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

If you have sold or transferred all your shares in Enterprise Development Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**ENTERPRISE DEVELOPMENT HOLDINGS LIMITED****企展控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

**(1) MAJOR TRANSACTIONS AND VERY SUBSTANTIAL DISPOSAL
IN RELATION TO PURCHASES AND DISPOSALS OF SECURITIES;
(2) POSSIBLE MAJOR TRANSACTION – MANDATE FOR
DISPOSALS OF LISTED SECURITIES;
AND
(3) RECTIFICATION OF BREACH OF LISTING RULES**

A notice convening the EGM of Enterprise Development Holdings Limited (the “Company”) to be held at Room 401, 4/F., Pico Tower, 66 Gloucester Road, Wan Chai, Hong Kong on Wednesday, 11 February 2026 at 11:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular.

Whether or not you intend to attend and/or vote at the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

27 January 2026

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DEFINITIONS

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

“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Boeing”	The Boeing Company, a company incorporated in the United States and the common stock of which are listed on the New York Stock Exchange
“Company”	Enterprise Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Disposals”	the disposals of Sale Shares by EDHK (i) during the Relevant Period in respect of each of the U.S. listed securities as set out in the section headed “Disposals of Securities”; (ii) for the period from 1 June 2023 to 31 December 2023 in respect of each of the U.S. listed securities as set out in the section headed “Purchases and Disposals of Securities prior to the Relevant Period”; and (iii) for the period from 28 January 2025 to the Latest Practicable Date in respect of each of the listed securities as set out in section headed “Disposals after the Relevant Period and up to the Latest Practicable Date”, as the case may be
“Disposal Mandate”	a specific mandate proposed by the Board in order to seek Shareholders’ approval to authorize and empower the Board to carry out Possible Disposals of the Relevant Sale Shares during the Mandate Period
“EDHK”	Enterprise Development (Hong Kong) Holdings Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

DEFINITIONS

“EGM”	An extraordinary general meeting of the Company to be convened and held at Room 401, 4/F., Pico Tower, 66 Gloucester Road, Wan Chai, Hong Kong on Wednesday, 11 February 2026 at 11:00 a.m. and any adjournment thereof, to consider and, if thought fit, approve and ratify, among other things, (i) the Purchases of Purchased Shares (in respect of the shares of Tesla); (ii) the Disposals of Sale Shares (in respect of the shares of Tesla, Boeing, Meta, ProShares UltraPro and NVDA); and (iii) the Disposal Mandate and the Possible Disposals
“First Announcement”	the announcement of the Company dated 28 January 2025 in relation to, among others, (i) the Purchases (in respect of the shares of Tesla); (ii) the Disposals (in respect of the shares of Tesla, Boeing, Meta and NVDA); and (iii) the Disposal Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company
“Investment Director”	being the director of EDHK who has been responsible for carrying out the dealings of the listed securities
“Investment Manual”	the Investment Policies and Procedure adopted and, from time to time, amended by the Company
“Latest Practicable Date”	22 January 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mandate Period”	means a period of 9 months from the date on which the ordinary resolution(s) in relation to the Disposal Mandate and the Possible Disposals, is duly passed by the Shareholders at the EGM, as the case may be

DEFINITIONS

“Minimum Selling Price”	means the minimum selling price of the Relevant Sale Share for the disposals to be carried out by the Company under the Disposal Mandate. For details, please refer to the section headed “Minimum Selling Price under the Disposal Mandate” in this circular
“Meta”	Meta Platforms, Inc., a company incorporated in the United States and the common stock of which are listed on NASDAQ
“NASDAQ”	National Association of Securities Dealers Automated Quotations capital market
“NVDA”	NVIDIA Corporation, a company incorporated in the United States and the common stock of which are listed on NASDAQ
“Possible Disposal(s)”	means the disposal(s) of the Relevant Sale Shares, in whole or in part, by EDHK pursuant to the Disposal Mandate during the Mandate Period
“ProShares UltraPro”	ProShares UltraPro TQQQ, an ETF fund listed on NASDAQ
“Purchases”	the on-market purchases of the Purchased Shares by EDHK (i) during the Relevant Period in respect of each of the U.S. listed securities as set out in the section headed “Purchases of Securities”; and (ii) for the period from 1 June 2023 to 31 December 2023 in respect of each of the U.S. listed securities as set out in the section headed “Purchases and Disposals of Securities prior to the Relevant Period”, as the case may be
“Purchased Shares”	means the listed securities purchased by EDHK as part of the Purchases. For details, please refer to sections headed “Purchases of Securities” and “Purchases and Disposals of Securities prior to the Relevant Period”
“Relevant Period”	means the period from 1 January 2024 to 27 January 2025 during which EDHK purchased and disposed securities of certain US listed companies. For details, please refer to the sections headed “Purchases of Securities” and “Disposals of Securities”

DEFINITIONS

“Relevant Sale Shares”	means the 20,000 shares in Tesla from time to time held by EDHK, which may be disposed of by the Company pursuant to the Disposal Mandate. For details, please refer to section headed “Disposal Mandate and Possible Disposals – Maximum number of Relevant Sale Shares” in this circular
“Sale Shares”	means the listed securities disposed by EDHK as part of the Disposals. For details, please refer to sections headed “Disposals of Securities”, “Purchases and Disposals of Securities prior to the Relevant Period” and “Disposals of Securities after the Relevant Period and up to the Latest Practicable Date”
“Second Announcement”	means the announcement of the Company dated 13 March 2025 in respect of (i) the further disposal of securities in ProShares UltraPro between 31 January 2025 and 5 February 2025; and (ii) the disposals of securities in Meta during 1 June 2023 to 31 December 2023
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tesla”	Tesla Inc., a company incorporated in the United States and the common stock of which are listed on NASDAQ
“US\$”	United States dollar, the lawful currency of the United States

LETTER FROM THE BOARD



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED

企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

Executive Directors:

Mr. Yu Hui (*Chief Executive Officer*)

Ms. Li Zhuoyang

Independent Non-Executive Directors:

Mr. Cai Jinliang

Mr. Chin Hon Siang

Mr. Chen Kwok Wang

Registered Office:

Cricket Square

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P.O. Box 2681

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KY1-1111

Cayman Islands

Principal Place of

Business in Hong Kong:

Room 1105, 11/F

Jubilee Centre

18 Fenwick Street/

46 Gloucester Road

Wanchai, Hong Kong

27 January 2026

To the Shareholders

Dear Sir or Madam,

**(1) MAJOR TRANSACTIONS AND VERY SUBSTANTIAL DISPOSAL
IN RELATION TO PURCHASES AND DISPOSALS OF SECURITIES;**

**(2) POSSIBLE MAJOR TRANSACTION – MANDATE FOR
DISPOSALS OF LISTED SECURITIES;**

AND

(3) RECTIFICATION OF BREACH OF LISTING RULES

INTRODUCTION

Reference is made to the First Announcement dated 28 January 2025 in relation to, among others, (i) the Purchases (in respect of the shares of Tesla); (ii) the Disposals (in respect of the shares of Tesla, Boeing, Meta, NVDA and ProShares UltraPro); and (iii) the Disposal Mandate and the Possible Disposals.

LETTER FROM THE BOARD

Reference is also made to the Second Announcement dated 13 March 2025 in relation to (i) the further disposal of securities in ProShares UltraPro between 31 January 2025 and 5 February 2025; and (ii) the disposals of securities in Meta during 1 June 2023 to 31 December 2023.

As announced in the First Announcement and the Second Announcement, the Company proposes to put forward ordinary resolutions at the EGM for the Shareholders to consider and, if thought fit, approve the ratification of the Purchases (in respect of the shares of Tesla) and Disposals (in respect of the shares of Tesla, Boeing, Meta, NVDA and ProShares UltraPro).

In addition, the Company wishes to seek for approval from the Shareholders at the EGM a Disposal Mandate for the disposals of Relevant Sale Shares during the Mandate Period.

The purpose of this circular is to give you further details of the (i) the Purchases (in respect of the shares of Tesla); (ii) the Disposals (in respect of the shares of Tesla, Boeing, Meta, NVDA and ProShares UltraPro); and (iii) the Disposal Mandate and the Possible Disposals.

PURCHASES OF SECURITIES DURING THE RELEVANT PERIOD

References are made to the announcements of the Company dated 10 January 2024, 24 January 2024 and 7 February 2024 in respect of purchases of securities by EDHK.

The Board announces that during the Relevant Period, EDHK purchased on the market the following listed securities at the following purchase price:

Company name	Stock symbol	Number of shares held before purchase	Number of shares purchased	Number of shares held after purchase (Note)	Price range (exclusive of transaction costs) (US\$ per share)	Average purchase price (US\$ per share)	Approximate aggregate purchase price (US\$)
Tesla	TSLA	5,500	280,001	39,000	156.89 – 469.77	271.07	75,900,199

Note: During the Relevant Period, EDHK carried out numerous purchases and disposals of the shares in Tesla. The 39,000 shares held after purchase of is calculated based on the number of shares held before purchase of 5,500, acquisition of 280,001 shares and disposal of 246,501 shares during corresponding period. The acquisition of the 280,001 shares in Tesla was approximately 97% funded by margin loan.

The above Purchases at the material time constituted a major transaction under Chapter 14 of the Listing Rules.

As the Purchases were made through the market and settled by mostly by margin financing and partly by the internal resources available to the Group, the Company was not aware of the identities of the sellers of the Purchases or their respective principal business activities. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the sellers of in respect of the Purchases are Independent Third Parties.

LETTER FROM THE BOARD

Following the above Purchases, the Company's total assets will increase by US\$73,598,331, which corresponds to the aggregate purchase price of the Tesla Shares of US\$75,900,199, netting off the cash settlement of purchase consideration of US\$2,301,868. At the same time, the Company's total liabilities will also increase by US\$73,618,101 due to the additional amount incurred under the margin loan for the settlement of purchase consideration and associated transaction costs.

DISPOSALS OF SECURITIES PRIOR TO THE RELEVANT PERIOD

During the period from 1 June 2023 to 31 December 2023, EDHK disposed on the market the following listed securities that, on an aggregate basis, constituted a major transaction under Chapter 14 of the Listing Rules:

Company name	Stock symbol	Number of shares held before disposals	Number of shares disposed	Number of shares held after disposals (Note)	Price range (exclusive of transaction costs) (US\$ per share)	Average disposal price (US\$ per share)	Approximate aggregate disposal price (US\$)
Tesla	TSLA	8,700	70,700	5,000	234.54 – 280.81	253.52	17,923,535

Note: During the period from 1 June 2023 to 31 December 2023, EDHK carried out numerous purchases and disposals of the shares in Tesla. The 5,000 shares held after disposals is calculated based on the number of shares held before disposal of 8,700, disposal of 70,700 shares and acquisition of 67,000 shares during corresponding period. Approximately 42% of the sale proceeds from the disposal of 70,700 shares in Tesla was used for repayment of margin loan and the remaining approximately 58% was retained in the brokerage account which was later used for general working capital or further investment of listed securities by EDHK. In respect of the original acquisition costs of the aforementioned 70,700 disposed shares in Tesla, approximately 73% of the purchase price was funded by margin loan.

As the aforementioned disposals were made through the market, the Company was not aware of the identities of the counterparties or their principal business activities. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the counterparties in respect of the aforementioned disposals are Independent Third Parties.

In respect of the disposals of the above securities during 1 June 2023 to 31 December 2023, the Company recorded a gain on disposal of approximately US\$1,236,084 (equivalent to approximately HK\$9,591,000) included in profit or loss for the year ended 31 December 2023. Consequently, following the disposal prior to the relevant period as above, the Company's total assets will decrease by US\$16,687,451, which corresponds to the reduction of the carrying amount of the relevant sales shares. Meanwhile, the Company's total liabilities will also decline by US\$17,905,569 due to the repayment of the margin loan by the net proceeds from the disposal. The Company has applied the proceeds for repayment of margin loans, general working capital and further investment of listed securities by EDHK.

LETTER FROM THE BOARD

DISPOSALS OF SECURITIES DURING THE RELEVANT PERIOD

References are made to the announcements of the Company dated 12 January 2024 and 14 February 2024 in respect of disposals of securities by EDHK.

The Board announced that during the Relevant Period, EDHK has disposed on the market the following listed securities at the following disposal price:

- (i) in respect of the disposal that constitutes a very substantial disposal under Chapter 14 of the Listing Rules:

Company name	Stock symbol	Number of shares held before disposals	Number of shares disposed	Number of shares held after disposals (Note)	Price range (exclusive of transaction costs) (US\$ per share)	Average disposal price (US\$ per share)	Approximate aggregate disposal price (US\$)
Tesla	TSLA	6,000	247,001	37,000	170.84 – 457.08	273.45	67,542,723

Note: During the Relevant Period, EDHK carried out numerous purchases and disposals of the shares in Tesla. The 37,000 shares held after disposals is calculated based on the number of shares held before disposal of 6,000, disposal of 247,001 shares and acquisition of 278,001 shares during corresponding period. Approximately 89% of the sale proceeds from the disposal of 247,001 shares in Tesla was used for repayment of margin loan and the remaining approximately 11% was retained in the brokerage account which was later used for general working capital or further investment of listed securities by EDHK. In respect of the original acquisition costs of the aforementioned 247,001 disposed shares in Tesla, approximately 95% was funded by margin loan.

- (ii) in respect of each of those disposals that constitutes a major transaction under Chapter 14 of the Listing Rules:

Company name	Stock symbol	Number of shares held before disposals	Number of shares disposed	Number of shares held after disposals (Notes)	Price range (exclusive of transaction costs) (US\$ per share)	Average disposal price (US\$ per share)	Approximate aggregate disposal price (US\$)
Boeing	BA	15,000	134,000	2,000	145.70 – 211.49	168.63	22,596,161
Meta	Meta	2,000	53,000	9,000	369.00 – 644.03	552.97	29,307,660
NVDA	NVDA	6,000	140,407	12,017	104.62 – 950.00	232.13	32,592,528

Notes:

- (1) *During the Relevant Period, EDHK carried out numerous purchases and disposals of the shares in Boeing. The 2,000 shares held after disposals is calculated based on the number of shares held before disposal of 15,000 shares, disposal of 134,000 shares and acquisition of 121,000 shares during corresponding period. Approximately 99% of the sale proceeds from the disposal of 134,000 shares in Boeing was used for repayment of margin loan and the remaining approximately 1% was retained in the brokerage account which was later used for general working capital or further investment of listed securities by EDHK. In respect of the original acquisition costs of the aforementioned 134,000 disposed shares in Boeing, approximately 100% was funded by margin loan.*

LETTER FROM THE BOARD

- (2) *During the Relevant Period, EDHK carried out numerous purchases and disposals of the shares in Meta. The 9,000 shares held after disposals is calculated based on the number of shares held before disposal of 2,000 shares, disposal of 53,000 shares and acquisition of 60,000 shares during corresponding period. Approximately 100% of the sale proceeds from the disposal of 53,000 shares in Meta was used for repayment of margin loan. In respect of the original acquisition costs of the aforementioned 53,000 disposed shares in Meta, approximately 100% was funded by margin loan.*
- (3) *During the Relevant Period, EDHK carried out numerous purchases and disposals of the shares in NVDA. The 12,017 shares held after disposals is calculated based on the number of shares held before disposal of 6,000 shares, disposal of 140,407 shares and acquisition of 146,424 shares during corresponding period. Approximately 100% of the sale proceeds from the disposal of 140,407 shares in NVDA was used for repayment of margin loan. In respect of the original acquisition costs of the aforementioned 140,407 disposed shares in NVDA, approximately 100% was funded by margin loan.*

As the Disposals were made on the open market, the Company is not aware of the identities of the counterparty(ies) of the Disposals or their respective principal business activities. To the best of the knowledge, information and belief of Directors having made all reasonable enquiries, each of the counterparty(ies) of the Disposals and their respective ultimate beneficial owners are Independent Third Parties.

