In the event of inconsistency, the English text of this letter shall prevail over the Chinese translation of this letter.

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Information on the Group and background information of the parties to the Assignment

The Group

The Group principally engages in (i) apparel operation; (ii) money lending operation; and (iii) IP application and products operation. The Assignor is a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company. Its principal activity is the provision of money lending business mainly to individual consumers and small businesses in Hong Kong.

The Assignee

The Assignee is an executive Director of the Company (Virtual Mind Holding Company Limited) and the sole director of the Assignor (Delta Wealth Finance Limited) since 2015. The Assignee has more than 15 years of experience in financial management, corporate finance, money lending business and fine dining business.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Assigned Debt

The salient terms of each of the Assigned Debt are as follows:

	Loan Agreement A	Loan Agreement B	Loan Agreement C
Date of the original loan agreement	20 November 2017 (as supplemented by the supplemental loan agreements dated 20 November 2018, 2019 and 2020, respectively)	9 May 2017	6 January 2020
Principal	HK\$12,000,000	HK\$5,000,000	HK\$3,500,000
Interest accrued as at 30 June 2025	HK\$571,192	HK\$2,094,000	HK\$412,698
Interest rate	8% p.a.	13.2% p.a.	15.6% p.a.
Maturity Date	20 May 2021	10 May 2018	6 July 2020
Collateral	Borrower A provided a necklace as collateral	Borrower B provided a necklace as collateral	Borrower C provided a necklace as collateral
Status	Overdue	Overdue	Overdue

2. **Reasons for and the benefits of the Assignment and use of proceeds**

For our due diligence of the Loan Agreements, we obtained and reviewed the relevant Loan Agreements and a summary table of all repayment records of each of the Borrowers with relevant supporting documents e.g. bank deposit slips and/or accounting vouchers and various repayment demand letters. Given the supporting documents of the repayment records we have obtained and reviewed represent the entire repayment amount of the Borrowers as represented in the summary table as at the Latest Practicable Date, we consider the repayment records to be fair and representative. We assess the reasons for and the benefits of the Assignment and use of proceeds with details as follows:

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(i) *Poor repayment history of in relation to Loan Agreement A:*

We noted that the agreement matured on 20 May 2021 and Borrower A had repaid a sum of HK\$6,794,314 to the Assignor by the end of December 2021. Nevertheless, Borrower A has failed to make further repayment since January 2022. Having considered that Borrower A failed to repay the loan and the interest thereon in accordance with Loan Agreement A, in October 2021, the Assignor and Borrower A entered into a settlement agreement to restructure the remaining outstanding sum and repayment schedule in an attempt to allow Borrower A to make full repayment. Subsequently, the Assignor had issued legal demand letters to Borrower A in September 2023 and October 2024, followed by debt clearance notices on a monthly basis from June 2025 to August 2025. As noted from the settlement agreement between the Assignor and Borrower A in October 2021, the Assignor understood Borrower A's willingness to the settlement of the outstanding loan balance by November 2022. As at 30 June 2025, the aggregate amount owed by Borrower A to the Assignor under Loan Agreement A, including the outstanding principal and accrued interest amounted to HK\$7,396,192.

(ii) *Poor repayment history of in relation to Loan Agreement B:*

We noted that the agreement matured on 10 May 2018 and Borrower B had only repaid a sum of HK\$1,286,000 to the Assignor by the end of March 2025. Furthermore, repayments were made only intermittently up to that date, and all repayment made since 2019 were partial repayments only, and no further repayment was made by Borrower B up till 31 October 2025. We view that this pattern reflects a delaying posture and signifies a low level of commitment and willingness by Borrower B to fully settle the loan. The Assignor had issued legal demand letters to Borrower B in September 2023 and October 2024, followed by debt clearance notices on a monthly basis from June 2025 to August 2025. As at 30 June 2025, the aggregate amount owed by Borrower B to the Assignor under Loan Agreement B, including the outstanding principal and accrued interest amounted to HK\$6,794,000.

