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CAI CORP
CAI 控股

(Incorporated in the Cayman Islands as an exempted company with limited liability)
(Stock Code: 80)

CONNECTED TRANSACTION
IN RELATION TO SUBSCRIPTION OF NEW SHARES UNDER
SPECIFIC MANDATE

Financial adviser to the Company



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



THE SUBSCRIPTION AGREEMENT

On 29 May 2026 (after trading hours), the Company entered into the Subscription Agreement with Longling Capital, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, 430,000,000 Subscription Shares at the Subscription Price of HK\$0.33 per Subscription Share for a total consideration of HK\$141.9 million.

Assuming that there is no change in the issued share capital of the Company from the date of this announcement and up to Completion other than as a result of the Subscription, the total number of 430,000,000 Subscription Shares to be allotted and issued under the Subscription represent (i) approximately 19.74% of the total number of issued Shares as at the date of this announcement; and (ii) approximately 16.49% of the total number of issued Shares as enlarged by the allotment and issue of the Subscription Shares immediately upon Completion.

The gross proceeds from the Subscription will amount to HK\$141.9 million and the net proceeds from the Subscription (after deduction of the related expenses) will be approximately HK\$141.4 million, representing a net Subscription Price of approximately HK\$0.329 per Subscription Share. The Company intends to apply the net proceeds from the Subscription in the manner set out in the paragraph headed “Reasons for the Subscription and Use of Proceed” in this announcement.

The Subscription Shares will be allotted and issued pursuant to the Specific Mandate proposed to be sought at the EGM. An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Subscriber is the controlling shareholder of the Company, and is, therefore, a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Subscription constitutes a connected transaction of the Company under the Listing Rules and is subject to the reporting, announcement and Independent Shareholders’ approval requirement under Chapter 14A of the Listing Rules.

GENERAL

The EGM will be convened for the purpose of considering and, if thought fit, approving, among others, the Subscription Agreement and the transaction contemplated thereunder (including the grant of Specific Mandate for the allotment and issue of the Subscription Shares).

A circular containing, among other things, (i) details of the Subscription Agreement; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Subscription Agreement and the transactions contemplated thereunder; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder; and (iv) the notice of the EGM and proxy form, will be despatched to the Shareholders. It is expected that the circular will be despatched on or before 22 June 2026.

Since Completion is subject to the fulfilment of the conditions as set out in the Subscription Agreement, the Subscription may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

THE SUBSCRIPTION AGREEMENT

On 29 May 2026 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, 430,000,000 Subscription Shares at the Subscription Price of HK\$0.33 per Subscription Share for a total consideration of HK\$141.9 million.

The principal terms of the Subscription Agreement are set out as follows:

Date: 29 May 2026

Parties: (i) the Company (as the issuer); and
(ii) Longling Capital (as the Subscriber).

The Subscription Shares

Assuming that there is no change in the issued share capital of the Company from the date of this announcement and up to Completion other than as a result of the Subscription, the total number of 430,000,000 Subscription Shares to be allotted and issued under the Subscription represent (i) approximately 19.74% of the total number of issued Shares as at the date of this announcement; and (ii) approximately 16.49% of the total number of issued Shares as enlarged by the allotment and issue of the Subscription Shares immediately upon Completion.

The aggregate nominal value of the Subscription Shares is HK\$17.2 million.

The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects with Shares in issue at the time of allotment and issue of the Subscription Shares.

The Subscription Price

The Subscription Price of HK\$0.33 per Subscription Share represents:

- (i) a premium of approximately 10.0% over the closing price of HK\$0.300 per Share as quoted on the Stock Exchange on 29 May 2026, being the date of the Subscription Agreement; and
- (ii) a premium of approximately 6.8% over the average of the closing price of HK\$0.309 per Share quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreement.

The net Subscription Price, after deduction of relevant expenses, is estimated to be approximately HK\$0.329 per Share. The Subscription Price was determined after arm's length negotiations between the Company and the Subscriber, with reference to the prevailing market price of the Shares. The Directors (excluding the independent non-executive Directors whose view will be provided after taking into consideration the advice from the Independent Financial Adviser) are of the view that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable under the current market conditions, and are in the interests of the Company and its Shareholders as a whole.