In respect of the Disposals of the above securities during the Relevant Period, the Company recognized an aggregate gain on disposal of approximately US\$10,968,340 (equivalent to approximately HK\$85,105,000) included in profit or loss, among which approximately US\$6,040,876 (equivalent to approximately HK\$46,872,000) from gain on disposal of Tesla, approximately US\$238,870 (equivalent to approximately HK\$1,853,000) from loss on disposal of Boeing, approximately US\$1,589,707 (equivalent to approximately HK\$12,334,000) from gain on disposal of Meta and approximately US\$3,576,627 (equivalent to approximately HK\$27,752,000) from gain on disposal of NVDA. The Company has applied the proceeds from each of the disposals for repayment of margin loans, general working capital and further investment of listed securities by EDHK.

Consequently, following the disposal during the relevant period as above, the Company's total assets will decrease by US\$141,070,734, which corresponds to the reduction of the carrying amount of the relevant sales shares. Meanwhile, the Company's total liabilities will also decline by US\$151,996,547 due to the repayment of the margin loan by the net proceeds from the disposal.

LETTER FROM THE BOARD

In respect of the gain on Disposals as abovementioned, (i) approximately US\$10,562,296 (equivalent to approximately HK\$81,954,000) is recognised in profit or loss for the year ended 31 December 2024, among which approximately US\$5,866,563 (equivalent to approximately HK\$45,519,000) from gain on disposal of Tesla, approximately US\$238,870 (equivalent to approximately HK\$1,850,000) from loss on disposal of Boeing, approximately US\$1,393,943 (equivalent to approximately HK\$10,815,000) from gain on disposal of Meta and approximately US\$3,540,660 (equivalent to approximately HK\$27,473,000) from gain on disposal of NVDA; and (ii) the remaining gain on disposal in respect of above Disposals of approximately US\$406,044 (equivalent to approximately HK\$3,151,000) was recognised in the profit or loss for the year ended 31 December 2025, among which approximately US\$174,313 (equivalent to approximately HK\$1,353,000) from gain on disposal of Tesla, approximately US\$195,764 (equivalent to approximately HK\$1,519,000) from gain on disposal of Meta and approximately US\$35,967 (equivalent to approximately HK\$279,000) from gain on disposal of NVDA.

DISPOSALS AFTER THE RELEVANT PERIOD AND UP TO THE LATEST PRACTICABLE DATE

The Board announced that during the period from 31 January 2025 to 5 February 2025, EDHK carried out the following disposals on the market that, on an aggregate basis with previous disposals in the preceding 12 months, constitute a major transaction under Chapter 14 of the Listing Rules:

Period	Company name	Stock name	Number of shares held before disposals	Number of shares disposed	Number of shares held after disposals	Price range (exclusive of transaction costs) (US\$ per share)	Average disposal price (US\$ per share)	Approximate aggregate disposal price	Classification under Chapter 14
31 January 2025- 5 February 2025	ProShares UltraPro	TQQQ	41,000	41,000	Nil	82.00 – 86.72	84.79	3,476,438	Major transaction

Note: Based on the fluctuations of the outstanding balance of the margin loan at the relevant time, approximately 100% of the sale proceeds from the disposal of 41,000 units in ProShares UltraPro was used for repayment of margin loan. In respect of the original acquisition costs of the aforementioned 41,000 disposed units in ProShares UltraPro, approximately 100% was funded by margin loan.

As the above Disposals were made on the open market, the Company is not aware of the identities of the counterparty(ies) of the Disposals or their respective principal business activities. To the best of the knowledge, information and belief of Directors having made all reasonable enquiries, each of the counterparty(ies) of the Disposals and their respective ultimate beneficial owners are Independent Third Parties.

LETTER FROM THE BOARD

In respect of the Disposals of the above securities during the period from 31 January 2025 to 5 February 2025, the Company recognized an aggregate gain on disposal of approximately US\$180,907 (equivalent to approximately HK\$1,404,000) included in profit or loss for the year ended 31 December 2025. The Company has applied the proceeds for repayment of margin loans, general working capital and further investment of listed securities by EDHK. Shareholders should note that the actual amount of gain on the Disposals to be recorded by the Company will be subject to review.

Consequently, following the disposal after relevant period during 31 January 2025 to 5 February 2025, the Company's total assets will decrease by US\$3,295,531, which corresponds to the reduction of the carrying amount of the relevant sales shares. Meanwhile, the Company's total liabilities will also decline by US\$3,474,907 due to the repayment of the margin loan by the net proceeds from the disposal.

LISTING RULES IMPLICATIONS IN CONNECTION WITH THE PREVIOUS BREACHES

(i) Purchases of Securities

In respect of purchase of Purchased Shares in Tesla, the Company made an announcement on 7 February 2024 in respect of purchase of 10,000 shares in Tesla that constituted a discloseable transaction under Chapter 14 of the Listing Rules at the relevant time. As EDHK carried out further purchases of Purchased Shares in Tesla during the Relevant Period, all subsequent Purchases (in respect of the shares of Tesla) within the preceding 12-month period shall be aggregated as if they were one transaction.

As one or more of the applicable percentage ratios exceeds 25% but less than 100%, the Purchase of the Purchased Shares in Tesla during the Relevant Period, on an aggregate basis in the preceding 12-month period, constitutes a major transaction under Rule 14.06(3) of the Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

(ii) Disposals of Securities

In respect of disposal of Sale Shares in Tesla, the Company made an announcement on 14 February 2024 in respect of disposal of 9,000 shares in Tesla that constituted a discloseable transaction under Chapter 14 of the Listing Rules at the relevant time. As EDHK carried out further Disposals of Sale Shares in Tesla, all subsequent Disposals (in respect of the shares of Tesla) within the preceding 12-month period shall be aggregated as if they were one transaction.

LETTER FROM THE BOARD

In respect of disposal of Sale Shares in NVDA, the Company made an announcement on 12 January 2024 in respect of disposal of 4,207 shares in NVDA that constituted a discloseable transaction under Chapter 14 of the Listing Rules at the relevant time. As EDHK carried out further Disposals of Sale Shares in NVDA, all subsequent Disposals (in respect of the shares of NVDA) within the preceding 12-month period shall be aggregated as if they were one transaction.

In respect of disposal of Sale Shares in each of Boeing and Meta, the Company made numerous disposals during the Relevant Period and only published the details of such disposals on the First Announcement.

As one or more of the applicable percentage ratios exceeds 25% but less than 75%, each Disposals of the Sale Shares in Boeing, Meta and NVDA during the Relevant Period, on an aggregate basis for each company in the preceding 12-month period, constitutes a major transaction under Rule 14.06(3) of the Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules. As one or more of the applicable percentage ratios exceeds 75%, the Disposals of the Sale Shares in Tesla during the Relevant Period, on an aggregate basis in the preceding 12-month period, constitutes a very substantial disposal under Rule 14.06(4) of the Listing Rules and is therefore subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

In respect of the Disposals of Sale Shares in Tesla during 1 June 2023 to 31 December 2023, as one or more of the applicable ratios exceeds 25% but less than 75%, the Disposals of Sale Shares in Tesla, on an aggregate basis in the preceding 12-month period, constitutes a major transaction under Rule 14.06(3) of the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

In respect of the Disposals of securities in ProShares UltraPro during 31 January 2025 to 5 February 2025, as one or more of the applicable ratios exceeds 25% but less than 75%, the Disposals of the securities in ProShares UltraPro, on an aggregate basis in the preceding 12-month period, constitutes a major transaction under Rule 14.06(3) of the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

REASONS FOR THE BREACHES OF THE LISTING RULES AND REMEDIAL ACTIONS

During the period from 1 June 2023 to 31 December 2023 and the Relevant Period, EDHK acquired the Purchased Shares and disposed the Sale Shares on market on various occasions. In the beginning of 2024, the Company published announcements on 10 January 2024, 12 January 2024, 24 January 2024, 7 February 2024 and 14 February 2024 in respect of certain purchases and disposals that constituted discloseable transactions under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

At the level of EDHK, it did not adopt a systematic approach to keep track of all the purchases and disposals in respect of each of the listed securities and to compute the relevant size test on an aggregate basis for the preceding 12 months. Due to the absence of the accurate application of the aggregation principle, some of the transactions were mistakenly disregarded as not having triggered any notifiable transaction disclosure requirements under Chapter 14 of the Listing Rules.

As disclosed in the annual report of the Company for the year ended 31 December 2023, the Company recorded net gain on disposal of financial assets at fair value through profit or loss was approximately RMB23,854,000 for all listed equity securities. In the financial year ended 31 December 2023, the transaction volume was relatively insignificant. As a result, those transactions which took place during the period from 1 June 2023 to 31 December 2023 were not picked up at the relevant time.

The director of EDHK at the material time was not aware of the non-compliance incidents during the period from 1 June 2023 to 31 December 2023. It subsequently came to the knowledge of the Company when it was assessing the Listing Rules implications of the tradings occurred for the year ended 31 December 2024 and revisited the Listing Rules implications in respect of the acquisitions and disposals that took place during the period from 1 June 2023 to 31 December 2023, and the Company then discovered the non-compliance occurred during the period from 1 June 2023 to 31 December 2023.

When there were purchases and disposals in a more substantial transaction amount, the director of EDHK identified those that would constitute notifiable transactions under Chapter 14 of the Listing Rules, and therefore certain announcements in respect of the dealing of listed securities were made in early 2024.

During the Relevant Period, it involved multiple tradings in difference size and volume of different listed securities and there was a large number of transactions (although individually for each investment target company may not be all material). In the absence of a systematic approach to monitor the Listing Rules implications on an aggregation basis, the director of EDHK inadvertently failed to closely monitor each of the subsequent transactions after the relevant announcements in January and February 2024 and failed to report the same to the Board and resulting in the breaches of Listing Rules.

At the relevant time, in the context of the trading activities of EDHK, the Company only adopted a policy on general disclosure obligations under Chapter 14 of the Listing Rules and an Investment Manual that was later found to be not comprehensive enough to cover the full investment cycle nor contain sufficient details relating to proper compliance disclosure as required under the Listing Rules in respect of those dealings. At the relevant time, there was no specific internal policy regarding the approval and monitoring of trading activities of EDHK.

LETTER FROM THE BOARD

The Board was then given to understand from the management that only the well-established and industry leaders would be selected as the investment targets, but there was no clear nor specific delegation to the director of EDHK. On this basis, the director of EDHK after carried out securities trading should have reported the same to the Board when any transaction triggered the notifiable transaction requirements under Chapter 14 of the Listing Rules.

During the Relevant Period, the director of EDHK failed to report the subsequent purchases of Purchased Shares and disposals of Sale Shares to the Board in a timely manner for the Board to consider or assess the regulatory implications under the Listing Rules. When the Company was in the process of collating the information for the annual audit of the Group for the year ended 31 December 2024, it came to the notice of the Company there have been tradings of US listed securities at the level of EDHK and discovered this non-compliance. The Company wishes to emphasize that it was an unintentional and inadvertent oversight by the director of EDHK who did not have sufficient understanding of the applicable compliance obligations under Chapter 14 of the Listing Rules.

On a hindsight, the Board is of the view that the delegation of power and authorisation to director of EDHK for the use of substantial funds for the purpose of the securities trading was not appropriate as the Board did not give a clear nor specific delegation of power with sufficient details relating to the size of the securities trading transaction or the threshold of the margin loan EDHK could undertake and the internal controls were not sufficient and appropriate to adequately monitor the securities trading transactions and the margin loans at EDHK level.

The Company wishes to further reiterates that this incident did not involve any dishonesty, fraudulent or integrity issue of any senior management, director of EDHK or Directors as all the relevant listed securities in respect of all the Purchases and Disposals were held in the brokerage accounts under the name of EDHK and the Group retains all sale proceeds from the Disposals.

REASONS FOR THE SUBSEQUENT DISPOSALS AFTER THE RELEVANT PERIOD

After the Relevant Period, between 31 January 2025 and 5 February 2025, EDHK disposed on the market 41,000 units in ProShares UltraPro. After making the First Announcement, having considered the prevailing market price and the potential trend of the future performance of ProShares UltraPro, the Company considers that it would be in the best interest to sell down its existing securities in ProShares UltraPro. The Disposals however, on an aggregate basis with the disposals occurred in the preceding 12 months, constituted a major transaction under Chapter 14 of the Listing Rules.

After the disposal of the units in ProShares UltraPro, the Company did not make further disposals that might have triggered another major transaction under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

INTERIM REMEDIAL ACTIONS TAKEN

In light of this non-compliance incident, the Company has taken the following interim remedial actions:

- (i) the Company has established the relevant excel programmed to calculate the size test of all subsequent transactions on an aggregate basis to assist the Company to monitor the regulatory implications of each acquisition and disposal;
- (ii) the Company has circulated a policy on disclosure obligations under Chapter 13, Chapter 14 and Chapter 14A of the Listing Rules to all of its senior management and employees (including the director of EDHK) as a reminder of the internal control procedures and the disclosure obligations under the Listing Rules;
- (iii) the Company specifically reminded the existing status of purchases and disposals of each of the listed securities and reminded the director of EDHK to be aware of the existing classification of notifiable transactions under Chapter 14 of the Listing Rules and the potential implications of further purchases and disposals; and
- (iv) the Company sent a specific reminder to the director of EDHK that he shall immediately notify the company secretary and the financial department of the Company after making any purchases and disposals and provided the securities statement immediately when it becomes available.

INTERNAL CONTROL REVIEW

The Company has engaged an independent internal control consultant (the “IC Consultant”) to conduct a review on the internal controls in respect of the relevant investment management process covering the following scope:

- Feasibility analysis of investment project
- Evaluation of investment projects
- Selection and approval of investment projects
- Investment contract management
- Monitoring and evaluation of investment return performance

LETTER FROM THE BOARD

According to the IC Consultant's observations, it was noted that the Company's investment activities were mainly carried out by the director of EDHK, who was responsible for exploring investment opportunities and performing relevant feasibility studies and investment return forecast analysis. The IC Consultant further noted that:

- (1) although the Company adopted Investment Manual for the purpose of the investment, the Investment Manual is not comprehensive enough to cover the full investment cycle. For example, the Investment Manual has not yet mentioned the procedures in handling EDHK's investments on identifying investment opportunities and performing related feasibility studies and due diligence work; the authorization and approval process for implementing the investment; monitoring of post-assessment of investment performance; the proper accounting treatment of investments; and proper compliance disclosure as required under the Listing Rules; and
- (2) there was no systematic approach to keep track of all the purchases and disposals in respect of each of the listed securities and to compute the relevant size test on an aggregate basis for the preceding 12 months. Due to the absence of the accurate application of the aggregation principle, some of the transactions were mistakenly disregarded as not having triggered any notifiable transaction disclosure requirements under Chapter 14 of the Listing Rules.