(iii) *Poor repayment history of in relation to Loan Agreement C:*

We noted that the agreement matured on 6 July 2020 and Borrower C had repaid a sum of HK\$1,020,000 to the Assignor by the end of March 2025. Furthermore, repayments were made only intermittently up to that date, and all repayment made since 2022 were partial repayments only, and no further repayment was made by Borrower C up till 31 October 2025. We view that this pattern reflects a delaying posture and signifies a low level of commitment and willingness by Borrower C to fully settle the loan. The Assignor had issued legal demand letters to Borrower C in September 2023 and October 2024, followed by debt clearance notices on a monthly basis from June 2025 to August 2025. As at 30 June 2025, the aggregate amount owed by Borrower C to the Assignor under Loan Agreement C, including the outstanding principal and accrued interest amounted to HK\$2,892,698.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(iv) *Rationale for assigning the loans to Assignee*

Money lending is one of the business segments of the Group. Prior to the entering into of each Loan Agreements, the Group carried out credit risk assessments on each of the Borrowers, taking into account, among other things, the financial background of the Borrowers, the purpose of their borrowing and their potential repayment ability. Nevertheless, in light of the abovementioned lack of repayment by the Borrowers, the Assignee, being the executive Director of the Company (Virtual Mind Holding Company Limited) and the director of the Assignor (Delta Wealth Finance Limited), has agreed to take full responsibility to recover the outstanding loan balances from the Borrowers by assignment of the rights, titles and benefits of the Assigned Debt to her at the Consideration of HK\$11,399,686, which equals to the original aggregated principal amount of the Loan Agreements less all repayment made by the Borrowers, thereby reaching full principal recovery for the Group.

As disclosed in the “Letter from the Board” of the Circular, according to the Assignee, each of the Borrowers was not introduced or procured by her, and she has no relationship or side arrangements with the Borrowers, and the Borrowers are not connected persons of the Assignee. As at the Latest Practicable Date, save for the 1,000,000 underlying shares of the Company (representing approximately 0.11% of the total issued share capital of the Company) by virtue of the award shares granted to her under the share award scheme of the Company adopted in June 2024, the Assignee does not have any interest in the Shares.

(v) *Benefits to the Assignor and the Assignee*

As further discussed in the section headed “3. Principal terms of the Sales and Purchase Agreement – The Consideration” below, the Company would forego the accrued interest of the Loan Agreements by conducting the Assignment; however, it enables full recovery of the original principal amount of the Loan Agreements, as the Consideration of the Assignment plus all repayments made by the Borrowers equals to the aggregate principal amount of the Loan Agreements of HK\$20,500,000.

On the other hand, the Assignee gains the right to pursue the Assigned Debt including outstanding accrued interest, though given the Borrowers’ poor financial credibility and repayment records, we view the likelihood of such recovery is very low.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(vi) *Our assessment of the reasonableness of the Assignment*

Without the Assignment, the Borrowers' poor repayment track record and existing impairment already made by the Group demonstrated a very low likelihood of substantially recovering either principal or accrued interest portion of the loans. By contrast, the Assignment generates immediate positive cash flow (starting with the HK\$1,099,686 deposit) for deployment as working capital, and the Consideration plus all prior repayments (including interest portions) equals to the aggregate principal of HK\$20,500,000, resulting in full principal recovery of the loans. We, therefore, concur with the Board that the Assignment mitigates losses. We are also of the view the Assignment minimises uncertainty and the Group's risk of non-recoverability by providing a one-off mechanism to recover a substantial portion of the long-outstanding amounts within a foreseeable timeframe.

Moreover, the Assignee's credibility, evidenced by (i) her directorship in the Company and substantial shareholdings/directorships in two listed companies, Finsoft Financial Investment Holdings Limited (stock code: 8018) and InvesTech Holdings Limited (stock code: 1087); and (ii) over 15 years' experience in money lending and debt recovery, far exceeds that of the Borrowers. We therefore view the Assignment as the more certain path to principal recovery and loss mitigation.

As disclosed in the "Letter from the Board" of the Circular, the Directors intended to apply the net proceeds from the Assignment of HK\$11,129,686 as general working capital of the Group, and the Assignment is expected to increase the net assets of the Group of approximately HK\$6,404,958, arising from reversal of the HK\$12,088,162 impairment allowance on the Assigned Debt as at 30 June 2025, less approximately HK\$5,683,204 to be written-off on the outstanding principal and interest (details in section headed "4. Financial effects of the Assignment" below).

As stated in the Company's annual report for the year ended 31 December 2024, while the Group will continue money lending to existing customers, it plans to gradually scale down this segment. The Assignment aligns with this strategy and does not disrupt ongoing operations.