Conditions of the Subscription

Completion is subject to the fulfilment (or, where applicable, waiver) of the following conditions:

- (i) the Shares remaining listed and traded on the Stock Exchange; no notification or indication being received from the Stock Exchange or the SFC prior to Completion that the Company may not be suitable for listing for the purposes of the Listing Rules or that the listing of the Shares on the Stock Exchange will or may be, for whatever reason, withdrawn or suspended;
- (ii) the representations and warranties given and made by the Company to the Subscriber pursuant to the Subscription Agreement remaining true, accurate and complete in all material respects and not being misleading;
- (iii) the representations and warranties given and made by the Subscriber to the Company pursuant to the Subscription Agreement remaining true, accurate and complete in all material respects and not being misleading;
- (iv) the transactions contemplated by the Subscription Agreement, including without limitation, the Subscription and the allotment and issue of the Subscription Shares, having been approved by the Independent Shareholders at an EGM in compliance with the Listing Rules and/or any other applicable laws and regulations;

- (v) the Listing Committee having granted the approval for the listing of, and permission to deal in, the Subscription Shares and such approval not having been revoked, withdrawn or cancelled;
- (vi) where applicable, all necessary approvals, authorisations and consents required under the Listing Rules and/or any other applicable laws and regulations or otherwise required from any third parties for the implementation or completion of the Subscription (apart from the ones specified in (iv) and (v) above) having been obtained by the Company and such approvals and consent remaining in full force and effect; and
- (vii) where applicable, all necessary internal and external approvals, authorisations and consents required to be obtained by the Subscriber for the implementation or completion of the Subscription having been obtained by the Subscriber and such approvals and consents remaining in full force and effect.

The Subscriber may, at its absolute discretion, waive at any time by notice in writing to the Company any of the conditions set out in (ii) and (vi) above. The Company may, at its absolute discretion, waive at any time by notice in writing to the Subscriber the condition set out in (iii) and (vii) above. For the avoidance of doubt, none of the conditions specified in (i), (iv) and (v) above are capable of being waived by any of the parties hereto.

If all of the above conditions are not satisfied (or, where relevant, waived) by 5:00 p.m. on 31 August 2026 (or such later time and date as the Company and the Subscriber may agree from time to time in writing), neither the Subscriber nor the Company shall be obliged to proceed to Completion, and the Subscription Agreement shall terminate automatically and neither party thereto may claim against the other save for any antecedent breach.

Completion

Completion shall take place on the fifth (5th) Business Day after the date which the above conditions are satisfied in full (or, where applicable, waived), or such other date as the Company and the Subscriber may agree, when all (but not part only) of the following business shall be transacted:

- (i) the Subscriber shall effect payment of the aggregate Subscription Price for the Subscription Shares to the Company by wire transfer an amount of HK\$141.9 million in immediately available funds to a bank account of the Company as designated by the Company in writing;
- (ii) the Company shall allot and issue to the Subscriber the Subscription Shares, fully paid, and shall procure that the Subscriber is registered on the branch register of members of the Company in Hong Kong in respect thereof; and

(iii) the Company shall deliver to the Subscriber a share certificate for the Subscription Shares in the name of the Subscriber.

Specific Mandate

The Subscription Shares shall be allotted and issued pursuant to the Specific Mandate proposed to be sought from the Independent Shareholders at the EGM.

APPLICATION FOR LISTING

An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

INFORMATION OF THE PARTIES

The Company is an exempted company incorporated in the Cayman Islands and is a close-ended investment company listed pursuant to Chapter 21 of the Listing Rules. The principal investment objective of the Company is to achieve long-term capital appreciation through investing our funds globally in a diversified portfolio of investment products including listed and unlisted securities and other investments in different industries with a focus on AI and Web3 sectors. As at the date of this announcement, the Company does not have any subsidiaries.

The Subscriber is an investment holding company incorporated in the British Virgin Islands with limited liability on 15 May 2009, the entire issued share capital of which is beneficially owned by Mr. Cai. The Subscriber is principally engaged in the business of capital investments in the PRC and other countries.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

Use of proceeds

The gross proceeds from the Subscription will amount to approximately HK\$141.9 million and the net proceeds from the Subscription (after deduction of the related expenses) will be approximately HK\$141.4 million, representing a net Subscription Price of approximately HK\$0.329 per Subscription Share. Assuming no material fluctuations in the stock market, the Company intends to apply (i) approximately HK\$134.4 million, representing approximately 95.05% of the net proceeds from the Subscription, for investment into the listed and unlisted securities of a broad range of companies with a focus in the artificial intelligence (“AI”) and Web3 sectors, which are expected to include but without limitation: (a) AI-driven technology firms including those applied AI companies delivering real-world solutions, AI-native payment platforms that intersect with blockchain infrastructure, and AI companies developing next-generation multimodal models, (b) established large-cap technology companies that are materially accelerating their AI-related capital expenditure, research, and application rollout, by June 2027; and (ii) the remaining of approximately HK\$7.0 million, representing approximately 4.95% of the net proceeds from the Subscription, for general working capital needs, such as directors’ fee, salaries, audit fee, legal and professional fees, valuation fee and rental expenses, of the Company by end of June 2027. The proposed investments are in line with the investment objectives of the Company.