The IC Consultant recommended the Company to establish a comprehensive written policies and procedures of investment cycle for the staff to follow. The policies and procedures should include (but not limited to) the following areas:

- Risk management
- Authority
- Securities transaction decisions
- Procedures for purchase and sale of securities investment
- Reporting and monitoring
- Accounting for securities transactions
- Treatment of notifiable transactions (Chapter 14 of the Listing Rules)
- Custodial and safekeeping
- Selection of stock brokers

LETTER FROM THE BOARD

PROPOSED REMEDIAL ACTIONS

Based on the recommendation of the IC Consultant, the Company has further engaged a separate professional adviser to assist on revising and finalising the Investment Manual based on the scope proposed by the IC Consultant.

The Company has finalised and circulated the revised Investment Manual to the Board for approval on 29 May 2025 and after adoption, the Company circulated the same to the Investment Director, the Board, the senior management team, the Compliance Officer, the Finance Team and the Company Secretary Team of the Company. The recipients (including the Investment Director and the Compliance Officer) have confirmed that they have reviewed the Investment Manual. The Company has implemented the relevant procedure as stipulated in the Investment Manual in June 2025. The Company further revised the Investment Manual to include additional measures to ensure timely disclosure of the notifiable transactions arising from the securities trading as disclosed in its announcement on 3 November 2025. The revised Investment Manual has been circulated to the Investment Director, the Board, the senior management team, the Compliance Officer, the Finance Team and the Company Secretary Team of the Company on 3 November 2025.

Investment Working Group

The Company has formulated an investment working group (the “Investment Working Group”), which is in form of execution-level committee, comprising of the Investment Director of, an executive Director of the Company and a compliance officer (the “Compliance Officer”). The Company has designated a Compliance Officer, who is a Certified Public Accountant in Hong Kong and has over ten years of working experience in auditing, accounting, taxation and internal control with extensive working experience in international audit firm and listed companies, to assist the Investment Working Group to monitor the compliance obligations under the Listing Rules arising from the dealings of listed securities. Going forward, the Investment Working Group, the Finance Team and the Company Secretary Team of the Company will work together to implement the procedures as proposed in the Investment Manual.

Ms. Li Zhuoyang, an executive Director of the Company, and the director of EDHK as the Investment Director, would be the members of the Investment Working Group.

When determining the composition of the Investment Working Group, in addition to the understanding of the requirements of the Listing Rules, the Company considers that it would be equally important and necessary to have a reliable member who has sufficient understanding of how the stock market operates. Given that it would be practically difficult to get all candidates that have **both** experiences (i) to identify and assess notifiable and/or connected transactions under Chapter 14 and 14A of the Listing Rules and (ii) to deal and trade in securities, the Company considers that the Investment Working Group with members of different background would better serve this purpose to ensure that the investment portfolio of the Company would be taken care of properly.

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The Investment Working Group would be assisted by the Finance Team and the Company Secretary Team to identify and assess the notifiable and/or connected transactions under Chapter 14 and 14A of the Listing Rules. The Finance Team and the Company Secretary Team (being an external professional company secretarial service firm) consist of personnel that have been working with the Group on Listing Rules compliance matters for years.

Although the Investment Director was the same director of EDHK that caused the previous breaches of Listing Rules, the Company considers that he would remain as a suitable candidate as a member of the Investment Working Group for the following reasons:

- (i) the Investment Director has the track record to assist EDHK to select appropriate investment targets, identify suitable investment opportunities, executing and implementing the investments at the operational level. During the Relevant Period, with the assistance of the Investment Director, the Company recognized an aggregate gain on disposal of approximately US\$10 million;
- (ii) the previous incident does not involve any dishonesty or integrity issue on the part of the Investment Director; and
- (iii) the insufficient understanding of the Listing Rules by the Investment Director will be complemented by the assistance of the Compliance Officer, the Company Secretary Team and the Finance Team of the Company who have a better understanding of the requirements of the Listing Rules.

The Company also considers that if all the members of the Investment Working Group only have knowledge of the Listing Rules but not the experience or sensitivity in the stock market investment, it would also not be in the best interest of the Company as it may fail to capture the market opportunities or timely exit the investment at the appropriate time.

The Company has also designated the Compliance Officer to monitor the compliance implications arising from the dealings of the listed securities. The Compliance Officer is a Certified Public Accountant in Hong Kong and has over ten years of working experience in auditing, accounting, taxation and internal control with extensive working experience in international audit firm and listed companies.

In respect of the role of Ms. Li Zhuoyang, she will be the final approver of the investment plan and she will be responsible for overseeing the investment plan, the compliance obligations under Listing Rules and report the matters to the Board from time to time.

Given the above, the Board considers that the current composition of the Investment Working Group would give sufficient controls over the compliance obligations of the Company under the relevant Listing Rules while at the same time ensure the Company could better manage the portfolio of the investment and optimize the returns to the Group as a whole.

LETTER FROM THE BOARD

Relevant Procedure and Transaction Amount Threshold

Prior to deciding on an investment, the Investment Working Group should review the investment plan (the “Investment Plan”), which is from time to time prepared by the Investment Director, based on the following considerations, where applicable, the amount of investment, the working capital requirements, the availability and sources of funds including the giving of guarantees or undertaking of indemnity, merits and terms and/or material conditions attached, rate and length of return/yield, feasibility and financial viability, risk assessment and potential value adding to the Group if the investment is in line with the Group’s business objectives.

The Investment Director is responsible for preparing the investment assessment and relevant documentation as well as executing the securities transactions, while the Compliance Officer and the executive Director would be responsible for approval, in accordance with the pre-set authority.

We set out below the procedure adopted for setting the transaction amount threshold (the “Transaction Amount Threshold”) for any subsequent dealings of the listed securities (including but not limited to the Possible Disposals under the Disposal Mandate) and the corresponding monitoring measures to ensure compliance with the Listing Rules:

- On a bi-monthly basis, the Investment Director will submit the Investment Plan containing (1) the Transaction Amount Threshold and the corresponding assets test results (on a standalone and aggregate basis); (2) maximum number of relevant sale shares to be disposed; (3) the existing classification of the notifiable transaction and the Listing Rules implications (on a standalone and aggregate basis based on the Transaction Amount Threshold); and (4) the historical share price and the average closing price, to the Board and/or the Investment Working Group (as the case maybe, depending on the size of the transactions according to the authority matrix) for pre-approval. The initial Transaction Amount Threshold shall be set at a level no more than 20% of the applicable percentage ratio under Chapter 14 of the Listing Rules.
- In the event that the Investment Director considers the actual trading may exceed the Transaction Amount Threshold, he should submit the additional top-up amount for the Board’s approval. Such top-up amount (together with the initial Transaction Amount Threshold) shall in any event (i) not exceed 25% of the applicable ratio under Chapter 14 of the Listing Rules in the case of all other listed securities (except the Relevant Sale Shares) and (ii) not exceed 75% in the case of the Possible Disposals under the Disposal Mandate.

The Company will from time to time closely monitor the market capitalization and the actual transaction amount on an aggregate basis. In the event that any of the applicable size tests of any disposals exceeds 70%, the Company will reassess the then remaining shareholding and prevailing market price of the relevant listed securities and recompile with the applicable requirements under the Listing Rules.

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As the Company does not intend to carry out further tradings on U.S. listed securities, based on the existing holding of U.S. listed securities, substantial of which is the shareholding in the shares in Tesla, it is unlikely that there would be any further disposals of securities that would constitute a separate very substantial disposal of the Company.

Approval procedures

As indicated in the announcement of the Company dated 3 November 2025, upon completion of disposals of the remaining U.S. listed securities, the Company intends to cease the trading of the U.S. listed securities going forward.

In respect of the remaining securities held by the Company, the Investment Working Group on a regular basis will submit the Investment Plan to the Board for pre-approval. The relevant Investment Plan contains proposal of disposals of securities of all investment targets, regardless of whether the relevant Transaction Amount Threshold is above or below 5%.

In the event when any actual transaction amount exceeds 5% as a result of the decrease of the market capitalization and hence triggers a notifiable transaction under Chapter 14 of the Listing Rules, the Company Secretary Team and the Finance Department will immediately notify the Board but, in respect of those tradings, there would not be a separate pre-approval from the Board provided that the Investment Director has been carrying out the tradings in accordance with the previous pre-approved Investment Plan. The Company Secretary Team and the Finance Team will submit the relevant notifiable transaction announcement for the Board for final approval.

In the event that the size tests of the actual transaction amount reach 20%, the Investment Working Group (together with the Finance Team and the Company Secretary Team) shall recalculate the remaining headroom, if any, for carrying out any additional trading, to the extent that it should remain at a classification below a major transaction. If the Investment Director intends to carry out additional trade, he shall seek for prior approval by the Investment Working Group and the Board. The Finance Team and the Company Secretary Team will determine, based on the information provided by the Investment Director, the additional transaction amount threshold that the Investment Director could further sell/purchase to the extent that the size tests as calculated based on the actual transaction amount (on a standalone or aggregate basis) shall remain below 25%.

Calculation of the relevant size tests

To derive the pre-set Transaction Amount Threshold (which will be in the currency of the listed securities of the relevant investment target), the Company calculates the applicable percentage ratios based on the following formula under three scenarios (the “Three Scenarios”):

Scenario 1: On a standalone basis:

$$\text{Relevant percentage ratio} = \frac{\text{Max Sale Shares} \times \text{Relevant Closing Price}}{\text{Relevant Denominator}}$$

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Scenario 2: On an aggregate basis (past 12 months):

$$\text{Relevant percentage ratio} = \frac{(\text{Max Sale Shares} \times \text{Relevant Closing Price}) + \text{Historical Transaction Amount (past 12 months)}}{\text{Relevant Denominator}}$$

Scenario 3: On an aggregate basis (since the last publication of notifiable transaction):

$$\text{Relevant percentage ratio} = \frac{(\text{Max Sale Shares} \times \text{Relevant Closing Price}) + \text{Historical Transaction Amount (since the last published notifiable transaction)}}{\text{Relevant Denominator}}$$

Note:

For the purpose of illustration in this section, the following capitalised terms shall have the following meanings:

- (1) “**Max Sale Shares**” means the maximum number of sale shares to be disposed under the Investment Plan.
- (2) “**Relevant Closing Price**” means the prevailing closing price of the relevant listed securities as at the date of the Investment Plan. All Relevant Closing Price that is denominated in US dollars shall be converted to Hong Kong dollars for the purpose of the size tests computation.
- (3) “**Relevant Denominator**” means, as the case may be, the consolidated total assets of the Group, the net profit of the Group, the revenue of the Group or the market capitalisation of the Company, as calculated in accordance with the requirements under Chapter 14 of the Listing Rules.
- (4) “**Historical Transaction Amount**” means the actual transaction amount arising from the dealings of the relevant securities of each investment target either (i) in the preceding 12 months or (ii) during the period since the last published notifiable transaction, as the case may be.

Given most of the historical notifiable transactions were triggered by the assets ratio and in some occasions by the consideration ratio, the Company will backward calculates the Transaction Amount Threshold so that the assets ratio and the consideration ratio would not exceed 20% in any of the Three Scenarios and obtain the relevant pre-approval of the Investment Plan from the Board.

Given the denominator of the consideration ratio may fluctuate depending on the prevailing trading price of the Company, when determining the Transaction Amount Threshold, the Company will discount the relevant five-day average market capitalization amount by 10% so that it would allow certain buffer in case the share price of the Company fluctuates. The Compliance Officer, the Company Secretary Team and the Finance Team will closely monitor the share price of the Company and will immediately notify the Investment Director in the event the share price of the Company decreases significantly and will reassess the classification of the notifiable transaction under the initial Investment Plan and reduce the Transaction Amount Threshold based on the latest closing price before the US market opens on the same day.

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The Company will also from time to time revise the Transaction Amount Threshold based on the latest asset ratio, profit ratio, revenue ratio and consideration ratio to ensure that none of the applicable percentage ratios would exceed 20%.

Upon obtaining the approval from the Investment Working Group and the Board, this Transaction Amount Threshold will set the ceiling of the corresponding investment activities.

In the Investment Plan, in addition to the relevant percentage ratios calculated under the Three Scenarios as set out above, it also contains information relating to existing classification of each of the relevant listed securities and the Listing Rules implications for each of the Three Scenarios.

For the purpose of the monitoring the compliance obligations, the Company will closely monitor the actual transaction amounts and the market capitalisation of the Company and their respective implications on the Transaction Amount Threshold, which already included the complicated calculations completed and cross-checked by the Compliance Officer, the Company Secretary Team and the Finance Team.

Monitoring measures

For the purpose of closely monitoring the execution of the transactions and ensure that the actual transaction aggregate amount stays within the Transaction Amount Threshold, the Company adopted the following measures:

1. After obtaining the pre-approval from the Board and/or the Investment Working Group, as the case may be, the Investment Director will on a bi-weekly basis update the Investment Plan based on the actual transactions that took place.
2. On a daily basis, the Compliance Officer will calculate the size tests (including the assets ratio, profit ratio, revenue ratio and consideration ratio) showing the relevant thresholds at 5%, 20%, 25%, 75% and 100% to the Investment Director as a gentle reminder. The updated size tests will be circulated daily during Hong Kong office hours to the Investment Director (i.e. before the morning session of the New York Stock Exchange and NASDAQ). In this daily reminder, it includes the accumulated actual transaction amount for each investment target so that the Investment Director will be fully aware of the remaining headroom when comparing with the Transaction Amount Threshold under each category of notifiable transaction under Chapter 14 of the Listing Rules. In particular, on a daily basis when the Hong Kong market closes, the Compliance Officer, the Company Secretary Team and the Finance Team will cross check the closing price of the Company's Shares on the relevant date against the Transaction Amount Threshold as set out in the Investment Plan to consider if any downward adjustment would be necessary.

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3. After the actual transaction, the Company Secretary Team, the Compliance Officer and the Finance Team will calculate the relevant size tests based on the actual transaction amount. If the actual transaction triggers a discloseable transaction, the Company Secretary Team will prepare the announcement and circulate the same to the Board for approval.

As post-transaction monitoring, the Investment Working Group is responsible for submitting daily statements and transaction records to the Finance Department and the Company Secretary Team for book-keeping and liquidity monitoring. There will also be a monthly securities summary circulated to the Finance Department and the Company Secretary Team for periodic oversight of the investment activities.

The Compliance Officer, the Company Secretary Team and the Finance Team will closely monitor the execution of the transactions and ensure that the actual transaction aggregate amount stays within the Transaction Amount Threshold and will from time to time remind the Investment Director the remaining headroom under the Transaction Amount Threshold. The Investment Director shall cease trading immediately if the proposed trade may cause the actual transaction amount exceeding the approved Transaction Amount Threshold unless he has obtained another approval from the Board.

Timing of disclosure

Save for the disposals of the remaining U.S. listed securities, the Company has ceased further purchases or disposals in the U.S. listed securities. In respect of the disposals of the remaining U.S. securities, the Company proposes the following additional measures for the purpose of facilitating the timely disclosure of any securities trading that constitutes a notifiable transaction under Chapter 14 of the Listing Rules:

1. At least two working days prior to the proposed securities trading, the Investment Director will notify the Company Secretary Team and the Finance Team regarding the details of the proposed trading, including the number of shares to be disposed and the expected maximum trade price, and the Company will prepare the relevant discloseable transaction announcement (if the proposed securities trading, if calculated based on the expected maximum trade price, constitutes a discloseable transaction under Chapter 14 of the Listing Rules). In the event where any disposal(s), on a standalone or an aggregate basis, constitutes a major transaction or above under Chapter 14 of the Listing Rules, the Company will first comply with the applicable reporting, announcement and shareholder approval requirements under the Listing Rules prior to the relevant dealings.