In light of the foregoing, and in particular (i) loss mitigation and interest protection; (ii) elimination of non-recoverability risk for the outstanding principal; (iii) our analysis of the Consideration (section "3. Principal terms of the Sale and Purchase Agreement" below); (iv) use of net proceeds as general working capital; and (v) expected net asset increase (section "4. Financial effects of the Assignment" below), we consider the Assignment, the Sale and Purchase Agreement, and the transactions contemplated thereunder to be fair, reasonable, and in the best interests of the Company and Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

3. Principal terms of the Sales and Purchase Agreement

The principal terms of the Sales and Purchase Agreement are set out below:

Date: 23 September 2025

Parties:

- (a) Assignor: Delta Wealth Finance Limited, a wholly owned subsidiary of the Company; and
- (b) Assignee: Ms. Tin Yat Yu Carol, an executive Director and the sole director of the Assignor

Subject matter: The Assignor has agreed to assign, and the Assignee has agreed to purchase from the Assignor all of the legal and beneficial right in the Loan Agreements (including but not limited to the Assigned Debt).

Consideration: HK\$11,399,686

Payment arrangement: The Consideration shall be paid by the Assignee to the Assignor by cash in the following manner:

- (i) as to HK\$1,099,686 shall be paid by the Assignee to the Assignor as down payment (the “**Deposit**”) upon signing of the Sale and Purchase Agreement (or such later date as the Assignor and the Assignee may agree); and
- (ii) the remaining sum of HK\$10,300,000 (the “**Remaining Sum**”) shall be paid by the Assignee to the Assignor in 12 monthly installments (with the first 11 installments being HK\$860,000 each and the last installment being HK\$840,000, while the first instalment shall be payable on 1 October 2025 or the Completion Date (whichever is later) (or such later date as the Assignor and the Assignee may agree) and the remaining instalments be payable by the Assignee to the Assignor by the end of each subsequent calendar month. Notwithstanding of the above, the Assignee may prepay all or part of the Remaining Sum at any time by giving the Assignor not less than three (3) Business Days’ prior written notice. In the event of a partial prepayment of the Remaining Sum, the sum so prepaid shall be applied in inverse order of maturity and the Assignee shall continue to make all remaining installments in accordance with the original payment schedule until the Remaining Sum is fully repaid.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Consideration

As noted from the “Letter from the Board” of the Circular, the Consideration of HK\$11,399,686, represents the difference between the original aggregated principal amount of the Assigned Debt of HK\$20,500,000 and all repayments (including interest payments) previously made by the Borrowers up to 30 June 2025 of HK\$9,100,314. The Consideration was determined after arm’s length negotiations between the Assignor and the Assignee, having considered: (i) the outstanding principal and interests owed by the Borrowers under the Loan Agreements; (ii) the low likelihood of recovering the Assigned Debt and the interests thereon; (iii) the significant time and costs expected to be incurred by the Group if the Assignor pursues legal action against the Borrowers to enforce the Loan Agreements; and (iv) the current global circumstances and uncertainties in the economic outlook.

Since money lending is a business segment of the Company, we understand that the Company had entered into the Loan Agreements with intention to earn profits in the form of accrued interest along with the return of the original loan principal. However, the following factors have caused a negative impact to the Company:

- (i) given the poor repayment track record of the Borrowers, the Company was not only unable to generate expected profits from interest payments, but also faces a material risk of non-recovery of even the original loan principal, which in fact has been recorded as a loss of the Company by the form of impairment;
- (ii) although interest continues to accrue on the outstanding defaulted loans in accordance with the Loan Agreements, these accruals are merely notional and do not result in actual profit or cash inflow to the Group, as the Borrowers have ceased making further payments; and
- (iii) while prior repayments by the Borrowers included both interest and principal, cash is fungible, rendering it impractical to distinguish between these components in the Group’s bank account, especially given that repayments could not fully cover the principal portion of the Assigned Debt.