Reasons for the Subscription

Funding needs for business development

As disclosed in the annual report of the Company for the year ended 31 December 2025, the revenue of the Group decreased from approximately HK\$0.8 million for the year ended 31 December 2024 to approximately HK\$23,000 for the year ended 31 December 2025. Based on the management accounts of the Group for the three months ended 31 March 2026, the cash and cash equivalents of the Group decreased from approximately HK\$29.1 million as at 31 December 2025 to approximately HK\$6.2 million as at 31 March 2026. Owing to the business nature of the Company, being an investment company, the Company requires extensive cash to grow. Unlike other companies with regular cash revenues from operations, investments of investment companies under Chapter 21 of the Listing Rules do not necessarily generate sufficient cash for its operations and its cash position is largely dependent on the market conditions and its investment strategies. The Company's revenues mainly comprise of amounts received and receivable on investments, net profit/loss on financial assets at fair value through profit or loss, dividend income and interest income. The Directors consider that the cash position on hand will not be sufficient for the Company to capture suitable investment opportunities as they arise in the near future, hence the Subscription is being undertaken with a view to strengthening the capital base of the Company and providing it with readily available funds for capturing suitable investment opportunities in a timely fashion to provide investment returns to the Company and Shareholders as well as additional financial resources to support its long-term business strategy and investment objectives.

The Company aims to increase its exposure to early-stage equity investments in the AI and Web3 sectors, with a focus on enterprises in the PRC, Hong Kong, United States and other international markets. These investments may include applied AI companies delivering real-world solutions, AI-native payment platforms that increasingly intersect with blockchain infrastructure, and AI companies developing next-generation multimodal models. In line with the Hong Kong Government's policy initiative to promote the development of a digital asset financial centre, the Company also intends to expand its digital asset investment portfolio. The Company's ultimate objective is to transform into a comprehensive investment holding group with diversified interests across traditional and emerging sectors.

Financing alternatives

The Directors have considered various fund raising proposals including debt financing and bank borrowings, and various means of equity financing such as rights issue, open offer and placement of Shares.

In respect of debt financing and bank borrowings, taking into consideration that (i) the Subscription does not incur any interest expenses as compared to bank financing or the issue of bonds; and (ii) bank financing generally involves pledge of assets and/or securities, however, the majority of the Company's investment portfolio consists of private equity securities, which are illiquid in nature and generally not regarded by banks as acceptable collateral, therefore, the Directors considered debt financing and bank borrowings are not viable financing alternatives for the Group.

In respect of equity financing, taking into consideration on that (i) the Company has recently completed a rights issue exercise in November 2025; (ii) pre-emptive fundraising methods such as rights issue or open offer normally take at least five to six weeks, and lengthy discussions with potential commercial underwriters may also be involved; (iii) additional costs, including but not limited to underwriting commission and other professional fees may be incurred; (iv) rights issue, open offer and placement of new Shares may be subject to underwriting uncertainty and market risk; and (v) open offer, rights issue and share placement to independent institutional and individual investors customarily involve the issue of new Shares at a discount to the market price. In contrast, the Subscription Price has been set at a premium over the recent closing price of the Shares, therefore, the Directors considered equity financing is not a viable financing alternative for the Group. In light of the above, in particular the time and costs incurred, and the uncertainties involved for the debt financing and equity financing as compared to that of the Subscription, the Directors are of the view that the Subscription is comparatively a more appropriate and viable mean of fund raising in light of the Group's circumstances.

Based on the aforesaid and taking into consideration (i) the Subscription Price represents a premium over the recent market price; and (ii) the Subscription by the Subscriber, being the controlling shareholder of the Company, reflects its confidence towards the long-term and sustainable growth of the Group, and the continuing support of the Subscriber would be beneficial to the long-term business development of the Group, the Board (excluding the independent non-executive Directors whose view will be provided after taking into consideration the advice from the Independent Financial Adviser) is of the view that the terms of the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Mr. Cai (the chairman of the Board and non-executive Director) has abstained from voting on (and has not been counted in the quorum for) the relevant Board resolutions for approving the Subscription Agreement and the transactions contemplated thereunder by virtue of his interests in the Subscription. Save as disclosed above, none of the other Directors is regarded as having a material interest in, and therefore none of them is required to abstain from voting on, the relevant Board resolutions for approving the Subscription Agreement and the transactions contemplated thereunder.

