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COOLPAD GROUP LIMITED
酷派集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2369)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DISCLOSEABLE TRANSACTION PROGRESS UPDATE ON THE MANDATE FOR DISPOSALS OF LISTED SECURITIES

References are made to the announcements of Coolpad Group Limited (the "**Company**") dated 17 and 19 April 2026 in relation to the Sale of MSTR Call Options, exercise of MSTR Call Options and the Disposals (the "**Announcements**"). Unless otherwise specified, capitalized terms used herein shall have the same meaning as those defined in the Announcements.

The Company would like to provide the Shareholders and potential investors with the following additional information to supplement the disclosures in the Announcements.

SUPPLEMENTAL INFORMATION ON REASONS FOR AND BENEFITS OF THE DISPOSALS

In line with the Group's disclosed investment plan and medium to long term investment strategy in crypto assets, the Board considered that the sale of the MSTR Call Options represented a prudent yield enhancement arrangement implemented on the premise of maintaining the underlying shareholding position, with a view to (i) generating option premium income; (ii) enhancing overall holding returns; and (iii) reducing the overall cost basis of the investment, while preserving the opportunity for longer term value appreciation in MSTR.

In making the above assessment, the Board and the investment team took into account, among other things, (a) prevailing market conditions and recent trading pattern of MSTR Shares (including review of market prices and historical volatility over recent periods); (b) the relationship and correlation between the market price of MSTR Shares and the price movements of Bitcoin, and the potential impact of volatility in the digital asset sector; (c) the proposed strike price level (being above the Group's average acquisition cost and above the prevailing market price at the relevant time) and the relatively short option tenor; and (d) the Group's internal approval, oversight and risk management framework applicable to such transactions.

Based on the above, the Board considered, at the time of entering into the MSTR Call Options, that the likelihood of the market price of MSTR Shares reaching the strike price within the relevant option period was relatively low having regard to the information publicly and reasonably available then. Such assessment was a judgment made at the relevant time and was not intended to be, and did not constitute, a guarantee that the options would not be exercised.

The strike price of the MSTR Call Options was set at a level representing a premium over the Group's average acquisition cost of the underlying MSTR Shares, such that any exercise would enable the Group to realise a disciplined gain on its investment position, consistent with prudent capital management.

As disclosed in the announcement dated 19 April 2026, the MSTR Call Options sold on 16 April 2026 (Eastern Standard Time) were exercised in full on 17 April 2026 (Eastern Standard Time). The Board considered that the exercise occurred under exceptional and rapid market movements within a very short time frame, including sudden positive developments arising from overseas geopolitical events on 17 April 2026, such as the reopening of navigation through the Strait of Hormuz and related de-escalation developments, which were observed by the Company to have coincided with a broader and rapid improvement in overall market sentiment across global markets (including the digital asset sector), although the Company is not in a position to attribute such market movements to any specific cause and such developments were unexpected and beyond the Company's reasonable contemplation based on publicly available information at the relevant time, resulting in the strike price being reached earlier than originally assessed. The resulting delivery of the underlying MSTR Shares was a consequence of the contractual settlement mechanics of the covered call arrangements and did not reflect a change in the Group's longer term investment outlook on MSTR, nor does it constitute an intention to engage in short term trading of MSTR Shares.

FUTURE PLANS

Going forward, the Company remains committed to its disclosed investment plan and medium to long term investment strategy in crypto assets. Subject to market conditions and strict compliance with internal approval, oversight and risk management procedures, the Company may consider, from time to time, using prudent and controlled option based yield enhancement arrangements in support of long term holdings, with a view to enhancing returns and managing risk. The Company will continue to refine its risk control measures having regard to market volatility. Further, in accordance with the Company's investment policy, the finance team of the Company oversees liquidity to support ongoing operations, maintaining a general limit on investments at not more than 5% of the Group's total assets to avoid excessive exposure to less liquid holdings, and in any event of any percentage ratio (as defined in the Listing Rules) applicable to the proposed transaction exceeds 5%, such proposal shall require prior approval from the Board, or to the extent applicable, by the shareholders of the Company, adding a layer of oversight for significant financial decisions.

In order to adhere to its commitment to long term investment and to avoid concentration or short term trading characteristics, the Company will implement enhanced controls over future option based transactions including, among others, (i) strictly limiting the proportion of underlying shares subject to option arrangements to avoid concentration and clustered exercise risks; (ii) giving priority to selecting option contracts with relatively deeper out-of-the-money strike prices, thereby reducing the likelihood of exercise while allowing the Company to capture additional premium income and potential upside in the event of exercise; and (iii) adopting dynamic risk response measures, under which the Company will promptly suspend the initiation of new option positions in the event of extreme geopolitical developments, abnormal market volatility or material market-moving events (whether positive or negative), so as to safeguard its long term holding position.

In summary, the passive exercise of the relevant call option arose from a sudden external market event and does not constitute any change to the Company's investment strategy. The Company will continue to adhere to its long term value investment discipline and will conduct any ancillary option based income enhancement activities in a prudent, compliant and controlled manner, while continuously strengthening its risk management framework to prevent non routine transaction risks.

The Directors (including the independent non-executive Directors) consider that the above supplemental information provides further context to the reasons for and benefits of the transactions as disclosed in the Announcements, and that the transactions were conducted on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

All information and contents set out in the Announcements remain unchanged and shall continue to be valid for all purposes. This announcement is supplemental to and should be read in conjunction with the Announcements.

By order of the Board
Coolpad Group Limited
Chen Jiajun
Executive Director
Chief Executive Officer
Chairman

Hong Kong, 4 June 2026

As at the date of this announcement, the Board comprises (i) two executive Directors, namely Mr. Chen Jiajun and Mr. Ma Fei; (ii) two non-executive Directors, namely Mr. Liang Rui and Mr. Xu Yibo; and (iii) three independent non-executive Directors, namely Mr. Guo Jinghui, Ms. Wang Guan and Mr. Cheuk Ho Kan.