While the Assignment results in the Company foregoing the accrued interest under the Loan Agreements, it enables the Company to transfer the risk of non-recoverability of the original loan principal to the Assignee. We note that the low likelihood of recovering the Assigned Debt is reflected from the fact that it is already impaired, and that the Assignment has a positive financial impact to the Company where there will be an increase in net asset of HK\$6,404,958, resulting from the reversal of the impairment allowance made on the Assigned Debt of HK\$12,088,162 as of 30 June 2025 less HK\$5,683,204 to be written off over the receivable from the Group of approximately HK\$17,082,890. At the same time, it ensures full recovery of the original principal from its impairment, as the aggregate of all prior repayments by the Borrowers and the Consideration equals the original principal amount of HK\$20,500,000. Given the very low likelihood of full recovery and the Group’s prior recognition of impairments on the Assigned Debt, we consider it fair and reasonable not to include accrued interest in the Consideration. While the Assignee has the right to use her own time and efforts, and if necessary, initiate legal actions at her own cost to pursue recovery of the Assigned Debt including outstanding accrued interest after the Assignment, we consider the likelihood of such recovery to be very low, given the Borrowers’ poor financial credibility and repayment record as mentioned above.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Meanwhile, we also note that where the Company attempts to assign the Assigned Debt to other third-party recovery agents, the consideration offered is less than the full amount of the outstanding principal for distressed assets such as the Assigned Debt to mitigate the non-recoverability risk. According to the Management, the Assignee was the only buyer interested in acquiring the Assigned Debt at the Consideration of at least HK\$11,399,686 (where the aggregate of the consideration and all prior repayments by Borrowers at least equals the original principal amount of HK\$20,500,000). According to the Management, the Assignor had contacted representatives of three companies and invited them to give their quotation on the potential assignment of the Assigned Debt, and all declined to proceed with the loan assignment at the outstanding principal amount and refused to provide a quotation. We have searched the names of these three companies on the list of existing money lenders licensees (as at 30 September 2025) published by the Companies Registry, and note that all three companies are licensed money lenders.

Having considered the above, and in particular (i) the Borrowers' unsatisfactory historical repayment records; (ii) the respective default status of the Loan Agreements; (iii) the Assignor's extensive but unsuccessful effort to recover the outstanding principal and interests owed by the Borrowers; (iv) the sum of the Consideration and all the repayments (including interest payments) previously made by the Borrowers up to 30 June 2025 equals the aggregate principal amount of the Loan Agreements of HK\$20,500,000, thereby enabling full principal recovery; and (v) the uncertain time and costs that would be incurred if the Assignor were to pursue legal action against each of the Borrowers, we are of the view that the Consideration is fair and reasonable and in the interest of the Company and the Shareholders as a whole. It enables the Group to recover the original principal amount of the Loan Agreements in full in a foreseeable timeframe and alleviate the Group's inherent risk of non-recoverability associated with the Assigned Debt and mitigate loss.

The 12-month instalment arrangement

Based on the summary repayment table prepared by the Management and our review of the repayment documents, we note that up to 30 June 2025, the Borrowers had collectively repaid approximately HK\$9,100,000. In response to the Borrowers' default, the Assignor had taken different recovery actions, including issuing legal demand letters and debt clearance notices and engaging in discussions with the Borrowers. Based on the repayment record obtained from the Management, we noted that the Borrowers failed to repay either the accrued interest or the principal portions of the outstanding loans in full. No concrete repayment schedules were successfully formulated or implemented, and the Borrowers consistently adopted a delaying posture. Consequently, the Group was unable to ascertain the Borrowers' capacity to settle the outstanding amounts as at the Latest Practicable Date.

Given the Borrowers' unsatisfactory historical repayment record and the Loan Agreements having been in default for over 24 months, we concur with the Board's anticipation that the Borrowers are unlikely to repay the Assigned Debt in full and on a timely basis.

In addition, the time and costs expected to be incurred by taking legal action by the Assignor against the Borrowers to enforce the Loan Agreements are uncertain and hard to estimate. Meanwhile the Assignment enables the Group to save time and resources that will otherwise be incurred for recovering and collecting the Assigned Debt and provides the Group with a foreseeable timeframe for recovery of the long-outstanding amount owed under the Loan Agreements. We therefore concur with the Board's view that executing the Assignment is in the best interest of the Company, as opposed to initiating legal proceedings against the Borrowers.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Furthermore as assessed above, the Assignee's financial credibility, evidenced by directorship and shareholding in two companies listed on the Main Board of the Stock Exchange, couple with over 15 years of experience in money lending and debt recovery, is significantly stronger than that of the Borrowers. We assess that, in the absence the Assignment, the loans would likely become further impaired and/or require write-offs within 12 months, given the Borrowers' poor repayment history and dim recovery prospects. By contrast, completion of the Assignment ensures the Company receives the full Consideration of HK\$11,399,686 from the Assignee, delivering an immediate and sustained positive impact on the Group's cash flow. Although the Remaining Sum is payable in 12 monthly instalments, the Assignee provides far greater certainty of full principal recovery within a defined timeframe than the Borrowers, whose repayment track record are irregular.

The Consideration of HK\$11,399,686 as a significant inflow to the Company, particularly given its cash and bank balance of only HK\$5,786,000 as at 30 June 2025 (as disclosed in its interim report for the six months ended 30 June 2025). We are of the view that the 12-month instalment structure is pragmatic; it accommodates the Assignee's potential liquidity needs while allowing time to pursue recovery from the Borrowers or arrange personal funds for instalments. This structure does not undermine payment certainty, given the Assignee's demonstrated financial strength. The Company can thus rely on receiving the full Consideration — albeit in instalments — with high confidence, starting immediately with the Deposit of HK\$1,099,686. This will meaningfully strengthen its cash position, enabling deployment toward operations and potential returns.