EQUITY FUND RAISING ACTIVITY DURING THE TWELVE MONTHS

The Company has conducted the following equity fund raising exercise in the past twelve months immediately preceding the date of this announcement:

Date of announcement(s)	Equity fund raising exercise	Net proceeds raised	Intended use of proceeds	Actual use of proceeds
2 October 2025 and 11 November 2025	Rights issue on the basis of one (1) rights share for every two (2) existing shares on a non-underwritten basis at HK\$0.35 per rights share	HK\$230,110,000	(i) approximately HK\$207.10 million, representing approximately 90% of the net proceeds, for investment into the listed and unlisted securities of companies in the Crypto-AI and Web3 sectors	HK\$207.10 million has been used as intended
			(ii) approximately HK\$23.01 million, representing approximately 10% of the net proceeds, for general working capital needs	HK\$20.06 million has been used as intended

Save as disclosed above, the Company has not carried out any other equity fund raising activities during the twelve months immediately preceding the date of this announcement.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after Completion (assuming that there is no change in the issued share capital of the Company from the date of this announcement and up to Completion other than as a result of the Subscription):

Shareholders	As at the date of this announcement		Immediately upon the Completion (assuming that there is no change in the issued share capital of the Company from the date of this announcement and up to Completion other than as a result of the Subscription)	
	<i>Number of Shares</i>	<i>Approx.%</i>	<i>Number of Shares</i>	<i>Approx.%</i>
Longling Capital ⁽¹⁾	1,330,332,623	61.07	1,760,332,623	67.49
Public Shareholders	847,995,565	38.93	847,995,565	32.51
Total	2,178,328,188	100	2,608,328,188	100

Notes:

1. Longling Capital is a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by Mr. Cai.
2. The figures are for reference only and will be subject to rounding adjustments.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Subscriber is the controlling shareholder of the Company holding 1,330,332,623 Shares (representing approximately 61.07% of the total number of Shares in issue) and therefore is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Subscription constitutes a connected transaction of the Company under the Listing Rules and is subject to the reporting, announcement and Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all three independent non-executive Directors, namely Professor Li Jin, Ms. Hsieh Ya-fang and Mr. Li Jianbin, has been established to consider the terms of the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares), and to advise the Independent Shareholders as to whether the aforesaid transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mango Financial Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

GENERAL

The EGM will be convened for the purpose of considering and, if thought fit, approving, among others, the Subscription Agreement and the transactions contemplated thereunder (including the grant of Specific Mandate for the allotment and issue of the Subscription Shares).

A circular containing, among other things, (i) details of the Subscription; (ii) a letter from the Independent Board Committee containing its advice to the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder (including the grant of Specific Mandate for the allotment and issue of the Subscription Shares); (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder (including the grant of Specific Mandate for the allotment and issue of the Subscription Shares); and (iv) the notice of the EGM and proxy form, will be despatched to the Shareholders. It is expected that the circular will be despatched on or before 22 June 2026.

Since Completion is subject to the fulfilment of the conditions as set out in the Subscription Agreement, the Subscription may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Director(s)
“Business Day(s)”	a day (other than a Saturday, a Sunday and a public holiday) on which licensed banks in Hong Kong are open to general public for business
“Company”	CAI Corp, an exempted company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange (stock code: 80)
“Completion”	Completion of the Subscription pursuant to the Subscription Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held by the Company for the Shareholders for the purpose of considering, and if thought fit, approving, among others, the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent board committee of the Board, comprising all the independent non-executive Directors, namely Professor Li Jin, Ms. Hsieh Ya-fang and Mr. Li Jianbin, which has been established for the purposes of making recommendations to the Independent Shareholders in respect of the fairness and reasonableness of the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares)
“Independent Financial Adviser”	Mango Financial Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares)
“Independent Shareholders”	Shareholders, other than Longling Capital, Mr. Cai and any of their associates, who have no material interest in the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares)
“Listing Committee”	has the meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Longling Capital” or “Subscriber”	Longling Capital Ltd, a company incorporated in the British Virgin Islands with limited liability on 15 May 2009 and the entire issued share capital of which is directly beneficially owned by Mr. Cai
“Mr. Cai”	Mr. Cai Wensheng, the ultimate controlling shareholder of the Company

“Party(ies)”	the party(ies) to the Subscription Agreement, being the Company and the Subscriber
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) with par value of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Specific Mandate”	a specific mandate to be sought from the Independent Shareholders at the EGM for the allotment and issue of the Subscription Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by the Subscriber pursuant to the terms and subject to the conditions of the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 29 May 2026 between the Company and the Subscriber in relation to the Subscription
“Subscription Price”	the subscription price of HK\$0.33 per Subscription Share
“Subscription Share(s)”	the 430,000,000 new and fully paid Shares to be subscribed for by the Subscriber
“Substantial Shareholder”	has the meaning ascribed thereto in the Listing Rules

“%”

per cent

By Order of the Board
CAI Corp
Cai Wensheng
Chairman

Hong Kong, 29 May 2026

As at the date of this announcement, the Board comprises Mr. Hong Yupeng and Mr. Lui Cheuk Hang Henri as executive Directors; Mr. Cai Wensheng (Chairman) as non-executive Director; and Professor Li Jin, Ms. Hsieh Ya-fang and Mr. Li Jianbin as independent non-executive Directors.