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2. The Company Secretary Team will circulate the draft announcement, which is prepared based on the expected maximum trade price, to the Board for pre-approval and the Board will authorize the Company Secretary Team and Finance Team to insert the final trading price immediately upon receiving the trading information from the securities broker.
3. Upon receiving the pre-approval by the Board, the Investment Director will carry out the securities trading overnight based on the initial proposal. Upon receiving the relevant information from the securities broker in the early morning of the business day following the relevant securities trading, the relevant team member of the Company Secretary Team and Finance Team will update the relevant figures in the announcement and arrange for publication of the same before 8:30 a.m. on the business day following the relevant securities trading.
4. After the publication of the announcement, the Company will cross-check the relevant figures upon receiving the final securities statement from the securities broker and will make supplemental announcement, if needed, when there are material deviations or discrepancies from the previous disclosure.

Upon completion of disposals of the remaining U.S. listed securities (including the Relevant Sale Shares), the Company intends to cease the trading of the U.S. listed securities going forward.

The Board's view on adequacy of the proposed internal control measures

Having considered the above, in particular, from the Listing Rules compliance perspective, after the implementation of the abovementioned remedial measures:

- (i) there is a clearer delineation and delegation of responsibilities between the responsible personnel involved and the establishment of the Investment Working Group and the engagement with an internal Compliance Officer could better monitor the tradings conducted by EDHK from time to time;
- (ii) prior to the investment, there will be a pre-determined authority matrix and a daily update of the relevant size tests for the Investment Working Group to be aware of the threshold of transactions that require further approval from the Board, in particular, when it is expected that the transactions if they are carried out in accordance with the Investment Plan would constitute notifiable transaction(s) under Chapter 14 of the Listing Rules;
- (iii) the Investment Working Group will submit the daily statements and transaction records so that the Company could better monitor on a regular basis and identify any potential non-compliance as soon as practicable;

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- (iv) there will be pre-set Transaction Amount Threshold for each investment target to ensure timely compliance with the Listing Rules and the monitoring measures to ensure that any possible notifiable transaction(s) will be brought to the attention of the Board; and
- (v) there will be a pre-approved arrangement where the notifiable transaction announcement will be approved by the Board prior to the actual securities trading and there are additional measures to ensure the relevant transaction will be disclosed in the morning session of the next business day.

The Board (including the independent non-executive Directors) considers that the internal controls measures, as amended and supplemented are adequate and effective. These remedial measures will significantly minimize the risk of similar non-compliances in the future.

RECTIFICATION OF BREACHES OF LISTING RULES AND DISPOSAL MANDATE

The Company proposes to put forward ordinary resolutions at EGM for the Shareholders to consider and, if thought fit, approve the ratification of the Purchases (in respect of the shares of Tesla) and Disposals (in respect of the shares of Tesla, Boeing, Meta, NVDA and ProShares UltraPro).

In addition, the Company wishes to seek for approval from the Shareholders at EGM a Disposal Mandate for the disposals of Relevant Sale Shares during the Mandate Period.

Disposal Mandate and Possible Disposals

Having considered the Relevant Sale Shares currently held by EDHK, the Company wishes to seek for approval by its Shareholders at the EGM the Disposal Mandate on the following terms:

Mandate Period:	A period of 9 months from the date on which the ordinary resolution(s) in relation to the Disposal Mandate and the Possible Disposals is duly passed by the Shareholders at EGM.
Maximum number of Relevant Sale Shares:	The Disposal Mandate shall authorize and empower the Board to dispose up to 20,000 shares in Tesla (being the same number of shares in Tesla held by EDHK as at the Latest Practicable Date).

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Scope of authority:	The relevant designated Director(s) or the director of EDHK shall be authorised and empowered to determine, decide, execute and implement with full discretion all matters relating to the Possible Disposals, including but not limited to the number of batches of the disposals, the number of Relevant Sale Shares to be sold in each disposal and the timing of each disposal, in respect of each Relevant Sale Shares. When exercising its discretion under the Disposal Mandate, the Company will also consider (i) the financial position of the Relevant Sale Shares; (ii) the historical distribution level; and (iii) the news and forecast relating to the relevant Relevant Sale Shares.
Minimum Selling Price:	The Company shall ensure that regardless of the manner of the disposal, the disposal price shall be at a price no more than 15% discount to the average closing price of the Relevant Sale Shares in the five (5) trading days immediate prior to the date of any definitive agreement and shall be in any event no less than the Minimum Selling Price. For details of the Minimum Selling Price for the Relevant Sale Shares, please refer to the section headed “Minimum Selling Price under the Disposal Mandate” in this circular.
Manner of Disposals:	The Possible Disposals shall be conducted in the open market on NASDAQ to Independent Third Party(ies) through securities broker(s). The Possible Disposal(s) will only be effected if all of the percentage ratios under the Listing Rules for the disposal of such Relevant Sale Shares are below 75%. As at the Latest Practicable Date, there is no potential purchaser who has indicated its intention to purchase the Relevant Sale Shares from EDHK.
Compliance:	The Company will report on the progress of the Possible Disposals in the interim report and annual report of the Company in compliance with the Listing Rules.

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The Company will re-comply with the Listing Rules requirements and seek another Shareholders' approval, if required, for the Possible Disposals in the event that it cannot be completed within the Mandate Period.

As the Possible Disposals will be carried out in the open market, it is expected that the purchaser(s) of the Relevant Sale Shares in respect of the Possible Disposal(s) and their ultimate beneficial owner(s) will be Independent Third Party(ies) and the Company would not be aware of the principal business activities of the respective purchasers. In the event that the Company becomes aware that any purchaser of any Possible Disposal is a connected person of the Company, the Company will comply with the applicable reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Factors to be taken into account for the divestment of any listed securities

When exercising the divestment decision under the Disposal Mandate, as set out in the Investment Manual and as part of the risk management measures, the Company shall consider divestments in the following situations:

- (1) the objectives of the investment have not been achieved;
- (2) if the investment is unprofitable and the future of the investment is unpromising; or
- (3) there is a need to free capital for investment in other projects that will generate more favourable returns; or
- (4) the management has deemed the investment appropriate for divestment, having taken into accounts factors that would affect the timing, quantities and sale price of the divestment.

On a bi-weekly basis, the Investment Director will revise the Investment Plan after carrying out a market analysis to determine the appropriate exit strategies. The Investment Director shall consider the following factors when devising the Investment Plan:

As to the timing of divestment:

- whether there exists overbought conditions;
- whether the share price falls below a key support level or the stop-loss price;
- whether according to the financial statements, there is a significant decline in revenue or increase in debt;

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- whether there exist certain macroeconomic events, for instance, the interest rate changes or the Sino-American trade tension; or

As to the quantities of the Possible Disposals,

- if it is on an upward trend, consider apportioning 50% as the selling portion when the price hits the target and retaining the rest for potential further gains;
- if it reaches the peak, selling up to 100% to fully realise the investment return. The Investment Director will from time to time consider whether the relevant securities have reached the peak with reference to the target price based on the recent publicly available ratings published by analysts from reputable financial institutions; or
- if it is on downward trend, selling such portion, to the extent possible, with reference to break-even average acquisition cost and consider retain certain portion of the holdings for the potential rebound.

As to the sale price,

- the profit targets which are set based on the technical levels (e.g. the next resistance level) or a percentage gain which is expected to be 30%;
- the stop loss price which is set to limit downside risks (expected to be 30% below the entry price having considered the volatility of the relevant shares);
- the valuation-based exits, in particular, when the P/E ratio exceeds industry average significantly or fundamentally weaken;
- the time-based exits, in the event that it does not reach the target within the preset period and consider existing to free up capital.

The Investment Director shall from time to time review and adjust the above analysis on a bi-weekly basis to refine and reassess the Investment Plan depending on the market conditions, the information available relating to the investment target and the performance of the Relevant Sale Shares.

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LISTING RULES IMPLICATIONS IN CONNECTION WITH THE DISPOSAL MANDATE AND THE POSSIBLE DISPOSALS

As the Company will seek to dispose of the Relevant Sale Shares at the highest price possible at the relevant circumstances, the Possible Disposal(s) (on an aggregate basis with the previous disposals for each investment target company) may constitute the following notifiable transactions of the Company under Chapter 14 of the Listing Rules. By way of illustration, assuming that all the Relevant Sale Shares are being disposed at the historical highest price during the period of preceding 12 months before the date immediately before the Latest Practicable Date (the “Historical Highest Price”) and based on the applicable percentage ratio as calculated based on the Historical Highest Price, we set out below the classification of each Possible Disposal under Chapter 14 of the Listing Rules:

Relevant Sale Shares	Historical Highest Price (US\$)	Classification under Chapter 14 of the Listing Rules on an aggregate basis with transactions in the last 12 months	Listing Rules requirements
Tesla	498.83	Major transaction	Subject to reporting, announcement and Shareholders’ approval requirements

As the equity market is volatile, to allow flexibility for the Company in effecting the Possible Disposals to capture the fleeing opportunities and realise the investment at the best available timing, the Company wishes to seek Shareholders’ approval prior to such on-market disposals, the Board therefore proposes to seek approval for the Disposal Mandate from the Shareholders in advance to authorize the Board to conduct the Possible Disposals during the Mandate Period.

FINANCIAL IMPACT AND USE OF PROCEEDS

Based on the closing price of the Relevant Sale Shares as at the date immediately before the Latest Practicable Date, the value of the Relevant Sale Shares was approximately US\$8,628,800.

The Relevant Sale Shares held by the Group were classified as financial assets at fair value through profit or loss in the consolidated financial statements of the Group, in which are recognised/derecognised on the date the Group commits to purchase/sell the investment.

LETTER FROM THE BOARD

The Company will use the proceeds from the Possible Disposal(s) for repayment of all existing securities margin loans of the Group and the remaining portion (if any) will be used for general working capital. In respect of the remaining portion of the net proceeds from the Possible Disposals, the Company intends to apply the net proceeds from the Possible Disposals in the following manner: (i) 60% for staff costs; (ii) 20% for professional fees; (iii) 10% for rental expenses; and (iv) 10% for general administrative expenses of the Group. The repayment of the securities margin loans of the Group shall be made shortly upon completion of each of the Possible Disposal(s).

As of the Latest Practicable Date, based on the combined statement of account of the relevant securities account of EDHK, the outstanding balance of the margin loan was in the amount of approximately HK\$70,893,000. The collaterals of the margin loans will be the underlying Hong Kong and US listed securities from time to time held by EDHK and there are no specific maturity date for such margin loans.

For illustrating the effect of the Possible Disposal(s) on the earnings, assets and liabilities of the Company, on the assumption that all the Relevant Sale Shares would have been disposed of at the Minimum Selling Price, we set out the expected loss of each of the Relevant Sale Shares as follows:

Company name	Number of Relevant Sale Shares	Closing price as at the date immediately before the Latest Practicable Date	Expected loss (assuming disposals of Relevant Sale Shares at market price at the date immediately before the Latest Practicable Date)	Expected loss (assuming disposals of Relevant Sale Shares at the Minimum Selling Price)
				US\$
				(Note 1)
Tesla	20,000	431.44	(4,557,200)	(365,600)

Note 1: Based on the prevailing market price of the shares in Tesla, unless there occur certain unforeseeable events that have a material adverse effect on the share price of Tesla, the Company considers that it would be highly unlikely for it to dispose all the Relevant Sale Shares at the Minimum Selling Price. We set out the expected loss above for illustration purpose only.

LETTER FROM THE BOARD

In respect of the Relevant Sale Shares, on an aggregate basis, if calculated based on the disposal at Minimum Selling Price, the Group is expected to recognise an unaudited loss on disposal of approximately US\$4,557,200 which will affect its consolidated statement of profit or loss of the Group on the day of disposal for the year ending 31 December 2026. The aforementioned expected loss is calculated on the basis on the carrying amount of each Relevant Sale Shares and the gross proceeds. The unaudited loss equals to the deficit of the estimated gross proceeds of approximately US\$4,437,200, and the carrying amount of approximately US\$8,994,400 of the Relevant Sale Shares. The gross proceeds, estimated at approximately US\$4,437,200, are derived from the sale of 20,000 Relevant Sales Shares at a Minimum Selling Price of US\$221.86. The anticipated net proceeds from the Possible Disposal, approximately US\$4,436,377, represent the gross proceeds after accounting for a transaction cost of approximately US\$823. The carrying amount of approximately US\$8,994,400 is their value on the statement of financial position. Consequently, following the Possible Disposal, the Company's total assets will decrease by US\$8,994,400, which corresponds to the reduction of the carrying amount of the Relevant Sales Shares. Meanwhile, the Company's total liabilities will also decline by US\$4,436,377 due to the repayment of the margin loan by the net proceeds from the Possible Disposal.

In respect of the Relevant Sale Shares, on an aggregate basis, if calculated based on the disposal at closing price immediately before the Latest Practicable Date, the Group is expected to recognise an unaudited loss on disposal of approximately US\$365,600 which will affect its consolidated statement of profit or loss of the Group on the day of disposal for the year ending 31 December 2026. The aforementioned expected loss is calculated on the basis on the carrying amount of each Relevant Sale Shares and the gross proceeds. The unaudited loss equals to the deficit of the estimated gross proceeds of approximately US\$8,628,800, and the carrying amount of approximately US\$8,994,400 of the Relevant Sale Shares. The gross proceeds, estimated at approximately US\$8,628,800, are derived from the sale of 20,000 Relevant Sales Shares at the closing price immediately before the Latest Practicable Date of US\$431.44. The anticipated net proceeds from the Possible Disposal, approximately US\$8,627,860, represent the gross proceeds after accounting for a transaction cost of approximately US\$940. The carrying amount of approximately US\$8,994,400 is their value on the statement of financial position. Consequently, following the Possible Disposal, the Company's total assets will decrease by approximately US\$8,994,400, which corresponds to the reduction of the carrying amount of the Relevant Sales Shares. Assuming that the balance of the margin loans has not increased significantly after the Latest Practicable Date, after disposal of all Relevant Sale Shares, the net sale proceeds from the Possible Disposals will be fully used to repay the margin loan. The repayment will result in a reduction of the Company's total liabilities by approximately US\$8,627,860.

The actual gain/loss of the Group as a result of the Disposal(s) depending upon the actual Possible Disposal price(s) per Relevant Sale Share. The Group will exercise its endeavours to achieve best available terms but the Possible Disposal price shall be subject to market fluctuations and economic environment. The Company will exercise its endeavour to achieve the best available price to the Company at the time of execution of each Possible Disposal.

LETTER FROM THE BOARD

For the avoidance of doubt, the actual gain or loss as a result of the Possible Disposal(s) to be recorded by the Group will be subject to the actual selling prices of the Relevant Sale Shares and will be subject to final audit to be performed by the Company's auditors.

The exact amount of the sale proceeds from the Possible Disposals is subject to market fluctuations depending on the timing of the realisation of each disposal.