Lastly, in assessing whether the 12-month instalment arrangement is fair and reasonable, we note the absence of comparable offers (where the aggregate of the consideration and all prior repayments by Borrowers at least equals the original principal amount of HK\$20,500,000) for the Assigned Debt with alternative payment terms. Our evaluation is therefore limited to comparing the likely outcomes, with or without the Assignment, over the next 12 months. As concluded above, the Borrowers have demonstrated a clear inability and unwillingness to repay either the principal or accrued interest in full on a timely basis. In contrast, the Assignment secures full recovery of the original principal through payments from the Assignee, whose financial credibility far exceeds that of the Borrowers. Accordingly, we consider the 12-month instalment structure to be fair and reasonable.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As disclosed in the “Letter from the Board” of the Circular, the Assignee undertakes to use her best endeavour to liaise with the Borrowers to recover the Assigned Debt, and shall use the net amount so successfully recovered to settle the outstanding Consideration as soon as possible within 10 Business Days upon receipt of the same, and settle the Consideration in entirety within one year from the date of Completion in any event. Accordingly, we are of the view that the 12 monthly instalment structure of the Remaining Sum represents a reasonable debt collection timeframe for the Assignee and aligns with her undertaking to use best endeavour to recover the Assigned Debt from the Borrowers while also undertaking to settle the Consideration in entirety within one year from the date of Completion in any event. As further disclosed in the “Letter from the Board” of the Circular, this undertaking aims to accelerate the recovery of the Assigned Debt, thereby creating mutual benefits for both the Assignor and the Assignee. If the Borrowers repay the Assigned Debt, the Assignee will use those funds to settle the outstanding Consideration owed to the Assignor ahead of the payment schedule of the Remaining Sum under the Sale and Purchase Agreement. This mechanism allows the Assignee to be released from her remaining payment obligations under the Assignment upon full settlement while providing the Company with faster access to funds, improved cash flow, and reduced exposure to the Assigned Debt as the Assignee remains obligated to pay the Remaining Sum in full over 12 months regardless of whether recovery succeeds. The recovery progress is thus driven by the Assignee’s proactive efforts to collect the Assigned Debt as soon as possible, with all received funds directed towards settling the Consideration, ultimately benefiting the Company as the holding company of the Assignor.

Having considered the above, and in particular (i) the Borrowers’ default of the Loan Agreements which have exceeded 24 months; (ii) the unsatisfactory historical repayment record of the Borrowers; (iii) the uncertainty on the time and costs that are expected to be incurred if legal action against the Borrowers will be taken; (iv) the reasons for the Assignment as stated under the section headed “2. Reasons for and benefits of the Assignment and use of proceeds”; and (v) the potential financial effects of the Assignment as referred to under the section headed “4. Financial effects of the Assignment”, we consider that the Assignment alleviates the Group’s inherent risk of non-recoverability associated with the Assigned Debt, and concur with the Directors’ view that the Consideration and the payment terms is fair and reasonable and on normal commercial terms and that the entering into of the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

The Collateral

As disclosed in the “Letter from the Board” of the Circular, pursuing formal legal recovery is a protracted process fraught with uncertainties, including potential disputes and substantial costs. While the loans are secured by collateral of three necklaces (the “**Collateral**”), we have reviewed two quotations from jewellery trading companies for the Collateral obtained by the Company and we note that the preliminary quotes were not more than HK\$5 million and HK\$7 million, respectively, which fall significantly short of covering the outstanding balance and the Consideration. We understand from Management that the quotations were based on the testing certificate available and specifications of the Collateral. However, as the Collateral remains pledged and has not yet been offered for sale or subjected

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

to formal negotiations, obtaining a reliable market price is inherently challenging. Jewellery companies typically provide more concrete valuations only during auction or consignment processes, where the items can be actively matched with potential buyers through competitive bidding. In the absence of such a process, the preliminary quotes should be regarded as indicative only and are unlikely to reflect the realizable value upon enforcement. Furthermore, jewellery trading is subject to fluctuating timing and market demand. In general, the value of such collateral has been on a downtrend, which further diminishes the likelihood of achieving a recovery sufficient to cover the outstanding amounts even if enforcement were pursued.

As further disclosed in the “Letter from the Board” of the Circular, in practice, enforcing and realising the collateral under the Loan Agreements may entail considerable legal and other expenses and time costs. For instance, to comply with common law duties to act in good faith and take reasonable care in obtaining the best price reasonably achievable during the sale, it would typically require retaining qualified professionals for independent valuations, engaging auction houses or sale agents to facilitate a transparent and proper disposal, and seeking legal advice to review the process, ensure procedural compliance, and mitigate risks of future challenges in ownership issues and resolve potential valuation or debt disputes. These factors, combined with potential delays due to prevailing market conditions, could also lead to a foreseeable reduction in the ultimate recovery value. Moreover, the unrealized value of the collateral, as currently quoted, would be further subject to prevailing market conditions at the time of sale. In contrast, the Assignment offers a definitive, one-time mechanism for the Group to recover a substantial portion of these long-overdue amounts owed under the Loan Agreements within a foreseeable timeframe, without incurring the enforcement risks and expenditures. Furthermore, the aggregate amount of the Consideration of the Assignment plus and all previous repayments made by the Borrowers, would allow the Company to make full recovery of the original principal amount of the Loan Agreements, thus mitigating loss.

Based on the above, and in particular (i) pursuing formal legal recovery is assessed to be a protracted fraught with uncertainties, including potential disputes and substantial costs; and (ii) the highest preliminary offered price for the Collateral is well below the Consideration, we are of the view that further pursuit of the outstanding balance through enforcing and realising the Collateral and subsequent sale process to be uneconomical.

4. Financial effects of the Assignment

As disclosed in the “Letter from the Board” of the Circular, based on, among other things, the Consideration of HK\$11,399,686 and the related expenses, a gain of approximately HK\$6,404,958 is expected to be recorded for the Assignment, being the difference between (i) the Consideration; and (ii) the book value of the Assigned Debt as at 30 June 2025 of approximately HK\$4,994,728 and the amount of the related expenses. There will also be an increase in net assets of approximately HK\$6,404,958, resulting from the reversal of the impairment allowance made on the Assigned Debt of approximately HK\$12,088,162 as of 30 June 2025 less approximately HK\$5,683,204 to be written off over the receivable of the Group. We are of the view that this is a positive financial impact on the Group.

The aforesaid estimation is for illustrative purpose only and does not purport to represent how the financial position of the Group will be after the Assignment.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

OPINION AND RECOMMENDATIONS

Having considered the above principal factors and reasons, we are of the view that the Sale and Purchase Agreement and the transactions contemplated thereunder are (i) on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (ii) in the interest of the Company and the Shareholders as a whole.

Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders, and we also recommend the Independent Shareholders to vote in favour of the relevant resolution for approving the Sale and Purchase Agreement at the EGM.

The Company will inform Shareholders of any material change in information in the Circular by the Company up to the date of the EGM.

Your faithfully,
For and on behalf of
Minerva Advisory Global Capital Limited

Sancho Ho
Director

Mr. Sancho Ho is a licensed person under the SFO to undertake type 6 regulated activity (advising on corporate finance) and is a responsible officer in respect of Minerva Advisory Global Capital Limited's type 6 regulated activity (advising on corporate finance). Mr. Ho has over 10 years of experience in the corporate finance industry in Hong Kong.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interests in securities of the company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) Chapter 571 of the Laws of Hong Kong ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Appendix 10 "Model Code for Securities Transactions by Directors of Listed Issuers" ("Model Code") contained in the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

Long position in Shares and underlying shares of the Company

As at the Latest Practicable Date, the interests of the directors and the chief executive in the ordinary shares of the Company were as follows:

Name	Capacity	Nature of shares/underlying shares held/ interested in			Approximate percentage of shareholdings (Note 2)
		Ordinary shares	Underlying shares (Note 1)	Total interests	
Mei Weiyi	Beneficial owner	3,750,000	17,500,000	21,250,000	2.24%
Li Yang	Beneficial owner	—	4,000,000	4,000,000	0.42%
Tin Yat Yu Carol	Beneficial owner	—	1,000,000	1,000,000	0.11%
Wong Wai Kai Richard (Note 3)	Beneficial owner	—	15,000,000	15,000,000	1.58%
Tang Shu Pui Simon	Beneficial owner	1,250,000	550,000	1,800,000	0.19%
Hon Ming Sang	Beneficial owner	—	550,000	550,000	0.06%

Notes:

1. The options were respectively granted by the Company on 8 December 2021, 19 April 2022 and 17 January 2023 and adjusted for the effect of the share consolidation with effect from 20 November 2024; and the award shares was granted by the Company on 16 January 2025 and approved by the independent shareholders of the Company at the extraordinary general meeting held on 20 March 2025. For details of the options and award shares granted and the adjustments to the options, please refer to the announcements of the Company.
2. Based on 948,938,313 Shares in issue (excluding treasury shares) as at the Latest Practicable Date.
3. Apart from Mr. Wong Wai Kai Richard, an executive Director and the son of Mr. Wong Kin Ting, who is the sole beneficial shareholder of King Castle Enterprises Limited, a substantial shareholder of the Company, none of the Directors is a director or employee of King Castle Enterprises Limited.

Save as disclosed above, as at the Latest Practicable Date, none of the directors or chief executive of the Company have or are deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were notifiable to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or recorded in the register required to be maintained by the Company under Section 352 of the SFO, or as otherwise notifiable to the Company and the Stock Exchange pursuant to the Model Code.

(b) Substantial shareholders' and other persons' interests and short positions in Shares, underlying shares and debentures

So far as is known to the Directors, as at the Latest Practicable Date, the following person (not being Directors or chief executive of the Company) had, or was deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name	Capacity	Ordinary shares	Approximate percentage of shareholdings (Note 1)
King Castle Enterprises Limited (Note 2)	Beneficial owner	122,500,000	12.91%
Wong Kin Ting (Note 2)	Interest in controlled corporation	122,500,000	12.91%

Notes:

1. Based on 948,938,313 Shares in issue (excluding treasury shares) as at the Latest Practicable Date.
2. Based on the disclosure of interest form filed on 5 August 2025, these 122,500,000 Shares were held by King Castle Enterprises Limited, which was 100% owned by Mr. Wong Kin Ting, the father of Mr. Wong Wai Kai Richard, an executive Director. By virtue of the SFO, Mr. Wong Kin Ting is deemed to be interested in such Shares held by King Castle Enterprises Limited. Save as disclosed, none of the Directors or employee of the Company is a director or employee of King Castle Enterprises Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other persons/entities (other than the directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company, its Group members or associated corporations which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO; or as otherwise notified to the Company and the Stock Exchange.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into any service contract or management agreement, proposed or otherwise with any member of the Group (excluding contracts expiring or terminable by the employer within one year without payment of compensation other than statutory compensation).

4. COMPETING INTERESTS

Ms. Tin, an executive Director and the sole director of the Assignor, is also the chairman and executive director of Finsoft Financial Investment Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on GEM of the Stock Exchange (Stock code: 8018), which is principally engaged in the provision of financial trading software solutions, provision of other IT and internet financial platforms services, money lending business and assets investments in Hong Kong.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or substantial Shareholder or any of their respective close associates has any interest in business which competes with or may compete with the business of the Group or has any other conflict of interests which any person has or may have with the Group.

5. INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, save for Ms. Tin's interest in the Sale and Purchase Agreement, no contract or arrangement of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any of the Directors had a material interest, whether directly or indirectly, subsisted as at the Latest Practicable Date.

None of the Directors has any direct or indirect interests in any assets which had been acquired or disposed of by or leased to, or which are proposed to be acquired or disposed of by or leased to, the Company or any of its subsidiaries during the period since 31 December 2024, the date to which the latest published audited financial statements of the Group were made up, up to and including the Latest Practicable Date.

6. QUALIFICATIONS AND EXPERT'S CONSENT

The following are the qualifications of the expert who has been named in this circular or has given opinion or letter contained in this circular:

Name	Qualifications
Minerva Advisory Global Capital Limited	A corporation licensed to carry on Type 6 (advising on corporate finance) regulated activities under the SFO

The above expert has given and confirmed that it has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter, report, advice, opinion and/or references to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any Shares, convertible securities, warrants, options or derivatives which carry voting rights in any member of the Group.

As at the Latest Practicable Date, the above expert did not have any interest, either directly or indirectly, in any assets which have been since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Company were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

7. MATERIAL ADVERSE CHANGE

The Directors confirmed that as at the Latest Practicable Date, there had been no material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up.

8. DOCUMENTS ON DISPLAY

Copies of the following documents are available on the website of the Company at <http://www.vmh.com.hk/> and on the website of the Stock Exchange from the date of this circular up to and including the date of EGM:

- (a) the Sale and Purchase Agreement, being the contract pertaining to the transaction disclosed in this circular;
- (b) the letter from the Board as set out in this circular;
- (c) the letter from the Independent Board Committee as set out in this circular;
- (d) the letter from the Independent Financial Adviser as set out in this circular;
- (e) the written consent of the expert as referred to in the section headed “Qualifications and Expert’s Consent” of this appendix; and
- (f) this circular.