MINIMUM SELLING PRICE UNDER THE DISPOSAL MANDATE

The Company has considered the price range of the relevant securities during the period from 1 January 2025 to 31 December 2025 and determine the following Minimum Selling Price for the Relevant Sale Shares:

		Closing Price range during the period from 1 January 2025 to 31 December 2025 (US\$ per share)	Comparison with the highest closing price, the lowest closing price and the prevailing market price of the relevant securities
Company name	Minimum Selling Price		
Tesla	US\$221.86 for each Tesla share	221.86-489.88	The Minimum Selling Price represents: (i) the lowest closing price during the period from 1 January 2025 to 31 December 2025; (ii) a discount of approximately 37.85% to the average closing price of approximately US\$356.97 per share of Tesla as for the twelve months from 1 January 2025 to 31 December 2025; (iii) a discount of approximately 42.44% to the average closing price of approximately US\$385.44 per share of Tesla as for the six months from 1 June 2025 to 31 December 2025; (iv) a discount of approximately 38.32% to the average acquisition cost of US\$359.69 per each share of Tesla; and (v) a discount of approximately 48.58% to the closing price of US\$431.44 per each share of Tesla on the date immediately before the Latest Practicable Date.

LETTER FROM THE BOARD

When exercising the Disposal Mandate, the proposed maximum discount of 15% to the five-day average closing price of the Relevant Sale Shares will allow flexibility for the Company to react promptly to changing market conditions. When determining the proposed discount of 15% to the five-day average closing price of the Relevant Shares in this Disposal Mandate, the Company has considered the market fluctuations of the Relevant Sale Shares, the potential negative impact on the market sentiment by the Sino-American geographical tensions, the discount threshold adopted by other listed companies for similar disposal mandates. On these bases, the Company considers that the 15% discount, which is closely linked to the prevailing market price at the relevant time of the Possible Disposal, is fair and reasonable and it provides certain degree of flexibility for the Company to exit the investment promptly in case the Company expects that the performance of the Relevant Sale Shares may further decline if the market sentiment turns negative. On the other hand, the Minimum Selling Price sets out the lowest acceptable price to the Company when disposing the Relevant Share, which provides flexibility for the Company to accommodate fluctuation in the market conditions and, in particular, when the share price performance of the Relevant Sale Shares and/or the market conditions are not favourable. The Company will exercise all reasonable endeavours to achieve the best available price when disposing the Relevant Sale Shares when exercising the Disposal Mandate. Having considered the above, the Directors consider that the terms of the Disposal Mandate (together with the Minimum Selling Price) are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

The Company wishes to reiterate that the Minimum Selling Price is set for the worst-case scenario where the Company has to divest urgently when the share price suddenly plummets significantly due to some unforeseeable events, for instance, wars or serious natural disasters.

On this basis, the Board does not consider the Minimum Selling Price not fair nor reasonable and on the contrary it would be in the interest of the Company and its Shareholders as a whole to have such emergency exit if there is any unforeseeable event occurs.

If and when there shall be any alteration to the nominal value of Relevant Sale Shares as a result of consolidation, subdivision or reclassification, or any issue of new shares or securities to EDHK by way of capitalisation of profits or reserves or by way of a scrip dividend (collectively, the “Capital Changes”) during the Mandate Period, the number of Relevant Sale Shares approved under the Disposal Mandate shall be adjusted accordingly to include such new shares issued and the Minimum Selling Price shall be adjusted by multiplying the corresponding Minimum Selling Price of the Relevant Sale Shares by the total number of the shares in issue in respect of such Investment Target immediately before the Capital Changes, and divided by the total number of the shares in issue of such Investment Target immediately thereafter.

The Company will publish announcement(s) on the Capital Changes of any Relevant Sale Shares, including the revised number of Relevant Sale Shares approved under the Disposal Mandate, the revised Minimum Selling Price and the effective date of such changes under each of the above circumstances.

LETTER FROM THE BOARD

REQUIREMENTS UNDER RULE 14.67(6)(a)(i) AND RULE 14.68(2)(a)(i) OF THE LISTING RULES RELATING TO THE MAJOR ACQUISITION AND VERY SUBSTANTIAL DISPOSAL OF THE SHARES IN TESLA

In respect of the acquisitions of shares in Tesla during the Relevant Period that on an aggregate basis constituted a major acquisition under Chapter 14 of the Listing Rules, according to Rule 14.67(6)(a)(i) of the Listing Rules, the Company was required to include in the circular an accountants' report on Tesla, prepared in accordance with Chapter 4 of the Listing Rules. The accounts on which such report is based must relate to a financial period ended six (6) months or less before the circular is issued, the financial information on Tesla must be prepared using accounting policies which should be materially consistent with those of the Company. In this regard, the Company is required under Chapter 4 of the Listing Rules to include an accountants' report on Tesla and its subsidiaries (the "Tesla Group") with the financial information of Tesla Group for the three financial years ended 31 December 2024 prepared under IFRS Accounting Standards, the accounting standards used by the Company for its regular financial reports.

In respect of the Disposals of shares in Tesla that on an aggregate basis constituted a very substantial disposal under Chapter 14 of the Listing Rules, according to Rule 14.68(2)(a)(i) of the Listing Rules, the Company was required to include in the circular, on a disposal of a business, company or companies, (i) financial information of either (A) the business, company or companies being disposed of; or (B) the listed issuer's group with the business, company or companies being disposed of shown separately as disposal group(s) or discontinuing operation(s) for the relevant period (as defined in the note to Rule 4.06(1)(a)). The financial information must be prepared by the directors of Company using accounting policies of the Company and must contain at least the income statement, balance sheet, cash flow statement and statement of changes in equity. The financial information must be reviewed by the Company's auditors or reporting accountants according to the relevant standards published by the Hong Kong Institute of Certified Public Accountants or the International Auditing and Assurance Standards Board of the International Federation of Accountants or the China Auditing Standards Board of the China Ministry of Finance. The circular must contain a statement that the financial information has been reviewed by the Company's auditors or reporting accountants and details of any modifications in the review report. According to Note 2 to Rule 14.68(2)(a)(i) of the Listing Rules, it provides that the Stock Exchange may be prepared to relax the relevant requirements if the assets of Tesla are not consolidated in the accounts of the Group before the Possible Disposal(s).

The Company only held a minority interest of not more than 0.1% in Tesla and is merely a passive investor. The Group held its investments in Tesla as a financial asset at fair value through profit or loss and the financial results of Tesla have never been consolidated with the results of the Group. As a minority shareholder of Tesla, the Company would not have access to the financial information of Tesla other than those disclosed to the public by Tesla. As such, it is impractical, unfeasible and unduly burdensome for the Company to prepare the financial information of Tesla as required under Rule 14.67(6)(a) and Rule 14.68(2)(a)(i) of the Listing Rules.

LETTER FROM THE BOARD

As an alternative disclosure, the Company will include in the circular extract of the published consolidated financial statements of Tesla for the three financial years ended 31 December 2024 in Appendix II to the circular for the Shareholders' reference.

The Shareholders can easily access the business activities and financial positions of Tesla from those published statements and such financial disclosures that were subject to supervision by Securities and Exchange Commission (SEC) of the United States.

Given the financial information of Tesla are already publicly available, the financial information as required by the relevant Listing Rules would not be of any real or significant value for the assessment of the impact of the relevant major acquisition and the very substantial disposal and the omission of such financial information are unlikely to mislead investors and/or the Shareholders. Based on the above, the Company is not aware of any material adverse risks to the Shareholders and investors for not including the financial information of Tesla as required under the relevant Listing Rules.

PRO FORMA INFORMATION OF THE PREVIOUS MAJOR ACQUISITIONS AND THE VERY SUBSTANTIAL DISPOSAL

As required under Chapter 14 of the Listing Rules, in respect of the historical major acquisitions in the shares of Tesla during the Relevant Period and the historical very substantial disposals of the shares in Tesla, it is required to include a pro forma statement in the shareholders circular. Given a pro forma statement is supposed to be prepared based on hypothetical scenarios or projection, rather than the actual historical data or finalized transaction, the Company has not included a pro forma statement in this circular for those previous completed transactions.

In respect of the historical major acquisitions of the shares in Tesla during the Relevant Period and the historical very substantial disposals of the shares in Tesla during the period from 1 June 2023 to 27 January 2025, the related financial impact was incorporated into the annual report for the year ended 31 December 2023 and 2024 and the interim report for the six months ended 30 June 2025.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

EDHK primarily engages in the trading of listed securities and actively seeks investment opportunities with potential value, with the aim of bringing stable returns to the Group. In the selection of investment targets, the Group will comprehensively consider the historical operations and financial performance, stock price trends, and future development prospects of the target company. The Group will adhere to a relatively conservative investment strategy, focusing on screening internationally renowned enterprises that have established market leadership in their respective fields.

LETTER FROM THE BOARD

In respect of the investment targets selected by the Company for the Purchases, the Disposals and the Possible Disposals, many of them are components of the NASDAQ-100 Index. They include:

- (i) Tesla: As a global leader in electric vehicle manufacturing and a pioneer in innovative technology, Tesla has long benefited from the global trend towards electrification and green energy transformation, with continued growth prospects in the future;
- (ii) NVDA: NVDA focuses on cutting edge technology and hardware services within the semiconductor field. It is an internationally renowned IT multinational corporation, holding leading positions in the global market and playing crucial roles in the development of digital and intelligent technologies;
- (iii) Meta: A leading global provider of communication services and digital advertising, which plays crucial roles in driving global digital transformation and the intelligent internet ecosystem, with broad prospects for future development;
- (iv) ProShares UltraPro: As a triple leveraged ETF that tracks the NASDAQ-100 Index, ProShares UltraPro enables the Group to seize growth opportunities in the high-tech sector of the NASDAQ-100 Index. Particularly during periods of market volatility, ProShares UltraPro offers high potential returns while effectively diversifying risks; and
- (v) Boeing: As a global leader in the aerospace and defense sectors, Boeing holds significant market share and technological advantages. With the resurgence of aviation demand and the recovery of the global aviation market, Boeing is poised for business growth and long-term profitability.

The Group believes that, given the continued development of the high-tech industry and the irreversible trend towards more intelligent living and working environments globally, these listed securities possess significant long-term growth potential and are expected to deliver substantial returns to the Group. In recent years, the performance of the U.S. stock market has been notable, particularly driven by the flourishing technology industry, exhibiting a certain growth trend. Therefore, the Group maintains a positive attitude towards these targets, remains optimistic about the future development of the U.S. stock market, and plans to continue increasing its holdings to align with the synchronous development of the Group in the technology industry.

In 2025, the Group anticipates that market volatility will remain elevated due to slower economic growth and complex macroeconomic signals stemming from US trade policies. The Federal Reserve is expected to face constraints, given a tight labor market and the possibility of tariff-related inflationary pressures, which could limit the scope for rate cuts. Despite these challenges, the Group believes that US earnings growth is forecast to stay high through 2025-2027, comfortably ahead of other major developed markets.

LETTER FROM THE BOARD

The Group will continue to monitor the development of these leading enterprises and will adjust its investment portfolio based on market conditions and investment return performance to ensure stable returns.

Upon completion of disposals of the remaining U.S. listed securities (including the Relevant Sale Shares), the Company intends to cease the trading of the U.S. listed securities going forward.

(i) Purchases of Securities

Having considered the then share price performance of the Purchased Shares in 2023 and 2024 and their potential business prospects, EDHK at the material time considers that the Purchases are attractive investment opportunity that provides positive returns for the Company.

As the Purchases were made at market price, the Directors are of the view that the Purchases were fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

(ii) Disposals of Securities

EDHK has been monitoring the share prices of the Sale Shares and considered that the Disposals represented opportunities to partially realise the Group's investment in the Sale Shares. (i) In respect of the Disposals of shares in Tesla during the period from 1 June 2023 to 31 December 2023, an aggregate gain on disposal of approximately US\$1,236,084 (equivalent to approximately HK\$9,591,000) was recognised; (ii) in respect of the Disposals (in respect of the shares in Tesla, Boeing, Meta and NVDA) during the Relevant Period, an aggregate gain on disposal of approximately US\$10,968,340 (equivalent to approximately HK\$85,105,000) was recognised; and (iii) in respect of the Disposals of securities in ProShares UltraPro during the period from 31 January 2025 to 5 February 2025, an aggregate gain on disposal of approximately US\$180,907 (equivalent to approximately HK\$1,404,000) was recognized. These were included in the profit or loss which is calculated on the basis of the difference between the carrying amounts and the disposal price (exclusive of transaction costs) from the Disposals of the Sale Shares.

The proceeds from the Disposals was used as for the general working capital of the Group, repayment of the margin financing, and further investment of listed securities by EDHK. The Directors consider the Disposals are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

(iii) Disposal Mandate and Possible Disposals

Given the volatility of the stock market, it would not be practicable to seek prior Shareholders' approval for each disposal of the Relevant Sale Shares. Having regard to the recent fluctuations and current market condition, the Board considers that the Possible Disposals presents a good opportunity for the Group to timely realise its investment and reallocate its resources to other business needs. The Possible Disposals enable the Group to enhance its cashflow position, which in turn will improve liquidity and solidify the financial position of the Group.

Having considered the number of the Relevant Sale Shares held by EDHK, the Board considers that the Disposal Mandate provides flexibility to allow the Directors to react promptly to realise the Relevant Sale Shares at the right timing and at the best possible price to maximise the investment returns to the Group. The Directors consider that the Disposal Mandate and the Possible Disposals are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP AND EDHK

The principal activity of the Company is investment holding. The Group is principally engaged in the provision of integrated business software solutions and trading of listed securities. EDHK is a wholly-owned subsidiary of the Company. EDHK is principally engaged in trading of listed securities.

INFORMATION ON TESLA

According to the publicly available information, Tesla is an electric vehicle and clean energy company based in Austin, Texas, USA. Tesla designs and manufactures electric cars, battery energy storage, solar panels and solar roof tiles, and related products and services.

LETTER FROM THE BOARD

The following financial information is extracted from the financial results of Tesla for the financial years ended 31 December 2024 and 31 December 2023 respectively:

	For the year ended 31 December 2024 (audited) (US\$' million)	For the year ended 31 December 2023 (audited) (US\$' million)
Revenue	97,690	96,773
Income before income taxes	8,990	9,973
Net income	7,153	14,974
Net income attributable to common stockholders	7,091	14,997
Total assets	122,070	106,618
Net assets	73,680	63,609

INFORMATION ON BOEING

According to the publicly available information, Boeing, as a leading global aerospace company, develops, manufactures and services commercial airplanes, defense products and space systems for customers in more than 150 countries.

The following financial information is extracted from the financial results of Boeing for the financial years ended 31 December 2024 and 31 December 2023 respectively:

	For the year ended 31 December 2024 (audited) (US\$' million)	For the year ended 31 December 2023 (audited) (US\$' million)
Revenue	66,517	77,794
Loss before income taxes	(12,210)	(2,005)
Net loss	(11,829)	(2,242)
Net loss attributable to Boeing shareholders	(11,817)	(2,222)
Total assets	156,363	137,012
Net deficit	(3,914)	(17,228)

LETTER FROM THE BOARD

INFORMATION ON META

According to the publicly available information, Meta's mission is to give people the power to build community and bring the world closer together. All of its products, including the apps, share the vision of helping to bring the metaverse to life.