9. MISCELLANEOUS

The English text of this circular shall prevail over its Chinese text in case of inconsistency.

NOTICE OF EGM



Virtual Mind Holding Company Limited 天機控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1520)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of the shareholders (the “Shareholders”) of Virtual Mind Holding Company Limited (the “Company”) will be held at Suite 1702, 17/F., World-Wide House, No. 19 Des Voeux Road Central, Hong Kong at 11:00 a.m. on Thursday, 8 January 2026, or in the event that a black rainstorm warning is issued, or tropical cyclone warning No. 8 signal or above is hoisted, or “extreme conditions” are announced by the HKSAR Government at any time between 9:00 a.m. and 11:00 a.m. or remain in force in Hong Kong, at the same time and place on the second Business Day (as defined in Note 1 below) after Thursday, 8 January 2026 or any adjournment, to consider and, if thought fit, transact the following business:

ORDINARY BUSINESS

1. “THAT:

- (a) the Sale and Purchase Agreement (as defined in the circular of the Company dated 19 December 2025, a copy of which marked “A” is produced to the meeting and signed by the chairman of the meeting for the purpose of identification) contemplated thereunder be and is hereby approved, confirmed and ratified; and
- (b) any one of the directors of the Company (“Directors”) be and is hereby authorised to do all such acts and things, to sign and execute such documents or agreements or deeds on behalf of the Company and to do such other things and to take all such actions as he/she considers necessary, appropriate, desirable and expedient for the purposes of giving effect to or in connection with the Sale and Purchase Agreement and all transactions contemplated thereunder, and to agree to such

NOTICE OF EGM

variation, amendments or waiver or matters relating thereto (including any variation, amendments or waiver of such documents or any terms thereof, which are not fundamentally different from those as provided for in the Sale and Purchase Agreement) as are, in the opinion of such Director, in the interest of the Company and its shareholders as a whole.”

By order of the Board
Virtual Mind Holding Company Limited
Mei Weiyi
Chairman & Executive Director

Hong Kong, 19 December 2025

As at the date hereof, the Board comprised the following Directors:

<i>Executive Directors</i>	Mr. MEI Weiyi (<i>Chairman</i>) Mr. LI Yang Ms. TIN Yat Yu Carol Mr. WONG Wai Kai Richard
<i>Non-executive Directors</i>	Mr. ZHENG Kaixin Ms. KOT Mui
<i>Independent non-executive Directors</i>	Mr. TANG Shu Pui Simon Mr. HON Ming Sang Mr. CHEUNG Pak To, <i>BBS</i>
<i>Head office and principal place of business in Hong Kong:</i>	Suite 1702, 17/F., World-Wide House No. 19 Des Voeux Road Central Hong Kong

Notes:

1. Business Day means any day (excluding Saturday and Sunday) on which no black rainstorm warning is issued, no typhoon No. 8 signal or above is hoisted, and no “extreme conditions” are announced by the HKSAR Government at any time between 9:00 a.m. and 11:00 a.m. or remain in force in Hong Kong; and on which banks in Hong Kong are generally open for business. In the event that a black rainstorm warning is issued, or typhoon No. 8 signal or above is hoisted, or “extreme conditions” are announced by the HKSAR Government at any time between 9:00 a.m. and 11:00 a.m. on Thursday, 8 January 2026 or remain in force in Hong Kong, the EGM will not be held on that day but will be held at the same time and place on the second Business Day after Thursday, 8 January 2026 or any adjournment thereof.
2. For ascertaining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 5 January 2026 to Thursday, 8 January 2026 (both days inclusive), during which period no transfer of shares will be registered. The record date for entitlement to attend and vote at EGM is Thursday, 8 January 2026. In order to be entitled to attend and vote at the EGM, all duly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 2 January 2026.

NOTICE OF EGM

3. Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or, if he/she is the holder of two or more Shares, more than one proxy to attend and vote on his/her behalf in accordance with the Articles. A proxy needs not be a Shareholder.
4. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in any event not later than 11:00 a.m. on Tuesday, 6 January 2026.
5. Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the EGM or any adjournment thereof and in such case, the form of proxy previously submitted shall be deemed to be revoked.
6. In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she was solely entitled thereto but if more than one of such joint holders are present at the EGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand first in the register of members in respect of the joint holding.