The following financial information is extracted from the financial results of Meta for the financial years ended 31 December 2024 and 31 December 2023 respectively:

	For the year ended 31 December 2024 (audited) (US\$' million)	For the year ended 31 December 2023 (audited) (US\$' million)
Revenue	164,501	134,902
Income before provision for income taxes	70,663	47,428
Net income	62,360	39,098
Total assets	276,054	229,623
Net assets	182,637	153,168

INFORMATION ON NVDA

According to the publicly available information, NVDA provides graphics, and compute and networking solutions in the United States, Taiwan, China, and internationally.

The following financial information is extracted from the annual report of NVDA for the financial years ended 31 January 2024 and 31 January 2025 respectively:

	For the year ended 31 January 2025 (audited) (US\$' million)	For the year ended 31 January 2024 (audited) (US\$' million)
Revenue	130,497	60,922
Pretax income	84,026	33,818
Net income	72,880	29,760
Total assets	111,601	65,728
Net assets	79,327	42,978

LETTER FROM THE BOARD

INFORMATION ON PROSHARES ULTRAPRO

According to the publicly available information, ProShares UltraPro is an exchange-traded fund (ETF) that seeks daily investment results, before fees and expenses, that correspond to three times (3x) the daily performance of the Nasdaq-100 Index®. It is a fund invests in financial instruments that its advisor believes, in combination, should produce daily returns consistent with the fund's investment objective.

As per the publicly available information, the net asset value for ProShares UltraPro is US\$52.73 per unit on the date immediately before the Latest Practicable Date. This net asset value is determined by subtracting the fund's liabilities from its total assets, then dividing that value by the number of shares outstanding.

EGM

Set out on page EGM-1 to EGM-3 of this circular is a notice convening the EGM to consider and, if appropriate, to approve, among others, the ordinary resolutions relating to the (i) the Purchases (in respect of the shares of Tesla); (ii) the Disposals (in respect of the shares of Tesla, Boeing, Meta, NVDA and ProShares UltraPro); (iii) the Disposal Mandate and the Possible Disposals.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no Shareholders have a material interest in (i) the Purchases (in respect of the shares of Tesla); (ii) the Disposals (in respect of the shares of Tesla, Boeing, Meta, ProShares UltraPro and NVDA); and (iii) the Disposal Mandate and the Possible Disposals. According, it is expected that no Shareholder is required to abstain from voting at the EGM.

A form of proxy for use at the EGM is enclosed herewith. Whether or not you intend to attend and/or vote at the EGM in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, the resolution set out in the notice of the EGM will be voted by poll.

LETTER FROM THE BOARD

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy who is entitled to more than one vote need not use all his/its votes or cast all his/its votes in the same way. As at the Latest Practicable Date, to the best knowledge of the Directors, none of the Shareholders shall be required to abstain from voting at the EGM.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the identity of the Shareholders entitled to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 6 February 2026 to Wednesday, 11 February 2026, both days inclusive, during which period no transfer of Shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Thursday, 5 February 2026. The record date for ascertaining Shareholders' entitlement to attend and vote at the EGM is Wednesday, 11 February 2026.

RECOMMENDATION

The Directors consider that (i) the Purchases (in respect of the shares of Tesla); (ii) the Disposals (in respect of the shares of Tesla, Boeing, Meta, ProShares UltraPro and NVDA); and (iii) the Disposal Mandate and the Possible Disposals are fair and reasonable and in the best interests of the Company and the Shareholders as a whole. The Directors recommend the Shareholders to vote in favour of the resolutions at the EGM.

ADDITIONAL INFORMATION

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

WARNING

There is no assurance that the Company will proceed with the Possible Disposals after obtaining the Disposals Mandate. Whether and when the Company will proceed with the above transaction(s) or not will depend on a number of factors including without limitation the prevailing market sentiments and market conditions at the proposed time of executing the relevant transaction(s). The Shareholders and other public investors of the Company are therefore advised to exercise extreme caution when dealing in the Shares.

LETTER FROM THE BOARD

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

By Order of the Board
Enterprise Development Holdings Limited
Yu Hui
Executive Director and Chief Executive Officer

1. SUMMARY OF THE FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for each of the three financial years ended 31 December 2022, 2023 and 2024 were disclosed in the annual reports of the Company for the years ended 31 December 2022 (pages 64 to 137), 31 December 2023 (pages 68 to 141) and 31 December 2024 (pages 68 to 144) respectively. The aforementioned financial information of the Group has been published on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.1808.com.hk). Please refer to the hyperlinks as stated below:

- Annual report for the year ended 31 December 2022

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042703584.pdf>
- Annual report for the year ended 31 December 2023

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0429/2024042901308.pdf>
- Annual report for the year ended 31 December 2024

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0428/2025042801269.pdf>

2. INDEBTEDNESS OF THE GROUP

As at 30 November 2025, being the latest practicable date for the purpose of the statement of indebtedness prior to the printing of this circular, the Group had the following outstanding indebtedness:

- The Group had a total bank and other borrowings amount to RMB136,956,000, of which the interest-bearing bank borrowings (including current and non-current portion) in an aggregate of approximately RMB82,000,000 were pledged by Group's bank deposits and guaranteed by a third party. The interest-bearing bank borrowings amount to approximately RMB41,000,000 were unsecured and guaranteed by third parties and a director of the Group; other payable amount to approximately RMB13,956,000 were unsecured and unguaranteed and other payable amount to approximately RMB74,480,000 were secured and unguaranteed.
- lease liabilities (including current and non-current portion) in an aggregate of approximately RMB2,736,000, out of which approximately RMB874,000 are current portion and approximately RMB1,862,000 are non-current portion. All the lease liabilities were unsecured and unguaranteed.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade and other payables in the ordinary course of the business of the Group, as at the close of business on 30 November 2025, the Group did not have any other material debt securities, issued or outstanding, or authorized or otherwise created but unissued, term loan, other borrowing or indebtedness in the nature of borrowing of the Group including bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits or hire purchase commitments, mortgages, charges, covenants, other contingent liabilities or guarantees.

3. WORKING CAPITAL STATEMENT

Taking into account the financial resources available to the Group, including the internally generated funds, the existing cash and cash equivalents and banking facilities and the expected financial impact of the Sale Shares, the Directors are of the opinion that the working capital available to the Group is sufficient for its present requirements for at least 12 months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any 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 consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS

The principal activity of the Group are sale of software licenses and other products and the provision of integrated business software solutions.

The Company will continue to steadily expand its existing business while capitalizing on its longstanding customer resources and product and service advantages to strengthen its foundations. In addition, we will proactively position ourselves for the development of new-quality productive forces catalyzed by a combination of factors such as cutting-edge scientific and technological breakthroughs, innovative allocation of factors of production and industrial transformation and upgrading, particularly in the digital economy sector centered on core elements like data, AI computing and edge computing, networks and applications. We are leading with innovation and steadily advancing, with our business layout and development starting to bear fruit through phased achievements. Going forward, we are committed to establishing ourselves as a service provider that concentrates on the digital economy sector, with a focus on data elements, data asset operations, AI computing and edge computing, to provide customers with integrated digital technology solutions.

Regarding the implementation roadmap, the Company will adopt a business-oriented approach to open up and establish a “three chains and one circle” model: focusing on the overall synergy of the innovation chain, industrial chain and financial chain. Through an organic combination of four aspects, namely business model innovation, data elements assetization, capitalization of investments and incubation results and industrial layout ecologicalization, we will continuously reinforce an innovation-driven, open and win-win digital economy ecosystem. Meanwhile, the Company will combine its technological and capital advantages in a dual-chain approach to empower various sections across the industrial ecosystem through means such as industrial incubation and investments.

To actively embrace the opportunities of the digital transformation era, the Company will continue to optimize and consolidate its first-mover advantages in the fields of data elements, data asset operations, AI computing and edge computing in the future. We will fully unleash the agglomeration effect of the industrial chain, dedicating long-term efforts to industrial chain integration and industrial ecosystem development. Leveraging the technological potential of big data, big models and high-performance computing, we will facilitate the integration of digital and real economy, continuously driving business innovation and upgrades to create value for our shareholders.

The Group believes that, given the continued development of the high-tech industry and the irreversible trend towards more intelligent living and working environments globally, these listed securities possess significant long-term growth potential and are expected to deliver substantial returns to the Group. In recent years, the performance of the U.S. stock market has been notable, particularly driven by the flourishing technology industry, exhibiting a certain growth trend. Therefore, the Group maintains a positive attitude towards these targets and remains optimistic about the future development of the U.S. stock market. The Group will adhere to a relatively conservative investment strategy, focusing on screening internationally renowned enterprises that have established market leadership in their respective fields. The Group will actively pursue diversified investments that yield consistent returns, aiming to enhance overall capital efficiency.

The Group will continue to monitor the development of these leading enterprises and will adjust its investment portfolio based on market conditions and investment return performance to ensure long-term stable returns. While maintaining a relatively conservative investment strategy, the Group will focus on selecting investment targets with high growth potential that align with the Group’s values, dedicated to creating sustained and steady returns for Shareholders.

6. MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP

Reproduced below is the management discussion and analysis of the Group's operations for the three financial years ended 31 December 2022, 2023 and 2024 respectively. The information reproduced below is principally extracted from various sections including but not limited to the sub-sections headed "Business Review" and "Financial Review" under the section headed "Management Discussion and Analysis" of the annual report of the Company for the three financial years ended 31 December 2022, 2023 and 2024 respectively to provide further information relating to the financial conditions and results of operations of the Group during the respective periods stated.

For the year ended 31 December 2022***Business Review***

The Group recorded the revenue of approximately RMB47,909,000 for the year ended 31 December 2022 (2021: RMB40,825,000), representing an increase of approximately 17.4%. In spite of the continuing influence of COVID-19 pandemic (the "Pandemic") in the operation of the Group's software business in Mainland China, the software business was benefited from the all-round improvement in management to recover slightly in 2022 compared with the corresponding period in 2021. The increase in overall revenue for the software business was driven largely by the demand from both existing and new customers, and new contracts signed for domestic-produced database software, which is in alignment with localisation policy for the database software business.

Financial Review***Revenue***

For the year ended 31 December 2022, the Group recorded the revenue of approximately RMB47,909,000 (2021: RMB40,825,000), of which revenue mainly comprised (i) software maintenance and other services amounted to approximately RMB34,218,000 (2021: RMB38,172,000); (ii) sale of software license and other products amounted to approximately RMB13,691,000 (2021: RMB2,293,000); and (iii) no revenue from other sources in 2022 (2021: RMB360,000). The increase in overall revenue for the software business rose 17.4% year on year to RMB47,909,000, driven largely by the demand from both existing and new customers, and new contracts signed for domestic-produced database software, which is in alignment with localisation policy for the database software business.

Loss for the Year

As a result, the Group recorded a loss for the year ended 31 December 2022 of approximately RMB25,014,000 (2021: RMB30,734,000).

Liquidity and Financial Resources

The Group's working capital is funded by the cash generated from operating and financing activities. As at 31 December 2022, the Group maintained cash and cash equivalents amounted to approximately RMB101,036,000 (2021: RMB115,636,000). As at 31 December 2022, the Group's current ratio was approximately 5.67 times (2021: 6.77 times); and the Group's net gearing ratio as at 31 December 2022 was not applicable (2021: not applicable), since the Group had cash in excess of interest-bearing borrowings.

Foreign Exchange

The Group's revenue is mainly denominated in Renminbi and no related hedge is required for the time being.

Pledge of Assets

As at 31 December 2022 and 2021, the Group had no pledge of assets in order to obtain general banking facilities or short-term bank borrowings.

Capital Increase in Beijing Orient LegendMaker Software Development Co., Ltd. ("Beijing Orient LegendMaker")

On 4 November 2022, the Company entered into a capital increase agreement (the "Capital Increase Agreement") with Beijing Orient LegendMaker and Oriental LegendMaker Technology Ltd. ("OLM"), an indirect non-wholly owned subsidiary of the Company, pursuant to which, the Company agreed to carry out the increase in capital by the Company in Beijing Orient LegendMaker with an investment amount of RMB12.85 million (the "Capital Increase"), representing approximately 10.46% of the equity in Beijing Orient LegendMaker following the completion of the Capital Increase, which was taken place in February 2023.

Before the Capital Increase, Beijing Orient LegendMaker was wholly owned by OLM, a company 60% owned by the Company. Upon completion of the Capital Increase, the Company directly holds approximately 10.46% interests in Beijing Orient LegendMaker and OLM holds approximately 89.54% interests in Beijing Orient LegendMaker, such that the Company holds approximately 53.72% beneficial equity in Beijing Orient LegendMaker through OLM. Together with the 10.46% directly held by the Company, the Company holds an aggregate of approximately 64.18% interests in Beijing Orient LegendMaker.

Capital Structure

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to Shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, including interest-bearing borrowings, and equity attributable to equity shareholders of the Company, comprising issued share capital, share premium, accumulated losses and other reserves. The management of the Group reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends and new share issues as well as the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year.

Significant Investment

The Group has not made any significant investment for the year ended 31 December 2022 (2021: Nil).

Material Acquisition and Disposal of Subsidiaries or Associated Companies

On 4 November 2022, the Company entered into Capital Increase Agreement with Beijing Orient LegendMaker and OLM, pursuant to which, the Company agreed to carry out the increase in capital by the Company in Beijing Orient LegendMaker with an investment amount of RMB12.85 million, representing approximately 10.46% of the equity in Beijing Orient LegendMaker following the completion of the Capital Increase, which was taken place in February 2023.

Before the Capital Increase, Beijing Orient LegendMaker was wholly owned by OLM. Upon completion of the Capital Increase, the Company directly holds approximately 10.46% interests in Beijing Orient LegendMaker and OLM will hold approximately 89.54% interests in Beijing Orient LegendMaker, such that the Company holds approximately 53.72% beneficial equity in Beijing Orient LegendMaker through OLM. Together with the 10.46% directly held by the Company, the Company holds an aggregate of approximately 64.18% interests in Beijing Orient LegendMaker.

Save as disclosed above, the Group has not made any material acquisition or disposal of subsidiaries or associated companies for the year ended 31 December 2022.

Employees and Remuneration Policies

As at 31 December 2022, the Group employed 89 (2021: 96) full time employees. The remuneration package of employees is determined by reference to their performance, experience, positions, duties and responsibilities in the Group and the prevailing market conditions. The Group continued to provide retirement, medical, employment injury, employment and maternity benefits which are governed by the state-managed social welfare scheme operated by the local government of the PRC to the employees in the PRC. In addition, the Group maintains a mandatory provident fund scheme for all qualifying employees in Hong Kong.

Contingent Liabilities

As at 31 December 2022, the Group had no significant contingent liability (2021: Nil).

For the year ended 31 December 2023***Business Review***

The Group recorded the revenue of approximately RMB60,646,000 for the year ended 31 December 2023 (2022: RMB47,909,000), representing an increase of approximately 26.6%. In spite of the continuing influence of COVID-19 pandemic (the “Pandemic”) in the operation of the Group’s software business in Mainland China, the software business was benefited from the all-round improvement in management to recover slightly in 2023 compared to the corresponding period in 2022. The increase in overall revenue for the software business was driven largely by the demand from both existing and new customers, and new contracts signed for domestic-produced database software, which is in alignment with localisation policy for the database software business.

Financial Review*Revenue*

For the year ended 31 December 2023, the Group recorded the revenue of approximately RMB60,646,000 (2022: RMB47,909,000), of which revenue mainly comprised (i) software maintenance and other services amounted to approximately RMB36,251,000 (2022: RMB34,218,000); and (ii) sale of software license and other products amounted to approximately RMB24,395,000 (2022: RMB13,691,000). The increase in overall revenue for the software business rose 25.4% year on year to RMB60,084,000 driven largely by the improvement in operating performance of the Group resulted from the recovery from the negative impact of COVID-19.

Profit for the Year

As a result, the Group recorded a profit for the year ended 31 December 2023 of approximately RMB3,801,000 (2022: loss of RMB25,014,000).

Liquidity and Financial Resources

The Group's working capital is funded by the cash generated from operating and financing activities. As at 31 December 2023, the Group maintained cash and cash equivalents amounted to approximately RMB177,805,000 (2022: RMB101,036,000). As at 31 December 2023, the Group's current ratio was approximately 7.69 times (2022: 5.67 times); and the Group's net gearing ratio as at 31 December 2023 was not applicable (2022: not applicable), since the Group had cash in excess of interest-bearing borrowings.

Foreign Exchange

The Group's revenue is mainly denominated in Renminbi and no related hedge is required for the time being.

Pledge of Assets

As at 31 December 2023 and 2022, the Group had no pledge of assets in order to obtain general banking facilities or short-term bank borrowings.

Capital Increase in Beijing Orient LegendMaker Software Development Co., Ltd. ("Beijing Orient LegendMaker")

On 4 November 2022, the Company entered into a capital increase agreement (the "Capital Increase Agreement") with Beijing Orient LegendMaker and Oriental Legend Maker Technology Ltd. ("OLM"), an indirect non-wholly owned subsidiary of the Company, pursuant to which, the Company agreed to carry out the increase in capital by the Company in Beijing Orient LegendMaker with an investment amount of RMB12.85 million (the "Capital Increase"), representing approximately 10.46% of the equity in Beijing Orient LegendMaker following the completion of the Capital Increase. The completion of the Capital Increase was taken place in February 2023.

Before the Capital Increase, Beijing Orient LegendMaker was wholly owned by OLM, a company 60% owned by the Company. Upon completion of the Capital Increase, the Company directly holds approximately 10.46% interests in Beijing Orient LegendMaker and OLM holds approximately 89.54% interests in Beijing Orient LegendMaker, such that the Company holds approximately 53.72% beneficial equity interest in Beijing Orient LegendMaker through OLM. Together with the 10.46% interests directly held by the Company, the Company holds an aggregate of approximately 64.18% interests in Beijing Orient LegendMaker.

Capital Structure

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to the Shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, including interest-bearing borrowings, and equity attributable to equity shareholders of the Company, comprising issued share capital, share premium, accumulated losses and other reserves. The management of the Group reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends and new share issues as well as the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year.

Significant Investment

The Group has not made any significant investment for the year ended 31 December 2023 (2022: Nil).

Material Acquisition and Disposal of Subsidiaries, Associated Companies or Joint Ventures

Save for the Capital Increase mentioned above, the Group has not made any material acquisition or disposal of subsidiaries, associated companies or joint ventures for the year ended 31 December 2023.

Employees and Remuneration Policies

As at 31 December 2023, the Group employed 128 (2022: 89) full time employees. The staff costs amounted to approximately RMB25,182,000 for the year ended 31 December 2023 (2022: RMB21,980,000). The remuneration package of employees is determined by reference to their performance, experience, positions, duties and responsibilities in the Group and the prevailing market conditions. The Group continued to provide retirement, medical, employment injury, employment and maternity benefits which are governed by the state-managed social welfare scheme operated by the local government of the PRC to the employees in the PRC. In addition, the Group maintains a mandatory provident fund scheme for all qualifying employees in Hong Kong. The Company had also adopted a share option scheme.

Contingent Liabilities

As at 31 December 2023, the Group had no significant contingent liability (2022: Nil).

For the year ended 31 December 2024***Business Review***

The Group recorded a revenue of approximately RMB408,585,000 for the year ended 31 December 2024 (2023: RMB60,646,000), representing an increase of approximately 574%. During the year of 2024, the software and hardware business was benefited from the all-round improvement in management to significant growth of in the year of 2024 compared to the year of 2023. The significant increase in overall revenue for the software and hardware business was mainly attributable to the continuous development of the Group's existing business, and it entered into and completed new contracts which involved integrated IT solutions, edge computing, intelligent computing and other data services. For the year ended 31 December 2024, the Group recorded consolidated net profit attributable to equity shareholders of the Company of approximately RMB72,737,000 as compared to approximately RMB5,550,000 for the year ended 31 December 2023. The Group's increase in profit for the year ended 31 December 2024 was mainly driven by the increase in revenue of its software and hardware business and increase in net gain on disposal of financial assets at fair value through profit or loss.

Financial Review***Revenue***

For the year ended 31 December 2024, the Group recorded the revenue of approximately RMB408,585,000 (2023: RMB60,646,000), of which revenue mainly comprised (i) software maintenance and other services amounted to approximately RMB36,777,000 (2023: RMB36,251,000); and (ii) sale of software license, hardware products and other products amounted to approximately RMB371,808,000 (2023: RMB24,395,000). The increase in overall revenue for the software and hardware business rose 579% year on year to RMB407,756,000, which was mainly attributable to the continuous development of the Group's existing business, and the increase in sales of server products and computing power server products, and it entered into and completed new contracts which involved integrated IT solutions, edge computing, intelligent computing and other data services.

Profit for the Year

As a result, the Group recorded a profit for the year ended 31 December 2024 of approximately RMB73,561,000 (2023: RMB3,801,000).

Liquidity and Financial Resources

The Group's working capital is funded by the cash generated from operating and financing activities. As at 31 December 2024, the Group maintained cash and cash equivalents amounted to approximately RMB160,575,000 (2023: RMB177,805,000). As at 31 December 2024, the Group's current ratio was approximately 3.75 times (2023: 7.69 times); and the Group's net gearing ratio, which is calculated based on total borrowings less cash and cash equivalents divided by total equity, at 31 December 2024 and 31 December 2023 are not applicable, since the Group had cash in excess of interest-bearing borrowings.

As at 31 December 2024, the Group's borrowings from banks, a former fellow subsidiary and a third-party amounted to approximately RMB32,252,000 (2023: RMB19,816,000) with fixed interest rate ranging from 2.7% to 10% per annum (2023: 3.6% to 10% per annum), amongst which RMB24,698,000 were repayable within one year. Approximately RMB20,000,000 (2023: RMB8,000,000) of the loan amount was denominated in RMB and the remaining amount of approximately RMB12,252,000 were denominated in HKD (2023: RMB11,816,000).

Foreign Exchange Risk

The Group's revenue is mainly denominated in Renminbi and most of the Group's monetary assets and liabilities are denominated in RMB. Accordingly, the Directors consider the Group's exposure to foreign currency risk is not significant and no related hedge is required for the time being.

Pledge of Assets

As at 31 December 2024 and 2023, the Group had no pledge of assets in order to obtain general banking facilities or short-term bank borrowings.

Capital Structure

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders of the Company (the "Shareholders") through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, including interest-bearing borrowings, and equity attributable to equity shareholders of the Company, comprising issued share capital, share premium, accumulated losses and other reserves. The management of the Group reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends and new share issues as well as the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year. As at 31 December 2024, the cash and cash equivalents of the Group are mainly held in United States dollars, Renminbi and Hong Kong dollars.

Significant Investment

The Group has not made any significant investment as at 31 December 2024 (2023: Nil).

Material Acquisition and Disposal of Subsidiaries or Associates or Future Plans for Material Investments and Capital Assets. In December 2024, Beijing Orient LegendMaker Software Development Co., Ltd., an indirect wholly-owned subsidiary of the Company, invested 15% equity interests in 北京龍騰海達科技發展有限公司(「北京龍騰」). The principal activity of 北京龍騰 is provision of integrated business software solutions. The Group has invested in 北京龍騰 to expand market penetration in PRC's enterprise sector, leveraging its expertise in cloud-based platforms and AI-driven tools to enhance operational efficiency for their customers. The Directors considered the Group can exercise significant influence over 北京龍騰 through voting rights and therefore treated as an associate and applied equity method to account for the investment.

Save as disclosed above and those disclosed in the section headed “Material Acquisition and Disposal of Listed Securities” below, the Group did not make any material acquisition or disposal of subsidiaries, associates or joint ventures for the year ended 31 December 2024, nor the Group did not have plans for material investments and capital assets as at 31 December 2024.

Employees and Remuneration Policies

As at 31 December 2024, the Group employed 130 (2023: 128) full time employees. The staff costs amounted to approximately RMB32,302,000 for the year ended 31 December 2024 (2023: RMB25,182,000). The remuneration package of employees is determined by reference to their performance, experience, positions, duties and responsibilities in the Group and the prevailing market conditions. The Group continued to provide retirement, medical, employment injury, employment and maternity benefits which are governed by the state-managed social welfare scheme operated by the local government of the PRC to the employees in the PRC. In addition, the Group maintains a mandatory provident fund scheme for all qualifying employees in Hong Kong. The Company had also adopted a share option scheme. The Group believes that development and training are crucial for employees to discharge their duties more effectively and efficiently, and the Group organizes regular training and development courses for its employees.

Contingent Liabilities

As at 31 December 2024, the Group had no significant contingent liability (2023: Nil).

Set out below are the published financial information of Tesla which comprises the consolidated statement of comprehensive income, the consolidated statement of cash flow and the consolidated statements of redeemable non-controlling interests and equity of Tesla for each of the three financial years ended 31 December 2022, 2023 and 2024.

Such published financial information of Tesla for each of the financial years ended 31 December 2022, 2023 and 2024 has been reviewed by the independent auditors of Tesla. In the opinions of the independent auditors of Tesla, the consolidated financial statements of the Tesla Group for each of the financial years ended 31 December 2022, 2023 and 2024 give a true and fair view of the financial position of the Tesla Group and of the consolidated financial performance and cash flows of the Tesla Group for each of the years then ended.

The financial information of Tesla contained in this appendix appears for information purposes only. The Directors take no responsibility for the financial information of Tesla, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the financial information of Tesla contained in this appendix.

The full text of the accompanying notes to the financial information of Tesla for the financial years ended 31 December 2022, 2023 and 2024 was published on the annual report of Tesla and is available on the website of Tesla (<https://ir.tesla.com/#quarterly-disclosure>).

CONSOLIDATED STATEMENTS OF OPERATIONS*(in USD millions, except per share data)*

	Year Ended December 31,		
	2024	2023	2022
Revenues	97,690	96,773	81,462
Cost of revenues	<u>(80,240)</u>	<u>(79,113)</u>	<u>(60,609)</u>
Gross profit	17,450	17,660	20,853
Operating expenses	<u>(10,374)</u>	<u>(8,769)</u>	<u>(7,197)</u>
Income from operations	7,076	8,891	13,656
Interest income	1,569	1,066	297
Interest expense	(350)	(156)	(191)
Other income (expense), net	<u>695</u>	<u>172</u>	<u>(43)</u>
Income before income taxes	8,990	9,973	13,719
(Provision for) benefit from income taxes	<u>(1,837)</u>	<u>5,001</u>	<u>(1,132)</u>
Net income	7,153	14,974	12,587
Net (income) loss attributable to noncontrolling interests and redeemable noncontrolling interests in subsidiaries	<u>(62)</u>	<u>23</u>	<u>(31)</u>
Net income attributable to common stockholders	<u>7,091</u>	<u>14,997</u>	<u>12,556</u>
Net income per share of common stock attributable to common stockholders			
Basic	<u>\$ 2.23</u>	<u>\$ 4.73</u>	<u>\$ 4.02</u>
Diluted	<u>\$ 2.04</u>	<u>\$ 4.30</u>	<u>\$ 3.62</u>
Weighted average shares used in computing net income per share of common stock			
Basic	<u>3,197</u>	<u>3,174</u>	<u>3,130</u>
Diluted	<u>3,498</u>	<u>3,485</u>	<u>3,475</u>

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME*(in USD millions)*

	Year Ended December 31,		
	2024	2023	2022
Net income	7,153	14,974	12,587
Other comprehensive income (loss):			
Foreign currency translation adjustment	(539)	198	(392)
Unrealized net gain (loss) on investments, net of tax	12	16	(23)
Net loss realized and included in net income	<u>—</u>	<u>4</u>	<u>—</u>
Comprehensive income	<u>6,626</u>	<u>15,192</u>	<u>12,172</u>
Less: Comprehensive income (loss) attributable to noncontrolling interests and redeemable noncontrolling interests in subsidiaries	<u>62</u>	<u>(23)</u>	<u>31</u>
Comprehensive income attributable to common stockholders	<u><u>6,564</u></u>	<u><u>15,215</u></u>	<u><u>12,141</u></u>

CONSOLIDATED BALANCE SHEETS*(in USD millions, except per share data)*

	December 31, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	\$ 16,139	\$ 16,398
Short-term investments	20,424	12,696
Accounts receivable, net	4,418	3,508
Inventory	12,017	13,626
Prepaid expenses and other current assets	<u>5,362</u>	<u>3,388</u>
Total current assets	<u>58,360</u>	<u>49,616</u>
Operating lease vehicles, net	5,581	5,989
Solar energy systems, net	4,924	5,229
Property, plant and equipment, net	35,836	29,725
Operating lease right-of-use assets	5,160	4,180
Digital assets, net	1,076	184
Intangible assets, net	150	178
Goodwill	244	253
Deferred tax assets	6,524	6,733
Other non-current assets	<u>4,215</u>	<u>4,531</u>
Total assets	<u><u>\$ 122,070</u></u>	<u><u>\$ 106,618</u></u>
Liabilities		
Current liabilities		
Accounts payable	\$ 12,474	\$ 14,431
Accrued liabilities and other	10,723	9,080
Deferred revenue	3,168	2,864
Current portion of debt and finance leases	<u>2,456</u>	<u>2,373</u>
Total current liabilities	<u>28,821</u>	<u>28,748</u>
Debt and finance leases, net of current portion	5,757	2,857
Deferred revenue, net of current portion	3,317	3,251
Other long-term liabilities	<u>10,495</u>	<u>8,153</u>
Total liabilities	<u><u>48,390</u></u>	<u><u>43,009</u></u>

APPENDIX II

FINANCIAL INFORMATION OF TESLA

	December 31, 2024	December 31, 2023
Commitments and contingencies (<i>Note 14</i>)		
Redeemable noncontrolling interests in subsidiaries	63	242
Equity		
Stockholders' equity		
Preferred stock; \$0.001 par value; 100 shares authorized; no shares issued and outstanding	—	—
Common stock; \$0.001 par value; 6,000 shares authorized; 3,216 and 3,185 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively	3	3
Additional paid-in capital	38,371	34,892
Accumulated other comprehensive loss	(670)	(143)
Retained earnings	<u>35,209</u>	<u>27,882</u>
 Total stockholders' equity	 <u>72,913</u>	 <u>62,634</u>
 Noncontrolling interests in subsidiaries	 <u>704</u>	 <u>733</u>
 Total liabilities and equity	 <u><u>\$ 122,070</u></u>	 <u><u>\$ 106,618</u></u>

CONSOLIDATED STATEMENTS OF CASH FLOWS*(in USD millions)*

	Year Ended December 31,		
	2024	2023	2022
Cash Flows from Operating Activities			
Net income	7,153	14,974	12,587
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, amortization and impairment	5,368	4,667	3,747
Stock-based compensation	1,999	1,812	1,560
Inventory and purchase commitments write-downs	335	463	177
Foreign currency transaction net unrealized (gain) loss	(73)	(144)	81
Deferred income taxes	477	(6,349)	(196)
Non-cash interest and other operating activities	172	81	340
Digital assets (gain) loss, net	(589)	–	140
Changes in operating assets and liabilities:			
Accounts receivable	(1,083)	(586)	(1,124)
Inventory	937	(1,195)	(6,465)
Operating lease vehicles	(590)	(1,952)	(1,570)
Prepaid expenses and other assets	(3,273)	(2,652)	(3,713)
Accounts payable, accrued and other liabilities	3,588	2,605	8,029
Deferred revenue	502	1,532	1,131
Net cash provided by operating activities	<u>14,923</u>	<u>13,256</u>	<u>14,724</u>
Cash Flows from Investing Activities			
Purchases of property and equipment excluding finance leases, net of sales	(11,339)	(8,898)	(7,158)
Purchases of solar energy systems, net of sales	(3)	(1)	(5)
Proceeds from sales of digital assets	–	–	936
Purchase of intangible assets	–	–	(9)
Purchases of investments	(35,955)	(19,112)	(5,835)
Proceeds from maturities of investments	28,310	12,353	22
Proceeds from sales of investments	200	138	–
Receipt of government grants	–	–	76
Business combinations, net of cash acquired	<u>–</u>	<u>(64)</u>	<u>–</u>
Net cash used in investing activities	<u>(18,787)</u>	<u>(15,584)</u>	<u>(11,973)</u>

APPENDIX II**FINANCIAL INFORMATION OF TESLA**

	Year Ended December 31,		
	2024	2023	2022
Cash Flows from Financing Activities			
Proceeds from issuances of debt	5,744	3,931	–
Repayments of debt	(2,500)	(1,351)	(3,364)
Proceeds from exercises of stock options and other stock issuances	1,241	700	541
Principal payments on finance leases	(381)	(464)	(502)
Debt issuance costs	(14)	(29)	–
Distributions paid to noncontrolling interests in subsidiaries	(104)	(144)	(157)
Payments for buy-outs of noncontrolling interests in subsidiaries	<u>(133)</u>	<u>(54)</u>	<u>(45)</u>
Net cash provided by (used in) financing activities	<u>3,853</u>	<u>2,589</u>	<u>(3,527)</u>
Effect of exchange rate changes on cash and cash equivalents and restricted cash	<u>(141)</u>	<u>4</u>	<u>(444)</u>
Net (decrease) increase in cash and cash equivalents and restricted cash	(152)	265	(1,220)
Cash and cash equivalents and restricted cash, beginning of period	<u>17,189</u>	<u>16,924</u>	<u>18,144</u>
Cash and cash equivalents and restricted cash, end of period	<u>\$ 17,037</u>	<u>\$ 17,189</u>	<u>\$ 16,924</u>
Supplemental Non-Cash Investing and Financing Activities			
Acquisitions of property and equipment included in liabilities	\$ 1,410	\$ 2,272	\$ 2,148
Supplemental Disclosures			
Cash paid during the period for interest	\$ 277	\$ 126	\$ 152
Cash paid during the period for income taxes, net of refunds	\$ 1,331	\$ 1,119	\$ 1,203

CONSOLIDATED STATEMENTS OF REDEEMABLE NON-CONTROLLING INTERESTS AND EQUITY

(in USD millions)

	Redeemable Noncontrolling Interests	Common Stock Shares	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Stockholders' Equity	Noncontrolling Interests in Subsidiaries	Total Equity	Amount
Balance as of December 31, 2021	\$ 568	3,100	\$ 3	\$ 29,803	\$ 54	\$ 329	\$ 30,189	\$ 826	\$ 31,015
Settlements of warrants	-	37	-	-	-	-	-	-	-
Issuance of common stock for equity									
incentive awards	-	27	-	541	-	-	541	-	541
Stock-based compensation	-	-	-	1,806	-	-	1,806	-	1,806
Distributions to noncontrolling interests	(46)	-	-	-	-	-	-	(113)	(113)
Buy-outs of noncontrolling interests	(11)	-	-	27	-	-	27	(61)	(34)
Net (loss) income	(102)	-	-	-	-	12,556	12,556	133	12,689
Other comprehensive loss	-	-	-	-	(415)	-	(415)	-	(415)
Balance as of December 31, 2022	\$ 409	3,164	\$ 3	\$ 32,177	\$ (361)	\$ 12,885	\$ 44,704	\$ 785	\$ 45,489
Issuance of common stock for equity									
incentive awards	-	21	-	700	-	-	700	-	700
Stock-based compensation	-	-	-	2,013	-	-	2,013	-	2,013
Distributions to noncontrolling interests	(32)	-	-	-	-	-	-	(108)	(108)
Buy-outs of noncontrolling interests	(39)	-	-	2	-	-	2	(17)	(15)
Net (loss) income	(96)	-	-	-	-	14,997	14,997	73	15,070
Other comprehensive income	-	-	-	-	218	-	218	-	218
Balance as of December 31, 2023	\$ 242	3,185	\$ 3	\$ 34,892	\$ (143)	\$ 27,882	\$ 62,634	\$ 733	\$ 63,367
Adjustments for prior periods from									
adopting ASU 2023-08, net of tax	-	-	-	-	-	236	236	-	236
Settlements of warrants	-	11	-	-	-	-	-	-	-
Issuance of common stock for equity									
incentive awards	-	20	-	1,241	-	-	1,241	-	1,241
Stock-based compensation	-	-	-	2,199	-	-	2,199	-	2,199
Distributions to noncontrolling interests	(13)	-	-	-	-	-	-	(85)	(85)
Buy-outs of noncontrolling interests	(172)	-	-	39	-	-	39	-	39
Net income	6	-	-	-	-	7,091	7,091	56	7,147
Other comprehensive loss	-	-	-	-	(527)	-	(527)	-	(527)
Balance as of December 31, 2024	\$ 63	3,216	\$ 3	\$ 38,371	\$ (670)	\$ 35,209	\$ 72,913	\$ 704	\$ 73,617

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 INTEREST

(a) Directors' and chief executives' interests and short positions in Shares, underlying Shares and debentures of the Company and associated corporation

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the 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 are taken or deemed to have under such provisions of the SFO), or were otherwise required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules to be notified to the Company and the Stock Exchange, were as follows:

Interests in the Shares and underlying Shares

Name of Director	Capacity/Nature of interest	Long position/ Short position	Number of Shares/ underlying Shares held	Approximate percentage of the total issued Shares (Note 1)
Ms. Li Zhuoyang (Note 2)	Beneficial Owner	Long position	367,789 underlying Shares	0.15%

Notes:

- As at the Latest Practicable Date, the percentage of shareholding is calculated based on 244,888,185 Shares in issue.
- 6,300,000 share options were granted to Ms. Li Zhuoyang ("Ms. Li") on 1 September 2020 pursuant to the share option scheme adopted by the Company on 26 May 2016. Subsequent to the grant date, the number of share options was adjusted to 6,481,413 to reflect the bonus

element of rights issue completed on 18 May 2021; was adjusted to 324,070 upon the capital reorganisation became effective on 25 March 2022 and was further adjusted to 367,789 to reflect the bonus element of rights issue completed on 25 April 2023. Ms. Li is taken to be interested in the underlying shares that she is entitled to subscribe for subject to the exercise of and/or the validity period of the share options granted by virtue of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, or chief executives of the Company has any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are 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 the Model Code.

(b) Substantial shareholders' interests and short positions in the Shares and underlying Shares of the Company

Save as disclosed below, as at the Latest Practicable Date, to the best knowledge of the Directors, interests or short positions of the persons, other than a Director or chief executive of the Company, in the Shares and/or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO were as follows:

Name of the substantial Shareholder	Capacity in which the Shares are held	Long position/ Short position	Number of Shares/ underlying Shares held	Approximate percentage of the total issued Shares (Note 1)
Hong Tai International II LPF	Beneficial Owner	Long position	37,000,850 Shares	15.11%
Cheng Wing	Beneficial Owner	Long position	15,510,000 Shares	6.33%

Note:

- As at the Latest Practicable Date, the percentage of shareholding is calculated based on 244,888,185 Shares in issue.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any persons (other than the Directors and chief executives of the Company) who had any interests or short positions in the Shares or underlying Shares which would fall to be disclosed under 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.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which is not expiring or is not determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors or their respective close associates (as defined in the Listing Rules) had any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group nor does any of them has or may have any other conflicts of interest with the Group.

5. DIRECTORS INTERESTS IN ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date:

- (a) none of the Directors had any interest, direct or indirect, in any assets which had been, since 31 December 2024, being the date to which the latest published audited consolidated accounts of the Group 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; and
- (b) none of the Directors and their respective associates was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and was significant in relation to the business of the Group.

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contract (not being contracts entered into in the ordinary course of business) has been entered into by members of the Group within two years immediately preceding the date of this circular and is or may be material:

- (1) the conditional placing agreement dated 30 April 2024 (the “Placing Agreement”) and entered into between the Company and Zhongtai International Securities Limited, being the placing agent, in relation to the placing, on a best effort basis, of up to 40,810,000 Shares at the placing price of HK\$1.80 per placing share pursuant to the terms of the Placing Agreement;
- (2) the letter of intent entered into between the Company and a fund managed by Asia-IO Partners International Pte. Ltd. on 30 August 2024, in relation to the proposed establishment and subscription of a segregated portfolio company to pursue opportunities in the buildout of artificial intelligence internet data centre infrastructure;
- (3) the subscription application entered into by Smart Billion Enterprises Corporation, a direct wholly-owned subsidiary of the Company, as the subscriber, on 20 November 2024, in relation to the application for subscribing certain interest of the segregated portfolio of Harmonia GenAI Ecosystem SPC;
- (4) the partnership agreement dated 17 May 2025 entered into between Beijing Enterprise Edge Computing Technology Co., Ltd* (北京企展邊緣計算科技有限公司), an indirect wholly-owned subsidiary of the Company, Nanjing Jinming Yanhe Industrial Investment Management Partnership (Limited Partnership)* (南京錦銘研和產業投資管理合夥企業(有限合夥)) and Jianlu Chengfang (Shenzhen) Investment Co., Ltd.* (建陸承方(深圳)投資有限公司) in respect of the capital injection in the amount of RMB50,000,000 in Beijing Qitong Fuyuan Enterprise Management Centre (Limited Partnership) (“Qitong Fuyuan”); and
- (5) the partnership agreement dated 17 May 2025 entered into between Qitong Fuyuan, an indirect non wholly-owned subsidiary of the Company, Hainan Yayi Co-creation Technology Co., Ltd.* (海南雅億共創科技有限公司) and Chen Zhansheng to jointly invest in Hainan Yayi Win-Win Technology Partnership (Limited Partnership)* (海南雅億共贏科技合夥企業(有限合夥)).

8. CORPORATE INFORMATION OF THE GROUP

Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal place of business in Hong Kong	Room 1105, 11/F. Jubilee Centre 18 Fenwick Street/46 Gloucester Road Wanchai, Hong Kong
Principal share registrar and transfer office in the Cayman Islands	Suntera (Cayman) Limited Suite 3204, Unit 2A Block 3, Building D P.O. Box 1586, Gardenia Court Camana Bay Grand Cayman, KY1-1100 Cayman Islands
Hong Kong branch share registrar and transfer office	Union Registrars Limited Suites 3301-04, 33/F. Two Chinachem Exchange Square 338 King's Road North Point Hong Kong
Company secretary	Chan Yuen Ying, Stella <i>A chartered secretary, a chartered governance professional and a fellow of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute</i>

9. DOCUMENTS ON DISPLAY

This circular will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.1808.com.hk).

NOTICE OF EGM



ENTERPRISE DEVELOPMENT HOLDINGS LIMITED

企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (“EGM”) of Enterprise Development Holdings Limited (the “Company”) will be held at Room 401, 4/F., Pico Tower, 66 Gloucester Road, Wan Chai, Hong Kong on Wednesday, 11 February 2026 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the following as ordinary resolutions. Unless otherwise defined herein, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 27 January 2026 (the “Circular”) of which this notice forms part.

ORDINARY RESOLUTIONS

1. **“THAT** the Purchases (in respect of the shares of Tesla) during the Relevant Period be and is hereby approved, ratified and confirmed.”
2. **“THAT** the Disposals (in respect of the shares of Tesla) during the Relevant Period be and is hereby approved, ratified and confirmed.”
3. **“THAT** the Disposals (in respect of the shares of Tesla) during the period from 1 June 2023 to 31 December 2023 be and is hereby approved, ratified and confirmed.”
4. **“THAT** the Disposal (in respect of the shares of Boeing) during the Relevant Period be and is hereby approved, ratified and confirmed.”
5. **“THAT** the Disposal (in respect of the shares of Meta) during the Relevant Period be and is hereby approved, ratified and confirmed.”
6. **“THAT** the Disposal (in respect of the shares of NVDA) during the Relevant Period be and is hereby approved, ratified and confirmed.”
7. **“THAT** the Disposal (in respect of the securities of ProShares UltraPro) during the period from 31 January 2025 to 5 February 2025 be and is hereby approved, ratified and confirmed.”

NOTICE OF EGM

8. “**THAT** the Possible Disposal, by the Company and/or its subsidiary in tranches in the open market, of up to 20,000 shares in Tesla during the Mandate Period be and are hereby approved subject to the following conditions:
- (i) each Possible Disposal in the open market or in the off-market shall be at market price no more than 15% discount to the average closing price of the shares of Tesla in the five (5) trading days immediately prior to the date of any definitive agreement;
 - (ii) the selling price per each share in Tesla to be disposed of as approved under this resolution shall in no event be lower than US\$221.86; and
 - (iii) if and when there shall be any alternation to the nominal value of the shares of Tesla as a result of consolidation, subdivision or reclassification, or any issue of new shares in Tesla to EDHK by way of capitalization of profits or reserves or by way of scrip dividend during the Mandate Period, the number of the approved sale shares and the minimum selling price shall be adjusted accordingly”

By Order of the Board
Enterprise Development Holdings Limited
Yu Hui
Executive Director and Chief Executive Officer

Hong Kong, 27 January 2026

Notes:

1. For the purpose of determining the identity of the shareholders of the Company entitled to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 6 February 2026 to Wednesday, 11 February 2026, both days inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Thursday, 5 February 2026. The record date for ascertaining Shareholders’ entitlement to attend and vote at the EGM is Wednesday, 11 February 2026.
2. Any member of the Company entitled to attend and vote at the EGM convened by this notice shall be entitled to appoint proxy to attend and vote instead of him in accordance with the Articles of Association of the Company. A proxy need not be a member of the Company, but must be present in person to represent the member.
3. In the case of joint holders of shares in the Company any one of such joint holder may vote either in person or by proxy in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders be 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 vote(s) of the other joint holder(s), seniority being determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

NOTICE OF EGM

4. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not less than 48 hours before the time fixed for holding of the EGM.
5. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
6. As at the date of this notice, the Board comprises two executive Directors, namely Mr. Yu Hui (chief executive officer) and Ms. Li Zhuoyang and three independent non-executive Directors, namely Mr. Cai Jinliang, Mr. Chin Hon Siang and Mr. Chen Kwok Wang.